

Feeding Florida, Inc.  
Financial Statements  
and Other Financial Information

Year ended June 30, 2019

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## Report of Independent Auditors

Board of Directors of  
Feeding Florida, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Feeding Florida, Inc. (the Organization) which comprise the statement of financial position as of June 30, 2019, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Feeding Florida, Inc., as of June 30, 2019, 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.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, as of July 1, 2018, the Organization adopted new accounting guidance, ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Organization's financial statements. The schedule of expenditures of federal awards and state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of findings and questioned costs relating to federal awards and state financial assistance are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of expenditures of federal awards and state financial assistance and the schedule of findings and questioned costs relating to federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 and state financial assistance and the schedule of findings and questioned costs relating to federal awards and state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.

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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2020 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
January 8, 2020

Feeding Florida, Inc.  
Statement of Financial Position

June 30, 2019

**Assets**

Current assets:

Cash and cash equivalents	\$ 1,935,182
Contracts and grants receivable	387,648
Prepaid expenses	<u>4,404</u>
Total current assets	2,327,234

Property and equipment, net

662

Total assets \$ 2,327,896

**Liabilities and net assets**

Current liabilities:

Accounts payable	\$ <u>307,798</u>
Total liabilities	<u>307,798</u>

Net assets:

Without donor restrictions	1,463,985
With donor restrictions	<u>556,113</u>
Total net assets	<u>2,020,098</u>
Total liabilities and net assets	<u>\$ 2,327,896</u>

*See accompanying notes.*

Feeding Florida, Inc.

Statement of Activities and Changes in Net Assets

Year ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Changes in net assets:</b>			
Revenues and other support:			
Grants and awards governmental	\$ 2,979,719	\$ 356,184	\$ 3,335,903
Grants and awards non-governmental	132,841	584,995	717,836
Out of State Farmers Feeding Florida	1,106,586	-	1,106,586
In State Farmers Feeding Florida	134,187	-	134,187
Contributions	276,505	-	276,505
Logistics fees	103,477	-	103,477
Membership dues	31,292	-	31,292
Interest and other income	252	-	252
Hurricane emergency management	-	155,364	155,364
Net assets released from restrictions	<u>1,165,843</u>	<u>(1,165,843)</u>	<u>-</u>
Total revenues and other support	<u>5,930,702</u>	<u>(69,300)</u>	<u>5,861,402</u>
Expenses:			
Program services:			
Farmers Feeding Florida	4,309,986	-	4,309,986
Advocacy	127,317	-	127,317
Disaster preparedness	354,475	-	354,475
Food Insecurity Nutrition Incentive	425,997	-	425,997
Professional/development	249,742	-	249,742
General and administrative	<u>62,436</u>	<u>-</u>	<u>62,436</u>
Total expenses	<u>5,529,953</u>	<u>-</u>	<u>5,529,953</u>
Change in net assets	400,749	(69,300)	331,449
Net assets at beginning of year	<u>1,063,236</u>	<u>625,413</u>	<u>1,688,649</u>
Net assets at end of year	<u>\$ 1,463,985</u>	<u>\$ 556,113</u>	<u>\$ 2,020,098</u>

See accompanying notes.

Feeding Florida, Inc.  
Statement of Functional Expenses

Year ended June 30,  
2019

Functional expenses:	Food Insecurity Nutrition Incentive							Total
	Farmers Feeding Florida	Advocacy	Disaster Preparedness	Total Program Services	Professional/ Development	General and Administrative		
Accounting fees	\$ 9,680	\$ 4,302	\$ 3,227	\$ 717	\$ 17,926	\$ 8,605	\$ 2,151	\$ 28,682
Audit	4,219	1,875	1,406	313	7,813	3,750	937	12,500
Bank charges	14	6	5	1	26	12	3	41
Conference registrations	-	2,445	-	-	2,445	-	-	2,445
Consulting	-	-	-	25,901	25,901	-	-	25,901
Depreciation	158	70	53	12	293	140	35	468
Directors and officers insurance	942	419	314	70	1,745	838	209	2,792
Dues and subscriptions	270	120	90	20	500	240	60	800
Education and advocacy	10,125	4,500	3,375	750	18,750	9,000	2,250	30,000
Farmers Feeding Florida - in state subsidized	1,106,586	-	-	-	1,106,586	-	-	1,106,586
Farmers Feeding Florida - out of state	134,187	-	-	-	134,187	-	-	134,187
Farmers Feeding Florida - state reimbursed	1,790,237	-	-	-	1,790,237	-	-	1,790,237
Government relations	2,730	1,214	910	202	5,056	2,427	607	8,090
Incentives and awards	-	-	-	191,715	191,715	-	-	191,715
Licenses and fees	37	17	12	3	69	33	9	111
Marketing - auto lag	17,685	7,860	5,895	1,310	32,750	15,720	3,930	52,400
Marketing - general	21,968	9,764	7,323	6,371	45,426	19,527	4,882	69,835
Meal deficit project	310,000	-	-	-	310,000	-	-	310,000
Miscellaneous	1,402	623	467	104	2,596	1,247	312	4,155
Office expenses	4,871	2,165	1,624	11,706	20,366	4,330	1,083	25,779
Postage and delivery	220	98	73	16	407	196	50	653
Printing	33	15	11	2	61	29	8	98
Rent	6,490	2,885	2,163	481	12,019	5,769	1,442	19,230
Re-granting donations to network	-	-	260,823	-	260,823	-	-	260,823
Salary and benefits	146,400	65,067	48,800	167,630	427,897	130,133	32,532	590,562
Strategic Planning	39,790	17,684	13,263	2,947	73,684	35,369	8,843	117,896
Telephone	1,114	495	371	83	2,063	990	247	3,300
Transportation allocation	688,019	-	-	-	688,019	-	-	688,019
Travel staff and contractors	11,557	5,136	3,853	15,550	36,096	10,274	2,568	48,938
Website	1,252	557	417	93	2,319	-	1,113	3,710
	<u>\$ 4,309,986</u>	<u>\$ 1,27,317</u>	<u>\$ 354,475</u>	<u>\$ 425,997</u>	<u>\$ 5,217,775</u>	<u>\$ 249,742</u>	<u>\$ 62,436</u>	<u>\$ 5,529,953</u>

See accompanying notes.

Feeding Florida, Inc.  
Statement of Cash Flows

Year ended June 30, 2019

<b>Operating activities</b>	
Receipts from grants and contracts	\$ 6,779,426
Payments to suppliers and personnel	<u>(6,558,546)</u>
Net cash provided by operating activities	<u>220,880</u>
Net increase in cash and cash equivalents	220,880
Cash and cash equivalents at beginning of year	<u>1,714,302</u>
Cash and cash equivalents at end of year	<u>\$ 1,935,182</u>
Reconciliation of change in net assets to net cash provided by operating activities	
Change in net assets	\$ 331,449
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	468
Changes in operating assets and liabilities:	
Contracts and grants receivable	(172,819)
Prepaid expenses	(1,132)
Accounts payable	137,914
Deferred revenue	<u>(75,000)</u>
Net cash provided by operating activities	<u>\$ 220,880</u>

*See accompanying notes.*

## Feeding Florida, Inc.

### Notes to Financial Statements

Year ended June 30, 2019

#### **1. Summary of Significant Accounting Policies**

Feeding Florida, Inc. (the Organization) was incorporated as a Florida not-for-profit corporation on January 21, 1993 under the corporate name Florida Association of Food Banks, Inc. (the Association), for the purpose of increasing the availability of food to needy families throughout the state of Florida. On June 8, 2016, the Association amended the Articles of Incorporation to change its official name to Feeding Florida, Inc. The Organization's general mission is to manage and administer certain resources for its 14 member food banks in order to enhance and support their efforts to feed Florida residents in need in all 67 Florida counties.

In 2003, the Organization entered into an agreement with Yoko Ono Lennon, which granted the Organization the right to use the image of John Lennon on a specialty license plate. The Organization receives revenue derived from the sale of the license plate and uses the funds to highlight the problems with hunger and support programs directed at ending hunger in the state of Florida. The revenue is termed "Auto Tag Revenue - Imagine."

Farmers Feeding Florida is a food recovery program instituted by the Organization. The goal of the program is to work with farmers and packers to distribute unmarketable produce to those in need. This program helps offset the farmer's/packer's cost of picking and packing. This program is partially supported by the Florida Department of Agriculture and Consumer Services (FL DACS) Program.

Disaster Preparedness Response is a program to provide training to associated food banks in preparation of disaster response.

During the year ended June 30, 2014, the Organization also began a service whereby if a Florida grower has a crop available and member food banks are saturated with that particular crop it will connect a food bank in or out of the State with the grower and then charge a one half cent to two cent per pound logistics fee. The respective food bank then pays the Organization the cost of the picking and packing and the logistics. The Organization then pays the respective grower the pick and pack fee.

FL-DACS Transportation is a state of Florida funded program to provide transportation of donated food to private not-for-profit emergency feeding organizations.

## Feeding Florida, Inc.

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies (continued)

##### **Basis of Presentation**

The Organization has adopted the accounting guidance in FASB Accounting Standards Update (ASU) No. 2016-14 Not-For-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-For-Profit Entities*. ASU 2016-14 requires organizations to present on the statement of financial position amounts for two classes of net assets at the end of the period, with and without donor restrictions. The Organization is now also required to provide enhanced disclosures on board designations of net assets and the donor restricted net assets. Additional disclosures are also now required regarding how the Organization manages its liquid resources available to meet cash needs for within one year of the statement of financial position. Under the standards, the Organization is required to report the amounts of their expenses by both their natural classification and their functional classification. The effect of adopting the new standard has enhanced the reporting of the Organization. The adoption of the standard had no effect on previously reported financial statements. The ASU is effective for fiscal years beginning after December 15, 2017.

##### **Basis of Accounting**

The Organization uses the accrual basis of accounting. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

##### **Cash and Cash Equivalents**

Cash and cash equivalents consist of deposits with financial institutions and deposits in highly liquid money market funds. The financial instruments exposed to concentrations of credit risk consist primarily of its cash and cash equivalents. Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. Bank deposits at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three month or less to be cash equivalents.

##### **Contracts and Grants Receivable**

Contracts and grants receivable consist of billings due from grantor or provider agencies. The Organization uses the direct write-off method of accounting for uncollectible accounts associated with grantor or provider agencies. At June 30, 2019, all contract and grant receivables are considered by management to be fully collectible.

## Feeding Florida, Inc.

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies (continued)

##### Property and Equipment

Property and equipment is recorded at cost except for donated items (used in operations of the Organization), which are recorded at fair market value as of the date received. Depreciation is computed on the straight-line method over its estimated useful lives of the related assets. The estimated useful lives are as follows:

	<u>Useful Lives</u>
Equipment	5 years

The Organization's policy is to capitalize asset acquisitions greater than \$1,000.

##### Contributions

Contributions received are recorded as without donor restrictions or with donor restrictions when received, depending on the existence and/or nature of any donor restrictions. Contributions of donated noncash assets are recorded at their fair values in the period received.

Contributions and grants of cash and other assets are reported as net assets with donor restrictions support if they are received with donor stipulations that limit the use and duration of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Donor contributions and grants received with restrictions that expire during the fiscal year are recorded as contributions without donor restrictions on the statements of activities and changes in net assets.

##### Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include items such as salaries, depreciation, insurance, accounting and marketing. Cost that are not directly attributable to a specific program or function are allocated to each program function based on full time equivalent time and effort. Certain expenses are allocated directly to the program.

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expense by function.

## Feeding Florida, Inc.

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies (continued)

##### Advertising Costs

The Organization's policy is to expense advertising costs as such costs are incurred.

##### Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. With few exceptions, the Organization is no longer subject to examinations by major tax jurisdictions for years ended June 30, 2015, and prior.

##### Subsequent Events

The Organization has evaluated subsequent events through January 8, 2020, the date the financial statements were available to be issued. During the period from June 30, 2019 to January 8, 2020, the Organization did not have any material recognizable subsequent events.

##### Use of Estimates

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

#### 2. Available Resources and Liquidity

The organization receives contributions, non-public grants, and other income and considers these revenue streams to be without donor restrictions (if unspecified) and available to meet cash needs for general expenditures. The organization manages its liquidity to meet 90 days of operating expenses.

The table presents financial assets available for general expenditures within one year at June 30, 2019.

<b>Financial assets at year-end</b>	
Cash and cash equivalents	\$ 1,935,182
Contracts and grants receivables	<u>387,648</u>
Total	2,322,830
Less: Donor restricted funds	<u>(556,113)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,766,717</u>

## Feeding Florida, Inc.

### Notes to Financial Statements

#### 3. Property and Equipment

Property and equipment consist of the following at June 30, 2019:

Office equipment	\$	2,100
Less accumulated depreciation		<u>1,438</u>
	\$	<u><u>662</u></u>

Depreciation expense for the year ended June 30, 2019 was \$468.

#### 4. Net Assets

Net assets with donor restrictions consist of auto tag revenues received from the state of Florida, and funds received with donor restrictions whose purposes have not been fulfilled. The net assets are reclassified to net assets without donor restrictions in the year the restriction is fulfilled. Transfers are made between net asset classifications as needed.

Net assets with donor restrictions consist of the following at June 30, 2019:

Auto tag revenue - Imagine	\$	35,617
Hurricane emergency management		385,151
Florida Blue Foundation		<u>135,345</u>
	\$	<u><u>556,113</u></u>

#### 5. Retirement Plan

The Organization provides a simple IRA self-directed defined contribution retirement plan (the Plan) to its eligible full-time employees and contributes a match of up to 3% of annual base pay to the Plan. All contributions are immediately 100% vested. The Plan is administered by a third party administrator. For the year ended June 30, 2019, retirement expense of \$7,188 was incurred by the Organization.

#### 6. Related Party Transactions

In the normal course of business, the Organization remits food donations to its member food banks. Representatives from these food banks serve as board members to the Organization.

## Other Reports

**Report of Independent Auditors 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 Florida, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Feeding Florida, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated January 8, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
January 8, 2020

Report of Independent Auditors on Compliance for the Major State Project and  
on Internal Control Over Compliance Required by Chapter 10.650,  
*Rules of the Auditor General*

Board of Directors  
Feeding Florida, Inc.

**Report on Compliance for the Major State Project**

We have audited Feeding Florida, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major state project for the year ended June 30, 2019. The Organization's major state project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its state awards applicable to its major state project.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's major state project based on our audit of the types of compliance requirements referred to above. 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 Chapter 10.650, *Rules of the Auditor General*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of the Organization's compliance.

***Opinion on the Major State Project***

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended June 30, 2019.

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### **Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on its major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with the Florida Single Audit Act and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's 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 state project 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

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 Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

*Thomas Howell Ferguson P.A.*

Tallahassee, Florida  
January 8, 2020

Feeding Florida, Inc.

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2019

<u>Grantor and Program Title</u>	<u>CFDA/CSFA Number</u>	<u>Total Expenditures</u>
<b><u>Federal Grantor</u></b>		
United States Department of Agriculture		
Specialty Crop	10.170	\$ 57,872
Food Insecurity Nutrition Incentive	10.331	405,184
Total Federal Awards		\$ 463,056
<b><u>State Grantor</u></b>		
Florida Department of Agriculture and Consumer Services		
FL-DACS Contractual Services Agreement	42.019	\$ 2,612,443
Florida Department of Highway Safety and Motor Vehicles		
Imagine Specialty License Plate	76.077	641,258
End Hunger Auto Tag Voluntary Contribution	76.127	29,719
Total State Financial Assistance		\$ 3,283,420
Total Awards		\$ 3,746,476

**Note 1** - This Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal and State grant activity of Feeding Florida, Inc. for the year ended June 30, 2019, and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Auditor General*.

**Note 2** - Amounts included on this Schedule include only the expenditure of Federal Awards and State Financial Assistance received directly from an awarding agency. The amounts on the accompanying statements of activities and changes in net assets include additional expenditures associated with other resources committed by the Organization for purposes of fulfilling the grant program.

**Note 3** - The Organization has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

*See report of independent auditors.*

Feeding Florida, Inc.  
 Schedule of Findings and Questioned Costs  
 Relating to Federal Awards and State Financial Assistance  
 Year ended June 30, 2019

**Section I -- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**State Financial Assistance**

Type of auditor's report issued on compliance for major state projects?	Unmodified
Internal control over major state projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Any audit findings disclosed that are required to be reported in accordance with Section 215.97, Florida Statutes, and Chapter 10.650, Rules of the Auditor General?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal or State Program</u>
42.019	FL-DACS Contractual Service Agreement

Dollar threshold used to distinguish between Type A and Type B programs:	State	\$750,000
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Auditee qualified as low-risk auditee?	Yes
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**Section II -- Financial Statement Findings**

We noted no matters involving internal control over financial reporting and its operation that we considered to be material weaknesses, significant deficiencies, and/or control deficiencies required to be reported in accordance with *Government Auditing Standards*.

**Section III -- State Award Findings and Questioned Costs**

This section identifies audit findings required to be reported by Chapter 10.650, *Rules of the Auditor General*, as well as any abuse findings involving state awards that are material to a major program. We noted no instances of matters required to be reported in accordance with the provisions outlined above.

**Section IV -- Other Matters**

None.

*See report of independent auditors.*