

*Financial Statements*

**Treasure Coast Food Bank, Inc.**

**June 30, 2024**

**TREASURE COAST FOOD BANK, INC.**

**Financial Statements**

**June 30, 2024**

**(With Independent Auditor's Report Thereon)**

TREASURE COAST FOOD BANK, INC.

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## **Independent Auditor's Report**

The Board of Directors  
Treasure Coast Food Bank, Inc

### **Opinion**

We have audited the accompanying financial statements of Treasure Coast Food Bank, Inc., which comprise the statement 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Treasure Coast Food Bank, Inc. as of June 30, 2024 and the related statements of activities, functional expenses and 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 Treasure Coast Food Bank, 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 opinion.

### **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 Treasure Coast 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 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 Treasure Coast 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Treasure Coast 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 of Treasure Coast Food Bank, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis 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 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 a report dated October 4, 2024 on our consideration of Treasure Coast Food Bank, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 Treasure Coast Food Bank, Inc.'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 Treasure Coast Food Bank, Inc.'s internal control over financial reporting and compliance.

*Schaefer, Tschoy, Whitcomb, Mitchell & Shuilen, LLP*

October 4, 2024  
Maitland, Florida

TREASURE COAST FOOD BANK, INC.

Statement of Financial Position

June 30, 2024

Assets

Cash and cash equivalents	\$ 2,139,890
Certificate of deposit	214,344
Investments	558,912
Accounts receivable	128,881
Grants receivable	2,301,606
Inventories	2,298,004
Deposits and other assets	51,858
Property and equipment, net	11,832,046
Bond closing costs, net of accumulated amortization of \$12,087	419,008
Operating lease (ROU) assets	264,326
Total assets	<u>\$ 20,208,875</u>

Liabilities and Net Assets

Liabilities:	
Accounts payable	\$ 354,089
Accrued payroll liabilities	212,536
Notes payable	2,854,700
Operating lease liability	264,326
Total liabilities	<u>3,685,651</u>
Net assets:	
Without donor restrictions	16,046,357
With donor restrictions	476,867
Total net assets	<u>16,523,224</u>
Total liabilities and net assets	<u>\$ 20,208,875</u>

See accompanying notes to financial statements.

TREASURE COAST FOOD BANK, INC.

Statement of Activities

Year ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenues:			
Support:			
Grants and contracts	\$ 5,151,078	400,000	5,551,078
Contributions	1,290,053	-	1,290,053
Capital campaign	-	1,862,842	1,862,842
In-kind contributions	44,576,427	-	44,576,427
Special events and direct mail	1,851,650	-	1,851,650
	<u>52,869,208</u>	<u>2,262,842</u>	<u>55,132,050</u>
Less: direct benefits to donors		-	
Total support	<u>52,869,208</u>	<u>2,262,842</u>	<u>55,132,050</u>
Revenues:			
Handling fees - agency	448,371	-	448,371
Purchased food	1,980,430	-	1,980,430
Production	631,773	-	631,773
Investment and interest income	151,997	-	151,997
Other	71,930	-	71,930
Net assets released from restrictions	1,785,975	(1,785,975)	-
Total revenues	<u>5,070,476</u>	<u>(1,785,975)</u>	<u>3,284,501</u>
Total support and revenues	<u>57,939,684</u>	<u>476,867</u>	<u>58,416,551</u>
Expenses:			
Program services:			
General food and product distribution	39,058,657	-	39,058,657
Whole Child Connection	543,043	-	543,043
CSC of SLC Healthy Kids and Benefit Outreach	154,545	-	154,545
Food production plant	652,965	-	652,965
Benefits outreach and case management	14,113,236	-	14,113,236
Total program services	<u>54,522,446</u>	<u>-</u>	<u>54,522,446</u>
Supporting services:			
General administration	920,823	-	920,823
Fundraising	614,829	-	614,829
Total supporting services	<u>1,535,652</u>	<u>-</u>	<u>1,535,652</u>
Total expenses	<u>56,058,098</u>	<u>-</u>	<u>56,058,098</u>
Change in net assets	1,881,586	476,867	2,358,453
Net assets beginning of the year	14,164,771	-	14,164,771
Net assets end of the year	<u>\$ 16,046,357</u>	<u>\$ 476,867</u>	<u>\$ 16,523,224</u>

See accompanying notes to financial statements.



TREASURE COAST FOOD BANK, INC.

Statement of Functional Expenses

Year ended June 30, 2024

	Program Services					Supporting Services			Grand Total	
	General Food and Product Distribution	Whole Child Connection	CSC of SLC Healthy Kids and Benefits Outreach	Food Production Plant	Benefits Outreach and Case Management	Total	Administration	Fundraising		Total
Donated food	\$ 28,610,400	-	-	-	12,432,546	41,042,946	-	-	-	41,042,946
Salaries	1,493,862	310,098	139,777	353,095	419,281	2,716,113	441,368	237,661	679,029	3,395,142
Depreciation	367,113	-	-	-	-	367,113	78,013	13,766	91,779	458,892
Food purchases	3,433,442	-	-	6,148	606,979	4,046,569	-	-	-	4,046,569
Insurance	314,282	42,737	-	57,092	103,530	517,641	97,056	32,353	129,409	647,050
Professional fees	251,626	36,592	-	4,225	73,121	365,564	68,530	22,845	91,375	456,939
Postage and freight	90,098	101	-	-	22,550	112,749	-	-	-	112,749
Payroll taxes	109,781	23,086	10,045	27,391	30,599	200,902	32,645	17,579	50,224	251,126
Repairs and maintenance	119,345	-	-	4,113	30,864	154,322	-	-	-	154,322
Interest	14,148	-	-	56,771	-	70,919	13,295	4,440	17,735	88,654
Amortization expense	-	-	-	-	-	-	12,087	-	12,087	12,087
Advertising/marketing	81,637	99	-	2,071	20,955	104,762	19,641	6,547	26,188	130,950
Utilities	46,883	2,069	-	43,872	23,208	116,032	21,755	7,253	29,008	145,040
Warehouse costs	269,001	-	-	8,339	69,335	346,675	-	-	-	346,675
Vehicle costs	43,662	-	-	20,464	627	64,753	-	-	-	64,753
Fuel	117,476	51	-	351	29,471	147,349	-	-	-	147,349
Occupancy	75,229	95,573	-	38,476	52,321	261,599	49,051	16,351	65,402	327,001
Travel	69,586	2,925	-	384	-	72,895	13,665	4,557	18,222	91,117
Workers compensation insurance	20,003	3,931	700	4,204	6,157	34,995	5,686	3,063	8,749	43,744
Transportation food costs	481,834	-	-	4,204	120,468	602,302	-	-	-	602,302
Retirement	28,613	1,877	4,023	5,274	4,914	44,701	7,264	3,910	11,174	55,875
Dues and subscriptions	19,690	707	-	-	5,102	25,499	4,783	1,596	6,379	31,878
Fundraising and special events	-	-	-	-	-	-	335	220,337	220,672	146,112
Contract labor	136,615	2,668	-	6,829	-	146,112	-	-	-	146,112
Office supplies and expenses	35,986	5,813	-	1,625	10,851	54,275	10,175	3,394	13,569	67,844
Bad debt expense	531,445	-	-	-	-	531,445	-	-	-	531,445
Food credit expense	2,117,528	-	-	-	-	2,117,528	-	-	-	2,117,528
Other	10,121	203	-	119	1,387	11,830	1,300	2,135	3,435	15,265
Bank fees	22,274	-	-	-	5,569	27,843	5,220	1,741	6,961	34,804
General administration	45,046	-	-	10,621	13,915	69,582	11,307	6,090	17,397	86,979
Printing and Binding	101,931	14,513	-	1,501	29,486	147,431	27,647	9,211	36,858	184,289
<b>Total expenses</b>	<b>\$ 39,058,657</b>	<b>543,043</b>	<b>154,545</b>	<b>652,965</b>	<b>14,113,236</b>	<b>54,522,446</b>	<b>920,823</b>	<b>614,829</b>	<b>1,535,652</b>	<b>56,058,098</b>

See accompanying notes to financial statements.

TREASURE COAST FOOD BANK, INC.

**Statement of Cash Flows**

Year ended June 30, 2024

Cash flows from operating activities:	
Change in net assets	\$ 2,358,453
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation expense	458,892
Unrealized gain on investments	(30,450)
Amortization of bond issuance costs	12,087
Change in assets and liabilities:	
Accounts and grants receivable	(616,376)
Inventories	(791,295)
Other assets	23,046
Accounts payable	(73,081)
Accrued payroll liabilities	27,318
Net cash provided by operating activities	<u>1,368,594</u>
Cash flows from investing activities:	
Acquisition of property and equipment	(7,975,763)
Acquisition of investments, net	(175,839)
Net cash used in investing activities	<u>(8,151,602)</u>
Cash flows from financing activities:	
Issuance of vehicle note payable	97,582
Bond issuance costs	(431,095)
Issuance of bond obligations	2,775,496
Principal payments on notes payable	(1,606,010)
Net cash provided by financing activities	<u>835,973</u>
Net decrease in cash and cash equivalents	(5,947,035)
Cash and cash equivalents at beginning of year	<u>8,086,925</u>
Cash and cash equivalents at end of year	<u>\$ 2,139,890</u>
Supplemental disclosures of cash flow information:	
Interest expense (net of capitalized interest of \$20,000)	<u>\$ 88,654</u>
Supplemental disclosure of non- cash information:	
During the year ended June 30,2024, the Organization recorded the following non-cash operating activity:	
Decrease in operating lease (ROU) asset	<u>\$ 236,587</u>
Decrease in operating lease liability	<u>\$ 236,587</u>

See accompanying notes to financial statements.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies**

**(a) Organization**

Treasure Coast Food Bank, Inc. (the "Organization" or "Food Bank") has been serving the Treasure Coast since 1988. The Organization is a nonprofit organization incorporated May 11, 1989, under the laws of the State of Florida. The Organization operated during 1988 as an unincorporated entity. The Organization is a private, non-profit organization that distributes surplus food and personal items to other non-profit agencies and recognized denominations in St. Lucie, Indian River, Martin and Okeechobee counties. The Organization is authorized through the State of Florida to receive commodities from the United States Department of Agriculture ("USDA") for distribution in the four-county region, providing food for frontline emergency food assistance. It is also responsible for assisting with procurement and distribution of donated emergency products during and after disasters. The Organization is fully committed to its mission of providing food and resources in our communities with the goal of alleviating hunger, educating others on the causes of hunger, and feeding hope for a brighter future through delivery of collaborative programs.

Donated food is received from the USDA, wholesalers, distributors, manufacturers, retailers, and individuals. The Organization also purchases food to supplement donations received.

Food is distributed to local 501(c)(3) charities, such as food pantries, soup kitchens, shelters, children's and senior meal programs, and other programs that offer assistance to low-income individuals and families in St. Lucie, Martin, Indian River, and Okeechobee counties.

In addition to collecting and distributing food, the Organization operates advocacy and public education programs. Advocacy efforts focus on outreach to underserved populations, research, and public policy issues that affect the root causes of hunger.

The Organization is a member of Feeding America (formerly known as America's Second Harvest - The Nation's Food Bank Network), a national hunger-relief organization of food banks and food rescue organizations.

**(b) Basis of Presentation**

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the Organization.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(b) Basis of Presentation - Continued**

The Organization prepares its financial statements on an entity wide basis, focusing on the organization as a whole. Net assets and revenue, 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 and reported as follows:

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations and, therefore, available for use in general operations.
- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donor-imposed restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

The Food Bank's resources as presented on the statement of activities include revenue, gains or loss, and other support. Revenue consists of fees earned for the performance of Organization services, public support such as contributions and grants, investment income which consists of dividends, interest and similar payments on assets held as investments, and other revenue or support. Public support such as contributions and grants are unconditional gifts to the Organization of cash or other assets in a voluntary nonreciprocal transfer by another entity. Gains or losses result from activities that are peripheral or incidental to the Organization and are reported net.

Revenue, gains, and other support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses and losses are reported as decreases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(b) Basis of Presentation - Continued**

Contributions, including unconditional promises to give, less an allowance for uncollectible accounts, are recognized as revenue in the period made or received. United Way and other pledges are recorded as unconditional promises to give and net assets with donor restrictions in the period that notification is received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. The Organization also receives indications of intent to support, which are commitments that are open-ended and subject to unilateral change by the donor. The amounts are not measurable since the commitments do not express a term or period. Thus, they are not considered to be unconditional promises to give and are not recognized prior to the receipt of the contribution.

Contributions of assets, materials, and facilities are recorded at their estimated fair value at the date of gift. Such values are recorded in the financial statements as an asset or expense and revenue. For the year ended June 30, 2024, in-kind contributions consisted of USDA food inventory and donated food inventory valued at approximately \$42,000,000. Contributed food inventory was redistributed to charitable organizations at a value of approximately \$41,000,000 for the year ended June 30, 2024. In addition, the Organization receives contributed time related to various program services and construction projects. These contributed services are recorded at their estimated fair value at the date of service if they meet the following criteria: (a) the services would have otherwise been purchased by the Organization, and (b) the services required specialized skills. Donated use of facilities, as applicable, is recognized as expense and revenue. For the year ended June 30, 2024, there were donated services amounting to approximately \$197,292.

A substantial number of unpaid volunteers have made significant contributions of their time to provide assistance to the Food Bank in its program and support activities (approximately 25,000 hours). The value of contributed time of part-time volunteers has not been recorded in the accompanying financial statements since specialized skills were not required.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(c) U.S. Government Program**

The Emergency Food Assistance Program ("TEFAP") supplements the diets of some low-income Americans by providing them with emergency food and nutrition assistance at no cost. The USDA allocates TEFAP commodities to each state.

States designate an agency to order, store, distribute, and track TEFAP commodities, as well as monitor distribution sites. These distribution sites provide the commodities for household consumption or use them to prepare and serve meals in a congregate setting. Recipients of food for home use must meet income eligibility criteria set by the states. Recipients of foods prepared from USDA commodities at congregate feeding sites are presumed to be low-income and are therefore not subject to eligibility criteria.

**(d) Estimates**

Management of the Organization has made a number of estimates and assumptions relating to the reporting of asset, liabilities, revenue and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those results but, in the opinion of management, such differences would not be material.

**(e) Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash and cash equivalents are defined as short-term, highly liquid investments that are both: (a) readily convertible to known amounts of cash, and (b) so near their maturity (three months or less) that they present insignificant risk of changes in value because of changes in interest rates. Cash and cash equivalents include savings and checking accounts, money market funds and certificate of deposits with a maturity of less than 90 days.

**(f) Liquidity**

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to their nearness of maturity and resulting use of cash.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(g) Accounts and Grants Receivable**

Accounts and grants receivable are carried at their estimated collectible amounts and are recorded net of contractual adjustments and an allowance for doubtful accounts. The allowance for doubtful accounts is estimated by management based on the Organization's prior years' experience and a review of the current status of the existing receivables. Adjustments to the allowance for doubtful accounts are recorded to an expense account. When management determines that a receivable is uncollectible, it is removed from accounts receivable and is charged to the allowance for doubtful accounts. No allowance is established at June 30, 2024 as management believes all amounts are collectible.

**(h) Restricted Cash**

As applicable, cash which is externally restricted by agreements is classified as restricted cash. Such cash is not available for general operating purposes.

**(i) Investments**

Investments are initially recorded at their acquisition cost (including brokerage and other transaction fees) if they are purchased and, at fair value if they are received as a contribution or through an agency transaction. Subsequent to acquisition, investments in equity securities, with readily determinable fair value, and all debt securities are recorded at fair value. All other securities are evaluated for impairment, if the impairment is considered other than temporary; the security is recorded at fair value.

The investment policy allows investments to be allocated in equities (20%-60%), fixed income (10%-40%), and cash equivalents (0%-20%). Equities are ownership interest possessed by shareholders in a corporation. Fixed income investments are oriented to government, corporate, municipal bonds, and to preferred stock paying a fixed dividend. Cash equivalents are any highly liquid security with a known market value and maturity when acquired of less than one year, and may include money market funds and U.S. treasury obligations.

TREASURE COAST FOOD BANK, INC.

Notes to Financial Statements

June 30, 2024

(1) **Summary of Significant Accounting Policies - Continued**

(i) **Investments - Continued**

The overall objectives require the portfolio to be of above average quality and holdings be diversified as to issuer, style, and sector. Equity securities are limited to those of high quality and actively traded on either the NYSE or NASDAQ exchanges. Short-term, fixed-income investments must be rated at least A-1 Standard and Poor's Corporation ("S&P") and P-1 by Moody's Investment Services, Inc. ("Moody's"). Long-term, fixed-income securities must be rated A or better by S&P and Moody's. Short-term investments eligible for purchase include certificates of deposit, money market funds, federally-sponsored agency obligations, and short term debt obligations of the U.S. government, so long as they meet rating guidelines.

At June 30, 2024 the Food Bank's investment portfolio consisted of mutual funds and marketable equity securities carried at fair value.

The following table summarizes the valuation of the Food Bank's financial assets measured at fair value on a recurring basis as of June 30, 2024, based on level 1 inputs utilized to measure fair value:

	<u>Cost</u>	<u>Fair Value</u>
Mutual funds/equities	\$ 242,246	354,064
Cash	204,848	204,848
	<u>\$ 447,094</u>	<u>558,912</u>

Investment and interest income as reported in the accompanying statement of activities includes net unrealized gains of approximately \$30,000 associated with the investments reflected herein.

(j) **Inventory**

Purchased food inventory is stated at the lower of cost (determined on first-in, first-out basis) or market.

USDA food inventory and donated food inventory is valued at the approximate average wholesale value of one pound of donated product at the national level as outlined in the Product Valuation Survey Methodology prepared by Feeding America, at each calendar year end. This value for donated food inventory was \$1.97 per pound in 2024. The value for USDA food inventory was \$1.74 per pound in 2024.



TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(k) Property and Equipment**

It is the Organization's policy to capitalize property and equipment valued over \$1,000. All purchased items are stated at cost and donated items are stated at fair value at the date of donation. All expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Depreciation is computed on the straight-line method over the estimated lives of the assets ranging from three to thirty-nine years.

**(l) Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date as required by ASC 820 of the Financial Standards Accounting Board (FASB). ASC 820 establishes a three-level hierarchy for fair value measurements based upon the observability of inputs to the valuation of the asset or liability as of the measurement date. ASC 820 expands disclosures about instruments measured at fair value and applies to other accounting pronouncements that require or permit fair value measurements and, accordingly, it does not require any new fair value measurements.

As noted above, ASC 820 establishes a three-level valuation hierarchy for the disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels of inputs used to measure fair value are as follows:

- Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value in the extent that observable inputs are not available.

When available, the Organization measures fair value using level 1 inputs as they generally provide the most reliable evidence of fair value.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(1) Summary of Significant Accounting Policies - Continued**

**(l) Fair Value Measurements - Continued**

The primary uses of fair value measures in the Organization's financial statements are:

- Initial measurement of non-cash gifts, including gifts of investment assets and unconditional promises to give.
- Recurring measurement of short term investments.
- Cash and cash equivalents, accounts receivable, other assets, accounts payable, accrued liabilities, and promises to give receivable have a carrying amount that is a reasonable estimate of the fair value because of the short maturity of these instruments.

**(m) Compensated Absences**

Employees are entitled to paid vacation and sick leave, depending on job classification and length of service. Sick time is forfeited upon separation; and, therefore is not included as a liability on the statement of financial position. However, accrued vacation, a maximum of 48 hours, may be payable upon separation and therefore is accrued and reflected as a liability.

**(n) Contributions and Grants**

Contributions received are measured at their fair values and are reported as an increase in net assets. Gifts, grants and other assets are reported as with donor restrictions support if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for periods.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of benefits received. Conditional promises to give are recognized only when the conditions on which the promise is made are substantially met and the promises become unconditional.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

(1) **Summary of Significant Accounting Policies - Continued**

(o) **Donated Professional Services**

A substantial number of volunteers have donated their time in various Food Bank programs and special events. Donated professional services are recorded at the estimated fair market value as both support and expense in the period that the services were performed if they meet the criteria of FASB ASC 958-605 and subsections. The Organization does not recognize any support, revenue, or expense contributed by volunteers, as management has determined there is no practical way to estimate their value. No amounts have been reflected in the financial statements for donated services which do not require specialized skills.

(p) **Functional Allocation of Expenses**

The costs of providing Organization programs and administration of the Organization have been summarized on a functional basis as indicated in the accompanying statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation of expenses according to function, including payroll and occupancy costs which cannot be directly attributed to specific functions, is based on estimates by the Organization's management, of the time of employees involved and of percentages of assets utilized.

(q) **Advertising**

Advertising costs are charged to expense in the year incurred. Advertising expense was \$130,950 for the year ended June 30, 2024.

(r) **Fair Value of Financial Instruments**

The Food Bank's financial instruments are cash and cash equivalents, investments, prepaid expenses and deposits, accounts and grants receivable, accounts payable, accrued expenses and notes payable.

The recorded values of cash and cash equivalents, prepaid expenses and deposits, accounts and grants receivables, accounts payable and accrued expenses approximate their fair value based on their short-term nature.

TREASURE COAST FOOD BANK, INC.

Notes to Financial Statements

June 30, 2024

(1) **Summary of Significant Accounting Policies - Continued**

(r) **Fair Value of Financial Instruments - Continued**

The recorded net present value of notes payable approximates fair value, as the discount rate approximates market rates.

The recorded value of investments approximates fair value based on quoted market prices (Level 1 inputs) in active markets for identical assets or liabilities.

(s) **Tax Exempt Status**

The Organization is exempt from Federal income taxes under the provisions of the Internal Revenue Code 501 (c)(3) and is not considered a private foundation. The tax periods open to examination in which the Organization is subject include the fiscal years subsequent to June 30, 2020. No uncertain tax positions within the scope of ASC 740, existed as of June 30, 2024.

(t) **Recently Adopted Accounting Standard**

The Organization adopted FASB Accounting Standards Codification (ASC) Topic 842, Leases, using the practical expedient method and, accordingly, did not record a cumulative effect adjustment to beginning fund balance and did not restate prior periods. The Organization elected the package of practical expedients which allowed them to carry forward their historical lease classification. The new standard established a right of use (ROU) model that requires a lessee to record an ROU asset and corresponding lease liability on the statement of financial position for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the operating statement. Leases with a term of less than 12 months or are immaterial in nature will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term. (Also see note 8)

(u) **Subsequent Events**

In preparing these financial statements, the Food Bank has evaluated subsequent events and transactions for potential recognition and disclosure through October 4, 2024, which is the date the financial statements were available to be issued.

TREASURE COAST FOOD BANK, INC.

Notes to Financial Statements

June 30, 2024

(2) **Cash and Cash Equivalents**

Cash balances are maintained with several institutions. At June 30, 2024, the Organization had approximately \$2.1 million on deposit in banks. Cash and cash equivalents consists of the following at June 30, 2024:

Cash and cash equivalents	
Checking accounts	\$ 661,895
Savings accounts	251,867
Money market	1,225,628
Petty cash on hand	500
Total cash and cash equivalents	<u>\$ 2,139,890</u>

Additionally, the Organization holds a certificate of deposit in the amount of \$214,344 at June 30, 2024, which was insured by the Federal Deposit Insurance Corporation (FDIC).

(3) **Inventory**

Inventory consists of the following as of June 30, 2024:

Purchased food inventory	\$ 266,109
TEFAP and CSFP inventory	773,093
Donated food inventory	1,258,802
	<u>\$ 2,298,004</u>

(4) **Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 are:

Cash	\$ 2,139,890
Accounts receivable	128,881
Grants receivable	2,301,606
Certificate of deposit	214,344
Investments	558,912
	<u>5,343,633</u>
Less financial assets not available within one year:	
Certificate of deposit	<u>(214,344)</u>
Total financial assets available for general expenditure	<u>\$ 5,129,289</u>

TREASURE COAST FOOD BANK, INC.

Notes to Financial Statements

June 30, 2024

(5) **Property and Equipment**

Property and equipment as of June 30 consists of the following:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2024</u>
Construction in progress	\$ 377,668	4,060,117	4,417,785
Land	380,213	3,623,845	4,004,058
Buildings	1,928,132	-	1,928,132
Equipment	1,489,960	11,175	1,501,135
Warehouse equipment	300,134	4,340	304,474
Office equipment	77,197	2,245	79,442
Furniture and fixtures	28,183	-	28,183
Vehicles	1,892,376	248,041	2,140,416
Improvements	2,396,191	-	2,396,191
Software	107,617	-	107,617
Total capital assets	8,977,671	7,949,763	16,907,434
Less: accumulated depreciation	(4,662,496)	(432,892)	(5,095,388)
Net capital assets	<u>\$ 4,315,175</u>	<u>7,516,871</u>	<u>11,832,046</u>

Depreciation expense was \$458,892 for the year ended June 30, 2024.

(6) **Grants Receivable**

Grants receivable as of June 30, 2024 consists of:

State of Florida - TEFAP	\$ 490,746
Other grants	<u>1,810,860</u>
Total grants receivable	<u>\$ 2,301,606</u>

(7) **Notes Payable**

In May 2013, the Organization obtained a \$742,500 note payable (building note) from a bank to finance the purchase of land and a building. Interest is payable monthly at a fixed rate of 4% with interest only payments due for the first 12 months. After the interest only period, monthly principal and interest payments was based upon a twenty-four year amortization with a balloon payment due May 2, 2024. The note was secured by land and building and amounted to \$539,059 as of June 30, 2023.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(7) Notes Payable - Continued**

During fiscal year 2018, a \$1.3 million line of credit was converted to a loan (associated with the Organization's production kitchen) at a fixed interest rate of 5.5%. Installment payments of principal and interest were due monthly, beginning July 31, 2017 in the amount of \$8,943. At June 30, 2023, a portion of the production kitchen obligation was forgiven (\$300,000) in accordance with the terms of the underlying loan agreement by the Florida Community Loan Fund. The maturity date of the remainder of the production kitchen obligation, amounting to \$1,048,573 as of June 30, 2023, was extended until October 2023.

In October 2023, the Organization entered into a long term financing agreement with Cadence Bank (Lender) as the lender and the Florida Development Finance Corporation as the issuer of the Industrial Development Revenue and Revenue Refunding Bond, Series 2023 (Bond) in the principal amount of \$22,325,000. A portion of the proceeds from the Bond, (\$1,582,791), was used (through the Lender) to refinance the production kitchen and building notes previously referred to herein. In addition, the proceeds from the bond are intended to finance the acquisition, construction and equipping of an approximately 100,000 square foot facility for the purpose of receiving, storing, repackaging, and distributing donated food items located on an a 15 acre parcel of land within the Orange 95 Commerce Center (Loop Road facility) in unincorporated St. Lucie County, Florida.

Accordingly, commencing in October 2023, the Organization will begin incurring interest on the refinanced production kitchen and building notes as well as construction advances made through the earlier of the final advance date or October 2025. Interest will accrue at 89.87% of the sum of the Term SOFR (Secured Overnight Financing Rate) plus 1.90% and is payable monthly. In addition, monthly principal payments amounting to \$1,600 will be payable with respect to the refinanced production kitchen note.

Apart from the refinanced notes as previously indicated herein, the remainder of the bond proceeds (\$20,742,209) will be provided to the Organization as construction moves forward on the Loop Road Facility. Commencing in November 2025, it is expected that the outstanding balance of the Bond funds provided though that date, consisting of the refinanced notes and construction obligations, will be amortized over the remaining term of the Bond agreement through the maturity date of October 2050. It is projected that monthly payments of principal and interest (at the rate previously discussed herein) will amount to \$140,000.

TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(7) Notes Payable - Continued**

As of June 30, 2024, the balance of notes payable including construction funding due to the Lender are as follows:

Refinanced Production Kitchen Note (2356)		\$ 1,032,662
Refinanced Building Note (2774)		537,329
Construction Funding:		
Revolving line of credit (2483)	500,000	
Revolving line of credit (2347)	690,496	
Total construction funding to date	<u>1,190,496</u>	1,190,496
Vehicle loan payable in monthly installments of principal and interest (at 10.98%) of \$1,865 through April 2030. Secured by vehicle.		<u>94,213</u>
Total notes payable		<u>\$ 2,854,700</u>

**(8) Operating Leases**

The adoption of FASB ASC Topic 842, as previously discussed herein, resulted in the recognition of right of use assets and associated operating lease liability in connection with the lease of certain office and warehouse space and amounting to \$500,913 as of June 30, 2023. Results for periods beginning prior to July 1, 2022 continue to be reported in accordance with historical accounting treatment. At June 30, 2024, the ROU assets amounted to \$264,326 as a result of the reduction in the ROU assets and operating lease liability \$236,587 during 2023. Lease expense associated with these right to use assets amounted to approximately \$228,000 during 2023

Future lease commitments under long-term non-cancellable leases (ROU assets) amount to the following:

<u>Fiscal year ended June 30,</u>	<u>Amount</u>
2025	\$ 230,932
2026	<u>61,306</u>
Total lease payments	292,238
Less interest	<u>(27,912)</u>
	<u>\$ 264,326</u>



TREASURE COAST FOOD BANK, INC.

**Notes to Financial Statements**

June 30, 2024

**(9) Employee Retirement Plans**

The Organization offers Simple and Roth IRA plan (plans) to eligible employees, matching contributions up to three percent. The Organization made contributions of approximately \$51,000 to the plan during the year ended June 30, 2024.

**(10) Net Assets With Donor Restrictions**

Net assets with donor restrictions consists of donated funds in connection with the Organization's capital campaign restricted for development of the Loop Road Facility and a grant from the Florida Blue Foundation as follows:

Loop Road Facility capital campaign	\$ 251,867
Florida Blue Foundation	<u>225,000</u>
Total net assets with donor restrictions	<u>\$ 476,867</u>

Net assets were released from donor/grantor restrictions by incurring expenses satisfying the purpose and/or restrictions specified as follows:

Purpose and time restrictions accomplished:	
Construction of Loop Road facility	\$ 1,610,975
Florida Blue Foundation	<u>175,000</u>
Total net assets released from restrictions	<u>\$ 1,785,975</u>

**(11) Commitments and Contingencies**

Reimbursement claims under Federal and state program grants are subject to audit and adjustment by grantor agencies. Any disallowed claims might become a liability of the Organization. The Food Bank is aware of no communications from granting agencies regarding the lack of compliance with grant conditions that could result in a liability. There are no asserted or known unasserted claims against the Organization that require disclosure or a loss accrual under existing audit and accounting pronouncements.

The Organization is exposed to various risks of loss related to operations, theft of, damage to and destruction of assets, errors, omission, and natural disasters for which commercial insurance is carried. There has been no significant reduction in insurance coverage from the prior year and the Food Bank has not been required to pay any settlements in excess of insurance coverage during the last three fiscal years.

# SCHAFFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

*Certified Public Accountants*

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## **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***

To the Board of Directors  
Treasure Coast Food Bank, Inc.

We have audited, 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, the financial statements of Treasure Coast Food Bank, Inc., which comprise the statement 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 October 4, 2024.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Treasure Coast Food Bank, Inc.'s internal control over financial reporting (internal control) to determine the 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 Treasure Coast Food Bank, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Treasure Coast Food Bank, 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Treasure Coast Food Bank, Inc.'s financial statements are free of 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 determination of financial statement amounts. 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.

*Schaefer, Tschoff, Whitcomb, Mitchell & Shuilen, LLP*

Maitland, Florida  
October 4, 2024

# SCHAFFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

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## **Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Directors  
Treasure Coast Food Bank, Inc.

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

#### **Opinion on Each Major Federal Program**

We have audited the Treasure Coast Food Bank, 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 Treasure Coast Food Bank, Inc.'s major federal programs for the year ended June 30, 2024. Treasure Coast Food Bank, Inc.'s major federal programs is identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Treasure Coast Food Bank, 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 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 describe in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Treasure Coast Food Bank, 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 for a legal determination of Treasure Coast Food Bank, 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 Treasure Coast Food Bank, Inc.'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 Treasure Coast Food Bank, 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 Treasure Coast Food Bank, 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 Treasure Coast Food Bank, 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 Treasure Coast Food Bank, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate 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 Treasure Coast Food Bank, 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 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 or state project 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 or state project 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.

*Schaefer, Tschang, Whitcomb, Mitchell & Shulman, LLP*

Maitland, Florida  
October 4, 2024

TREASURE COAST FOOD BANK, INC.

Schedule of Expenditures of Federal Awards

June 30, 2024

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA #	Contract/Grant Number	Program Year	Total Expended
<b>United States Department of Agriculture</b>				
Feeding Okeechobee - Park it Market	10.766	09-056-0983952897	2022/2023	\$ 292,632
Indirect Programs				
Passed through the Florida Department of Agriculture and Consumer Services				
FOOD DISTRIBUTION CLUSTER				
Emergency Food Assistance Program (food commodities)	10.569		2023/2024	7,235,388
Emergency Food Assistance Program (administrative costs)	10.568	027881	2023/2024	370,345
Emergency Food Assistance Program (CCC)	10.568	29747	2023/2024	147,000
FDACS Reach and Resiliency	10.568	29588	2023/2024	100,727
Commodity Supplemental Food Program	10.565	028145	2023/2024	94,635
Total food distribution cluster				<u>7,948,095</u>
CHILD NUTRITION CLUSTER				
Summer Food Service Program for Children	10.559	18733	2023/2024	61,564
Summer Food Service Program for Children	10.559	18733	2022/2023	36,285
Total child nutrition cluster				<u>97,849</u>
Passed through Feeding South Florida				
Pandemic Relief Activities: Local Food Purchase Agreeemnts with States, Tribes, and Local Governments	10.182	30068	2023/2024	1,528,148
Passed through Second Harvest Food Bank				
Pandemic Relief Activities: Local Food Purchase Agreeemnts with States, Tribes, and Local Governments	10.182	30077	2023/2024	221,969
Passed through Feeding Florida				
SNAP-Ed Program	10.551	LF935	2023/2024	677,245
Passed through the Florida Department of Health				
Child and Adult Care Food Program	10.558	A-5679	2023/2024	44,941
Child and Adult Care Food Program	10.558	A-5679	2022/2023	21,371
				<u>66,312</u>
Total US Department of Agriculture				<u>\$ 10,832,250</u>
<b>Federal Emergency Management Agency</b>				
Indirect programs				
Passed through the Florida Division of Emergency Management	97.036	Z3357	2023/2024	\$ 315,973
Total Federal Emergency Management Agency				<u>\$ 315,973</u>

See accompanying notes to financial statements.

TREASURE COAST 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 Treasure Coast 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 Treasure Coast Food Bank, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Treasure Coast Food Bank, Inc.

(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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Treasure Coast Food Bank, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(3) **Program Clusters**

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. According to this definition, similar programs deemed to be a cluster of programs are considered to be one program and are tested accordingly.

(4) **Sub-Recipient Monitoring**

The Organization has provided no federal awards to sub recipients.

(5) **Contingencies**

Amounts received, or receivable, from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditure is disallowed as a result of these audits the claims for reimbursement to the grantor agency would become a liability of the Organization. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.



TREASURE COAST FOOD BANK, INC.

**Schedule of Findings and Questioned Costs - Federal Programs**

June 30, 2024

**Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  Yes  None Reported

Significant deficiency(ies) identified?  Yes  No

Noncompliance material to financial statements notes?  Yes  No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?  Yes  No

Identification of major programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program(s) or Cluster(s)</u>
10.565/10.568/10.569	Food Distribution Cluster (Emergency Food Assistance Program for Children and Commodity Supplemental Food Program)
10.182	Pandemic Relief: Local Food Purchase Agreements with States, Tribes and local government

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

TREASURE COAST FOOD BANK, INC.

**Schedule of Findings and Questioned Costs - Federal Programs**

June 30, 2024

**Summary of Auditor's Results - Continued**

Auditee qualified as low-risk auditee, pursuant to Uniform Guidance?      X   Yes       No

**FINDINGS – FINANCIAL STATEMENTS**

There are no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS**

There were no audit findings related to federal programs required to be reported by Section 2 CFR 200.156(a), Uniform Guidance.

**OTHER ISSUES – SUMMARY OF PRIOR AUDIT FINDINGS**

There is no Summary of Prior Audit Findings or Corrective Action Plan required to be reported under the Federal Single Audit Act, as there were no prior year audit findings related to Federal programs.