

Feeding Louisiana
Baton Rouge, Louisiana

AUDITED FINANCIAL STATEMENTS
June 30, 2023



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Feeding Louisiana
Baton Rouge, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Feeding Louisiana(a nonprofit 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 Feeding Louisiana 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Feeding Louisiana 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Feeding Louisiana'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 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 Feeding Louisiana'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 Feeding Louisiana's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer on page 12, as required by Louisiana Revised Statute 24:513(A)(3), 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 October 31, 2023, on our consideration of Feeding Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Feeding Louisiana'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 Feeding Louisiana's internal control over financial reporting and compliance.

TWRU

CPAs & Financial Advisors

Baton Rouge, Louisiana

October 31, 2023



TWRU

CPAs & Financial Advisors

Feeding Louisiana
Baton Rouge, Louisiana

Statement of Financial Position
June 30, 2023

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 559,023	
Receivable from Government Program	1,553,781	
Prepaid Expenses	11,220	
Prepaid Expenses to Member Foodbanks	269,291	
TOTAL CURRENT ASSETS		\$ 2,393,315

PROPERTY AND EQUIPMENT

Property and Equipment	12,541	
Less Accumulated Depreciation	(2,791)	
NET PROPERTY AND EQUIPMENT		9,750

OTHER ASSETS

Deposit		1,450
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TOTAL ASSETS		\$ 2,404,515
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES (ALL CURRENT)

Accounts Payable	\$ 3,161	
Payable to Member Foodbanks	789,365	
Payroll Liability	5,385	
Other Current Liabilities	19,924	
TOTAL CURRENT LIABILITIES		\$ 817,835

NET ASSETS

Without Donor Restrictions		1,586,680
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TOTAL LIABILITIES AND NET ASSETS		\$ 2,404,515
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See accompanying notes to financial statements

Feeding Louisiana
Baton Rouge, Louisiana

Statement of Activities
For the Year Ended June 30, 2023

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:

Revenues and Releases from Restrictions:

Public Support	
Federal Grants	\$ 1,946,058
State Grants	2,500,000
People Care Medicaid Grant	141,183
Private Grants and Contributions	511,609
LA Income Tax Revenue	92,564
Members Dues	30,000
Miscellaneous Revenue	<u>8,085</u>

Total Revenues Without Donor Restrictions and Releases from Restrictions \$ 5,229,499

Expenses

Program Expense	4,879,936
Management and General	<u>223,696</u>
Total Expenses	<u>5,103,632</u>

Change in Net Assets Without Donor Restrictions 125,867

Net Assets Without Donor Restrictions, Beginning of Year 1,460,813

Net Assets Without Donor Restrictions, End of Year \$ 1,586,680

See accompanying notes to financial statements

Feeding Louisiana
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Expenses	Management and General	Total
Advertising	\$ 12,747	\$ 45	\$ 12,792
Benefits Expense	13,130	24,442	37,572
Depreciation Expense	276	415	691
Donations	10,887	-	10,887
Dues & Subscriptions	265	1,610	1,875
Employment Screening	1,542	70	1,612
Food Procurement	39,612	-	39,612
Insurance Expense	-	5,334	5,334
Marketing	15	1,162	1,177
Miscellaneous	90	1,898	1,988
Office Rent	-	7,250	7,250
Office Supplies	47,977	33,038	81,015
Payment to Member Foodbanks	3,952,559	-	3,952,559
Phone and Internet Services	7,363	1,331	8,694
Printing	2,685	4,095	6,780
Professional Services	441,526	29,053	470,579
Repairs and Maintenance	-	953	953
Salaries and Payroll Taxes	300,243	87,017	387,260
Software and Technology	13,664	10,126	23,790
Staff Development	1,641.00	2,366	4,007
Travel and Conference Expense	33,714	12,503	46,217
Utilities	-	988	988
TOTAL EXPENSES	\$ 4,879,936	\$ 223,696	\$ 5,103,632

See accompanying notes to financial statements

Feeding Louisiana
Baton Rouge, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	\$ 125,867
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	691
Decrease (Increase) in Assets:	
Receivables from Government Programs	(1,292,750)
Employee Receivable	153
Prepaid Expenses	(280,511)
ERC Receivable	39,200
Deposits	(1,450)
Increase (Decrease) in Liabilities:	
Accounts Payable	3,161
Payable to Member Foodbanks	489,570
Payroll Liabilities	927
Deferred Revenue	(195,000)
Other Current Liabilities	<u>19,129</u>

NET CASH USED BY OPERATING ACTIVITIES \$ (1,091,013)

CASH FLOWS FROM INVESTING ACTIVITIES:

Payments for Equipment	<u>(9,041)</u>
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NET CASH USED BY FINANCING ACTIVITIES (9,041)

NET DECREASE IN CASH AND CASH EQUIVALENTS (1,100,054)

BEGINNING CASH AND CASH EQUIVALENTS 1,659,077

ENDING CASH AND CASH EQUIVALENTS \$ 559,023

See accompanying notes to financial statements

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS-1-
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Feeding Louisiana (the Organization) is a not-for-profit entity that was organized for the purpose of providing financial support and consulting to food banks within Louisiana. The Organization is supported primarily through grants. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Service.

Basis of Accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation – Financial statement presentation follows the guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under ASC 958, non-profit organizations are required to report information regarding the financial position and activities according to two classes of net assets:

1. *Net Assets Without Donor Restrictions* are net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
2. *Net Assets With Donor Restrictions* are net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. As of June 30, 2023, there were not any restrictions on net assets.

Revenue Recognition –Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. When a restriction expires, that is when a stipulated time restriction ends or the purpose of the restriction is accomplished, 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.

Cash and Cash Equivalents – For purposes of reporting cash flows, the Organization considers all highly liquid investment purchases with maturity of three months or less to be cash equivalents.

Receivables –The Organization believes the amounts owed from governmental entities and all grants receivable to be collectable in full. Receivable balances are stated at the amounts management expects to collect, therefore no allowance for doubtful accounts is recorded or necessary.

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS-2-
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment – Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful life of the asset. Betterments and major renewals are capitalized while maintenance and repairs are charged against earnings when incurred. The cost and accumulated depreciation of assets sold or retired are removed from the respective accounts and any resulting gain or loss is reflected in current period earnings. The estimated useful lives for significant property and equipment categories are as follows:

Property and Equipment	5 to 15 years
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Repair and maintenance costs are expensed as incurred. When property and equipment are retired or otherwise disposed, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective year.

Donated Services – No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. Some Board Members volunteer their time and perform a variety of tasks that assist with administrative programs.

Income Taxes – The Organization has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501c(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if the Organization should engage in activities unrelated to the purpose for which it was created, taxable income could result. The Organization has no unrelated business income for the years ended June 30, 2023.

Advertising Costs – Advertising costs are charged to expenses when incurred. The costs of advertising for the year ended June 30, 2023, is \$13,969.

Expense Allocation – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

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. Accordingly, actual results could differ from those estimates.

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS-3-
June 30, 2023

NOTE 2: CONCENTRATION OF CREDIT RISK

The Organization has a concentration of credit risk for cash by maintaining deposits in a financial institution in Baton Rouge, Louisiana. This risk is mitigated by the Federal Deposit Insurance Corporation coverage of deposits in insured banks. As of June 30, 2023, the Organization has deposits in excess of \$86,573 of insurance coverage.

NOTE 3: RELATED PARTY TRANSACTIONS

The Organization receives dues from other food banks in Louisiana. Member dues of \$30,000 had been collected for the year ended June 30, 2023.

The Organization reimburses food banks in Louisiana for food purchases with funds collected from government programs. As of June 30, 2023, the Organization had reimbursed \$3,952,559 to the member food banks.

The Organization made donations to area food banks totaling \$10,887 as of June 30, 2023.

NOTE 4: INCOME TAXES

The Organization follows FASB Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of June 30, 2023, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. No interest and penalties were recorded during the year ended June 30, 2023. Generally, the tax years before 2018 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 5: COMMITMENTS

The Organization was allocated funding from several federal and state funding sources. A portion of this revenue is allocated to five-member food banks in Louisiana. As of June 30, 2023, the Organization owed the other food banks \$789,365 and is presented as a current liability in the statement of financial position.

NOTE 6: CONCENTRATION OF REVENUES

During the year ended June 30, 2023, the Organization received approximately 48% of its total revenue from a state appointed grant.

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS-4-
June 30, 2023

NOTE 7: EMPLOYEE BENEFIT PLAN

The Organization provides an employee benefit plan to employees. Employees may elect to contribute a portion of their base salary on a pre-tax basis and the organization matches those contributions. The Organization contributed \$8,047 to the plan for the year ended June 30, 2023.

NOTE 8: OPERATING LEASE

The Organization leases office space from a third party on a month-to-month basis. Rent expense for June 30, 2023, is \$7,250.

NOTE 9: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organizations' financial assets as of the statement of financial position date, reduced by any amounts not available for general use within one year of the statement of financial position date because of the contractual or donor-imposed restrictions or internal designations:

	<u>6/30/23</u>
Current Assets, excluding nonfinancial assets	\$ 2,112,804
Less those unavailable for general expenditures within one year:	
Donor restrictions for a specific purpose	<u> -</u>
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$ 2,112,804</u>

NOTE 10: NEW ACCOUNTING PRONOUNCEMENTS

In July 2022, Feeding Louisiana adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, Not-for-Profit Entities (Topic 958), *Presentation and Disclosures by Not-for-Profit Entities Contribute Nonfinancial Assets*. The ASU required nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. Feeding Louisiana's adoption of ASU No. 2020-07 had no effect on their financial statements.

In February 2016, the FASB issues ASU No. 2016-02, Leases (Topic ASC 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets. The standard requires organizations to recognize, on the balance sheet, the assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require qualitative and quantitative disclosures providing additional information about the amounts recorded in the financial statements. Feeding Louisiana elected to use the practical expedients while implementing ASC 842. There were no leases recognized on the balance sheet as of June 30, 2023.

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS-4-
June 30, 2023

NOTE 11: SUBSEQUENT EVENTS

In preparing these financial statements, Feeding Louisiana has evaluated events and transactions for potential recognition or disclosure through October 31, 2023, the date the financial statements were available to be issued.

Feeding Louisiana
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER
For the Year Ended June 30, 2023

Agency Head: Korey Patty, Executive Director July 2022 through August 2022

	<u>Totals</u>
<u>PURPOSE</u>	
Salary	\$ 20,511
Benefits	4,475
Telephone Reimbursement	-
Travel Reimbursements	-
TOTAL PAYMENTS TO AGENCY HEAD	<u>\$ 24,986</u>

Agency Head: Pat Van Burkleo, Executive Director September 2022 through the Present

	<u>Totals</u>
<u>PURPOSE</u>	
Salary	\$ 54,986
Benefits	14,380
Telephone Reimbursement	120
Travel Reimbursements	249
TOTAL PAYMENTS TO AGENCY HEAD	<u>\$ 69,735</u>

Board Members were not paid in non-employee or employee compensation for attending board meetings.



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
Feeding Louisiana
Baton Rouge, Louisiana

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 Feeding Louisiana (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Feeding Louisiana'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 Feeding Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Feeding Louisiana'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. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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.

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
October 31, 2023



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

Board of Directors
Feeding Louisiana
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Feeding Louisiana'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 Feeding Louisiana's major federal programs for the year ended June 30, 2023. Feeding Louisiana'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, Feeding Louisiana 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, 2023.

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 Feeding Louisiana 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 Feeding Louisiana'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 Feeding Louisiana'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 Feeding Louisiana'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 Feeding Louisiana'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 Feeding Louisiana'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 Feeding Louisiana'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 Feeding Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
October 31, 2023



Feeding Louisiana
Baton Rouge, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department Agriculture, Food, and Nutrition Supplement			
Pass-through program from:			
State of Louisiana Department of Child and Family Services			
SNAP Outreach	10.561	\$ 178,157	\$ 214,668
SNAP Education	10.561	357,107	399,580
U.S. Department of Housing and Urban Development			
Pass-through program from:			
State of Louisiana Office of Community Development			
Community Development Block Grant	14.228	457,096	459,331
U.S. Department Agriculture, Food, and Nutrition Supplement			
Pass-through program from:			
Louisiana Department of Agriculture and Forestry			
Local Food Purchase Assistance Program	10.182	<u>460,199</u>	<u>872,479</u>
Total		<u>\$ 1,452,559</u>	<u>\$ 1,946,058</u>

Feeding Louisiana
Baton Rouge, Louisiana

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal expenditures of Feeding Louisiana and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: INDIRECT COST RATE

The Organization has elected to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 4: NON-CASH ASSISTANCE

No federal awards were expended in the form of non-cash assistance during the fiscal year June 30, 2023.

Feeding Louisiana
Baton Rouge, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

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I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified?
reported ☐ Yes ☒ None

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified?
reported ☐ Yes ☒ None

Type of auditors' report issued on compliance for major federal programs:

Unmodified Opinion

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

☐ Yes ☒ No

Identification of major federal programs:

CFDA Numbers

10.182

Federal Program or Cluster

Local Food Purchase Assistance Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low risk auditee?

☐ Yes ☒ No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

II. FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS*

Internal Control Findings-No Findings Noted

Compliance Findings-No Findings Noted

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

No findings related to internal control, which would be required to be reported in accordance with *Government Auditing Standards and the Uniform Guidance*, were noted during the audit.

IV. FINDINGS RELATRED TO STATE COMPLIANCE LAWS

No findings related to state compliance laws.