

The Food Bank of Central Louisiana, Inc.

Alexandria, Louisiana

Financial Statements

June 30, 2025

Table of Contents

Independent Auditors' Report.....	1
Basic Financial Statements	
Statement of Financial Position	4
Statement of Activities.....	6
Statement of Cash Flows	7
Statement of Functional Expenses	8
Notes to Financial Statements.....	9
Supplementary Schedule.....	19
Schedule of Compensation, Benefits, and Other Payments to Executive Director	20
Reports on Internal Control, Compliance and Other Matters	21
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.....	24
Schedule of Expenditures of Federal Awards.....	27
Notes to the Schedule of Expenditures of Federal Awards	29
Schedule of Findings and Questioned Costs.....	30
Management's Corrective Action Plan	32
Summary of Prior Year Audit Findings.....	33

Independent Auditors' Report

Board of Directors
The Food Bank of Central Louisiana, Inc.
Alexandria, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of The Food Bank of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, cash flows, and functional expenses 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 The Food Bank of Central Louisiana, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Food Bank of Central Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 The Food Bank of Central Louisiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Food Bank of Central Louisiana, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of compensation, benefits, and other payments to Jayne Wright-Velez, Executive Director paid with government funds are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

January 5, 2026

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.

Report on Summarized Comparative Information

We have previously audited The Food Bank of Central Louisiana, Inc. 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, on our consideration of The Food Bank of Central Louisiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Food Bank of Central Louisiana, 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 The Food Bank of Central Louisiana, Inc.'s internal control over financial reporting and compliance.



KnightMasden
Alexandria, Louisiana
January 5, 2026

The Food Bank of Central Louisiana, Inc.
Statement of Financial Position
June 30, 2025

	<u>2025</u>	2024 Summarized <u>Total</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 261,750	\$ 25,072
Investments	2,725,565	3,314,029
Pledges receivable, net of allowance	214,519	227,227
Grants receivable, net of allowance	287,899	1,059,884
Restricted cash	33,011	36,318
Inventory	1,471,722	1,315,103
Prepaid expenses	18,859	32,106
Total Current Assets	<u>5,013,325</u>	<u>6,009,739</u>
Property, Plant and Equipment, net	3,140,633	3,275,776
Right of Use Asset	640,106	597,249
Other Long-Term Assets		
Pledges receivable, net of allowance - long term	420,950	474,973
Grants receivable, net of allowance - long term	132,886	343,735
Investments - long term	1,278,979	1,278,979
Total Other Long-Term Assets	<u>1,832,815</u>	<u>2,097,687</u>
Total Assets	<u>\$ 10,626,879</u>	<u>\$ 11,980,451</u>

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

The Food Bank of Central Louisiana, Inc.
Statement of Financial Position
June 30, 2025

	<u>2025</u>	2024 Summarized <u>Total</u>
Liabilities and Net Assets		
Current Liabilities		
Cash overdraft	\$ -	\$ 125,242
Accounts payable	120,400	175,104
Payroll liabilities	91,489	67,572
Lease liability - current portion	152,463	126,601
Notes payable - current portion	4,105	7,626
Total Current Liabilities	368,457	502,145
 Long Term Lease Liability	 <u>487,643</u>	 <u>470,648</u>
 Total Liabilities	 856,100	 972,793
Net Assets		
without Donor Restrictions	5,941,875	7,161,963
with Donor Restrictions	<u>3,828,904</u>	<u>3,845,695</u>
Total Net Assets	<u>9,770,779</u>	<u>11,007,658</u>
 Total Liabilities and Net Assets	 <u>\$ 10,626,879</u>	 <u>\$ 11,980,451</u>

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

The Food Bank of Central Louisiana, Inc.
Statement of Activities
For the Year Ended June 30, 2025

	2025			2024
	without Donor <u>Restrictions</u>	with Donor <u>Restrictions</u>	<u>Total</u>	Summarized <u>Total</u>
Revenues				
Contributions, gifts and grants	\$ 2,151,399	\$ 1,512,994	\$ 3,664,393	\$ 5,343,907
Contributions, gifts and grants (in-kind)	7,710,774	6,504,792	14,215,566	15,230,399
Fundraising income	91,837	-	91,837	180,075
Investment income	329,080	-	329,080	473,399
Other income	26,128	-	26,128	22,687
Total Revenues	10,309,218	8,017,786	18,327,004	21,250,467
Net Assets released from restrictions	8,034,577	(8,034,577)	-	-
Functional Expenses				
Program services	18,492,338	-	18,492,338	20,620,791
Management and general	362,426	-	362,426	367,984
Fundraising	709,120	-	709,120	585,244
Total Functional Expenses	19,563,884	-	19,563,884	21,574,019
Change in Net Assets	(1,220,088)	(16,791)	(1,236,879)	(323,552)
Net Assets - Beginning	7,161,963	3,845,695	11,007,658	11,331,209
Net Assets - Ending	\$ 5,941,875	\$ 3,828,904	\$ 9,770,779	\$ 11,007,658

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

The Food Bank of Central Louisiana, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2025

	<u>2025</u>	2024 Summarized <u>Total</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$(1,236,879)	\$ (323,552)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	226,617	226,971
Non-cash investment (income) loss		(452,899)
(Increase) decrease in receivables	1,049,565	(827,781)
(Increase) decrease in prepaid expenses	13,247	37,119
(Increase) decrease in donated inventory	(156,619)	(361,004)
Increase (decrease) in accounts payable	(54,704)	44,504
Increase (decrease) in other liabilities	23,917	(6,391)
Net Cash Provided/(Used) by Operating activities	(134,857)	(1,663,033)
Cash flows from Investing Activities		
Purchase of fixed assets	(91,474)	(62,036)
Sale of investments	-	985,953
Purchase of investments	588,464	-
Net Cash Provided/(Used) by Investing Activities	496,990	923,917
Cash flows from Financing Activities		
Repayment of debt	(3,522)	(134,606)
Net Cash Provided/(Used) by Financing Activities	(3,522)	(134,606)
Net Increase (Decrease) in Cash and Cash equivalents	358,611	(873,722)
Cash and Cash Equivalents - Beginning	(63,851)	809,871
Cash and Cash Equivalents - Ending	\$ 294,761	\$ (63,851)
Consisting of:		
Cash and cash equivalents	\$ 261,750	\$ 25,072
Cash overdraft	-	(125,242)
Restricted cash	33,011	36,318
Total	\$ 294,761	\$ (63,852)
Cash paid for interest	\$ -	\$ 13,601

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

The Food Bank of Central Louisiana, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025

	2025			2024	
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund-Raising</u>	<u>Total Expenses</u>	<u>Summarized Total</u>
Food costs	\$ 15,242,646	\$ -	\$ -	\$ 15,242,646	\$ 17,680,378
Freight	147,436	-	-	147,436	171,096
Contract labor	267,983	-	-	267,983	112,603
Insurance	127,504	17,410	2,133	147,047	106,683
Lease	295,193	421	421	296,035	202,930
Repairs and maintenance	239,407	-	-	239,407	266,553
Volunteer expense	-	-	-	-	253
Warehouse expense	92,415	-	-	92,415	93,327
Depreciation	203,955	11,331	11,331	226,617	226,971
Direct mail	-	-	179,898	179,898	149,484
Other fundraising	-	-	56,739	56,739	57,132
Payroll expenses	1,580,984	213,741	231,271	2,025,996	1,774,981
Advertising	-	-	82,870	82,870	60,524
Credit losses	-	-	62,208	62,208	29,877
Bank charges	-	-	4,954	4,954	5,843
Dues and subscriptions	-	11,704	-	11,704	11,530
Education and seminars	9,263	1,590	641	11,494	15,304
Public relations	-	-	-	-	1,592
Grant expenses	44,433	-	1,309	45,742	272,979
Meals	5,451	1,288	-	6,739	4,771
Security	3,999	501	501	5,001	5,010
Software maintenance	80,239	21,740	6,720	108,699	34,497
Telephone	13,517	1,689	1,689	16,895	14,498
Travel	22,201	3,000	2,200	27,401	53,466
Utilities	67,846	3,769	3,769	75,384	87,195
Interest	-	-	-	-	2,601
Taxes and licenses	1,952	-	-	1,952	1,815
Legal and professional	-	47,077	-	47,077	25,489
Office expense	45,914	27,165	60,466	133,545	104,637
	<u>\$ 18,492,338</u>	<u>\$ 362,426</u>	<u>\$ 709,120</u>	<u>\$ 19,563,884</u>	<u>\$ 21,574,019</u>

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

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 1 – Nature of Activities and Significant Accounting Policies

Nature of Activities

The Food Bank of Central Louisiana, Inc. (Food Bank) is a not-for-profit organization that gathers, stores and redistributes food to individuals and charitable organizations and churches that serve those with food insecurity. The Food Bank is located in Alexandria, Louisiana and services several neighboring parishes. Food sources include donations from individuals, corporations and organizations; purchased food; and the USDA Commodities program.

During the year ended June 30, 2011, the Food Bank began the Good Food Project (Project). The Project supplies the Food Bank with fresh produce to distribute and working with other organizations and individuals to start other community gardens. The Project also helps promote healthy eating, through locally grown produce to the community, encourage local farmers and other food producers to participate in a local food network, and target education for needy clients of the Food Bank on healthy eating and growing produce.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Food Bank and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of Food Bank and/or the passage of time or be permanently maintained by Food Bank. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

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. Significant estimates have been applied in the determination of donated food values and depreciation in preparation of the accompanying financial statements.

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturities of less than three months.

Revenue Recognition and Promises to Give

Contributions are recognized when the donor makes an unconditional promise to give to the Food Bank. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Functional Allocation of Expenses

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

Income Taxes

The Food Bank is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code.

Food Inventory

Donated and Purchased – Food inventory, predominately donated, is reported at fair value as determined by pricing guidelines produced by *Feeding America*. Donated food inventory received is recorded as unrestricted revenue at an amount equal to the determined value in accordance with the aforementioned guidelines.

Commodities – Commodities inventory is reported at fair value as determined by the commodities price listing produced by the Louisiana Department of Agriculture and Forestry. Commodities inventory received is recorded as temporarily restricted revenue at an amount equal to the determined value in accordance with the aforementioned guidelines.

Property and Equipment

Property and equipment are stated at cost. Additions, renewals and betterments that extend the useful life of the assets are capitalized. Maintenance and repair expenditures are expensed as incurred. Provisions for depreciation and amortization are computed using the straight-line method over the assets' useful lives, which range from 3 to 39 years. A capitalization threshold of \$2,500 is used.

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)

Accounts Receivable

The Food Bank determines past-due accounts based on contractual terms of net 30 and does not charge interest on the accounts. The Food Bank charges off receivables if management considers the collection of the outstanding balance to be doubtful. The Food Bank estimates its credit losses on pledges and grants receivable using historical experience, current conditions, reasonable and supportable forecasts, and the present value of calculation.

Pledges Receivable

The Food Bank determines past-due pledges based on the terms of the pledges. The Food Bank charges off pledges if management considers the outstanding balance to be uncollectible. Allowance for doubtful accounts is computed using the aging of the receivable.

Leases

The Food Bank leases certain equipment. The Food Bank assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Lease terms over 12 months follow ASU 2026-02 and recognize right-of-use assets and lease liabilities on the statement of functional position. Lease expense is recognized on a straight-line basis over the lease term.

Note 2 – Pledges and Grants Receivable

Pledges and grants receivable are due based on the following schedule:

<u>Year Due</u>	<u>Amount</u>
2026	\$523,434
2027	251,000
2028	250,219
2029	83,530
2030	<u>33,900</u>
	1,142,083
Allowance for credit losses	<u>(85,829)</u>
Total	<u>\$1,056,254</u>

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 2 – Pledges and Grants Receivable (Continued)

Reported as

Short-term pledges receivable	\$214,519
Short-term grants receivable	287,899
Long-term pledges receivable	420,950
Long-term grants receivable	<u>132,886</u>
Total	<u>\$1,056,254</u>

Activity in allowance for credit losses for the year is as follows:

Beginning allowance for credit losses	\$52,880
Decrease for actual write offs	(28,582)
Increase in allowance for passage of time	26,350
Increase in allowance for past due status	<u>35,181</u>
Ending allowance for credit losses	<u>\$85,829</u>

Note 3 - Investments

Food Bank has two investment accounts that house its endowment and is held at two regional investment companies. These accounts have investments in several different marketable securities and certificates of deposit. Investments reported as short term represent the amount available to be withdrawn within the next twelve months.

The investment account is reported as:

	<u>Amount</u>
Short-term investment	\$2,725,565
Long-term investment	<u>1,278,979</u>
Total	<u>\$4,004,544</u>

Details regarding amount reported as investment income are presented as follows:

<u>Description</u>	<u>Amount</u>
Interest and Dividends	\$187,440
Unrealized Gains	103,445
Realized Losses	<u>38,195</u>
Total Investment Income	<u>\$329,080</u>

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 4 – Fixed Assets and Depreciation

The following schedule summarizes estimated useful life, cost and accumulated depreciation of property, plant and equipment as of June 30, 2025:

<u>Description</u>	<u>Life</u>	<u>Amount</u>
Equipment	5 - 7 years	\$1,523,372
Building	39 years	3,861,917
Land		90,647
Less: Accumulated Depreciation		<u>(2,335,303)</u>
 Net Fixed Assets		 <u>\$3,140,633</u>

Depreciation expense for the year ended June 30, 2025 was \$226,617.

Note 5 – Restricted Cash

Restricted cash maintained in separate accounts as of June 30, 2025 totaled \$33,011, and were restricted for the following purposes:

<u>Restriction</u>	<u>Amount</u>
Backpack	\$33,001
FEMA	<u>10</u>
 Total	 <u>\$33,011</u>

FEMA requires that the funds be kept in a separate bank account.

Note 6 – Donor Restricted Net Assets

Donor restricted net assets as of June 30, 2025 total \$3,828,904, and were restricted for the following purposes:

<u>Restriction</u>	<u>Amount</u>
Warehouse Expansion	\$1,263,482
Good Food Project	2,000
BackPack Program	52,000
Child Nutrition	10,000
Senior Program	245,000
Food Purchase	27,350
Other Restricted Inventory	48,102
USDA Commodities Inventory	901,991
Endowment	<u>1,278,979</u>
 Total	 <u>\$3,828,904</u>

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 7 – Donated Food

Activity of donated food inventory is summarized as follows:

<u>without Donor Restriction</u>	<u>Amount</u>
Beginning Inventory without Donor Restriction	\$ 363,485
Donations received	7,710,774
Purchases	1,079,740
Distributed, discarded and adjustments	<u>(8,632,370)</u>
Ending Inventory without Donor Restriction	521,629
<u>with Donor Restriction</u>	
Beginning Inventory with Donor Restriction	951,618
Donations received	6,504,792
Purchases	98,691
Distributed, discarded and adjustments	<u>(6,605,008)</u>
Ending Inventory with Donor Restriction	<u>950,093</u>
 Total Ending Inventory	 <u>\$ 1,471,722</u>

Note 8 – Donated Services

Unpaid volunteers have made significant contributions of their time to the Food Bank. The value of the contributed time is not reflected in these statements since it is not susceptible to an objective measurement.

Note 9 – Retirement Plan

The Food Bank adopted a Simple Plan for its employees. The Plan covers all full time employees who have completed at least one year of service. The Food Bank is obligated to match up to 100% of an employee's deferred amount, which cannot exceed 3% of their pay. The Food Bank contributed \$14,755 to this Plan during the year ended June 30, 2025.

Note 10 – Leases

As of June 30, 2025, the right-to-use asset has a balance of \$640,106, as shown in noncurrent assets on the statement of financial position; the lease liability included in current liabilities is \$152,463 and long-term liabilities is \$487,643. Any renewal options were not considered when assessing the value of the right-to-use asset because Food Bank is not reasonably certain that it will exercise its option to renew the lease.

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 10 – Leases (Continued)

The Food Bank is obligated to the following leases, which are classified as operating leases:

- a) Copier Lease – This lease was entered into on November 10, 2020, and is for \$350 per month on a month to month basis.
- b) Reefer Trailer Leases – The Food Bank leased three reefer trailers to hold inventory that needed to be refrigerated or frozen. These leases were entered into on November 1, 2023 and are for \$1,575 for two of the leases and \$1,475 for the other lease.
- c) 2023 Toyota Corolla – This lease was entered into on May 11, 2023, and is for \$450 per month for 36 months.
- d) 2024 Toyota Corolla – This lease was entered into on April 11, 2024, and is for \$560.43 per month for 36 months.
- e) Ryder Trucks – The Food Bank leased four trucks. These leases were entered into on December 21, 2023, March 22, 2024, April 12, 2024, and March 2025 and three of the leases are for \$2,866.63 per month for 72 months, the fourth lease is for \$3,047.60 for 72 months.

The total lease payments made during the year ended June 30, 2025 was \$296,035 and reported on the statement of functional expenses.

Maturities of operating lease liabilities as of June 30, 2025 are:

<u>Year Ended</u> <u>June 30</u>	<u>Amounts</u>
2026	\$152,463
2027	\$129,750
2028	\$115,798
2029	\$125,722
2030	\$92,514
2031	\$23,857

Note 11 – Notes Payable

On May 12, 2017, Food Bank signed a note payable to Recycling Services of Louisiana, LLC for the purchase of a cardboard bailer. There are no cash payments required. The value of the bailed cardboard sold to Recycling Services of Louisiana is applied to the balance of the note until the note is paid off. There is no stated interest rate and the balance of the note can be called at any time; therefore, the balance of \$4,105 is shown as a short term loan.

Note 12 – Fair Value Measurement

FASB ACS 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 12 – Fair Value Measurement (Continued)

Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include cash, checking, savings and money market accounts, certificates of deposit, highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, and swap agreements.

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity’s own assumptions about the market risk. Level 3 securities would include hedge funds, private equity securities, and private investments in public entities.

Fair value of assets measured on a recurring basis at June 30, 2025 are as follows:

<u>Description</u>	<u>Fair Value Measurement at June 30, 2025 Using</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash	\$294,761	\$294,761	\$ -	\$ -
Investments	\$2,725,565	\$2,725,565	\$ -	\$ -

Note 13 – Endowment Funds

The Food Bank’s endowment consists of one investment account to provide unrestricted annual distributions in support of the Food Bank.

Endowment Spending Policy

The Food Bank has a policy of quarterly cash payout from endowed and quasi funds based on a stated formula. The formula is based on the fair market value of the twelve quarterly ending balances of funds prior to the start of each January. These funds can be used for operations. Payouts will begin July 2022. The board will determine the payout percentage each year not to exceed 4%.

Endowment Investment Policy

The obligation of the Food Bank is long-term in nature; consequently, the investment of the endowment assets has a long-term focus. The endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. The investment objective for the portfolio assets is to maintain the highest fiduciary standards.

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 13 – Endowment Funds (Continued)

The board of directors expects performance to be comparable to benchmarks as referred to in the endowment policy. The Food Bank has an assets allocation strategy that is a mix of fixed and equity investments.

Changes in Endowment Net Assets

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Balance June 30, 2024	\$1,646,151	\$1,278,979	\$2,925,130
Contributions	-	-	-
Investment Income	341,766	-	341,766
Withdrawals	<u>(12,988)</u>	<u>-</u>	<u>(12,988)</u>
Balance June 30, 2025	<u>\$1,974,929</u>	<u>\$1,278,979</u>	<u>\$3,253,908</u>

Endowment Net Assets Composition by Type of Fund as of June 30, 2025

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Donor-Restricted	\$1,974,929	\$1,278,979	\$3,253,908

Note 14 – Concentrations of Risk

Inventory donations make up approximately 77% of the Food Bank's operating revenues for the year ended June 30, 2025. The majority of the inventory donations are received from Feeding America and U.S. Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The Food Bank is dependent on continuing support by these agencies.

The Food Bank maintains cash balances at a regional and national bank. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2025 cash on deposit that was in excess of the federal insurance limits was \$91,721 with the one regional bank.

The Food Bank of Central Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 15 – Liquidity and Availability

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

Cash	\$ 261,750
Investments	<u>2,725,565</u>
Total	<u>\$2,987,315</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 16 – Income Taxes

As of June 30, 2025, tax years 2022 and subsequent were still within the prescription period for examination by taxing authorities. As of the date of the report, the 2025 return has not been filed.

Note 17 – Subsequent Events

Subsequent to the date of the Statement of Financial Position, on October 1, 2025, the U.S. federal government experienced a shutdown due to a lapse in appropriations. On November 13, 2025 a continuing resolutions was passed to temporarily fund the government through January 30, 2026.

The Organization receives significant funding from federal government grants and contracts, which represented approximately 43% of its total revenue for the year ended June 30, 2025. As a result of the government shutdown, the related federal agencies are unable to process new awards, grant approvals, or reimbursements for costs incurred during this period.

The immediate impacts on the Organization include:

- **Delayed Funding:** Reimbursements for program expenses already incurred and currently being incurred are delayed, creating significant cash flow challenges. The Organization is currently utilizing its available cash reserves to cover essential operations, including payroll and vendor obligations.
- **Operational Decisions:** The Organization has suspended or scaled back certain programs funded solely by the affected federal grants to mitigate financial strain.
- **Potential Financial Effect:** As of the date these financial statements were available to be issued, the full financial effect of the shutdown cannot be reasonably estimated, as the duration of the shutdown is uncertain.

Management is actively monitoring the situation, managing cash flow, and communicating with federal agencies and other stakeholders. If the shutdown is protracted, it may have a material adverse impact on the Organization's financial position, results of operations, and the going concern assumption.

Subsequent events have been evaluated through January 5, 2026, which is the date the financial statements were available for issuance.

Supplementary Schedule

The Food Bank of Central Louisiana, Inc.
Schedule of Compensation, Benefits and Other Payments to Jayne Wright-Velez,
Executive Director Paid with Government Funds
For the Year Ended June 30, 2025

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 10,939
Benefits - insurance	1,230
Benefits - retirement	316
Travel/mileage reimbursements	<u>336</u>
	<u>\$ 12,821</u>

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

Reports on Internal Control, Compliance and Other Matters

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
The Food Bank of Central Louisiana, Inc.
Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Food Bank of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 5, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Food Bank of Central Louisiana, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Food Bank of Central Louisiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Food Bank of Central Louisiana, Inc.'s internal control.

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

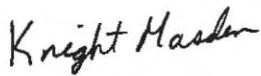
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Food Bank of Central Louisiana, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our 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. Under Louisiana statutes, this report is distributed by the Legislative Auditor as a public document.



KnightMasden
Alexandria, Louisiana
January 5, 2026



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors

The Food Bank of Central Louisiana, Inc.

Alexandria, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Food Bank of Central Louisiana, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Food Bank of Central Louisiana, Inc.'s major federal programs for the year ended June 30, 2025. The Food Bank of Central Louisiana, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Food Bank of Central Louisiana, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025

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 Generally of the United States and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance Section of our report.

We are required to be independent of Food Bank of Central Louisiana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Food Bank of Central Louisiana, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Food Bank of Central Louisiana, Inc.'s federal program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Food Bank of Central Louisiana, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Food Bank of Central Louisiana, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Food Bank of Central Louisiana, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Food Bank of Central Louisiana, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The Food Bank of Central Louisiana, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency,

January 5, 2026

or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

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. Under Louisiana statutes, this report is distributed by the Legislative Auditor as a public document.

Knight Masden

KnightMasden
Alexandria, Louisiana
January 5, 2026

The Food Bank of Central Louisiana, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

<u>Federal Grantor/Pass-through Grantor</u>	<u>Federal CDFA Number</u>	<u>Pass- through Identifying Number</u>	<u>Pass- through to Sub- recipients</u>	<u>Federal Expenditures</u>
U. S. Department of Agriculture –				
Food Distribution Cluster				
Emergency Food Assistance Program				
Indirect Programs:				
Louisiana Department of Agriculture and Forestry (Food Commodities)	10.569		\$1,578,959	\$3,937,500
Louisiana Department of Agriculture and Forestry (Administrative Costs)	10.568		-	<u>525,954</u>
Total for Emergency Food Assistance Program			<u>1,578,959</u>	4,463,454
Commodity Supplemental Food Program				
Indirect Programs:				
Feeding Louisiana (Food Commodities)	10.565		1,434,397	2,418,847
Feeding Louisiana (Administrative Costs)	10.568		-	<u>312,917</u>
Total for Commodity Supplemental Food Program			<u>1,434,397</u>	<u>2,731,764</u>
Total for Food Distribution Cluster			3,013,356	7,195,218
Summer Food Service Program for Children				
Indirect Program:				
Louisiana Department of Education	10.559		-	54,346
Food Bank Network				
Indirect Program:				
Feeding Louisiana	10.182		2,348	272,913
Child and Adult Care Food Program				
Indirect Program:				
Louisiana Department of Education	10.558		-	7,194
State Administrative Funding for the Food Stamp Program				
Indirect Programs:				
Louisiana Department of Agriculture and Forestry	10.561		-	<u>52,857</u>
Total U. S. Department of Agriculture			<u>3,015,704</u>	<u>7,582,528</u>

See the accompanying notes to the Schedule
of Expenditures of Federal Awards.

The Food Bank of Central Louisiana, Inc.
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2025

Corporation for National and Community Service			
AmeriCorps State and National			
Indirect Program:			
Office of the Lieutenant Governor, State of Louisiana	94.006	-	173,886
U.S. Department of Health and Human Services			
Indirect Program:			
Louisiana Children's Trust Fund	93.590	-	25,000
U. S. Department Homeland Security			
Direct Program			
Emergency Food and Shelter Program	97.024	-	<u>18,600</u>
Total Expenditures of Federal Awards		<u>\$3,015,704</u>	<u>\$7,800,014</u>

The Food Bank of Central Louisiana, Inc.
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The Food Bank of Central Louisiana, Inc. (Food Bank) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note B – Food Distribution

Non-monetary assistance is reported in the schedule at the estimated cost of the commodities disbursed. At June 30, 2025, the organization has USDA commodities valued at \$901,991 in inventory. The organization received \$6,504,792 and distributed \$6,356,347 of commodities for the year ended June 30, 2025

Note C – Sub-Recipients

Most of the commodities distributed are done so to eligible recipient agencies considered to be sub-recipients of the Food Bank.

Note D – Reconciliation of Expenses to Federal Expenditures

Program expenses	\$18,492,338
Non-cash adjustment – donated food	(8,886,299)
Non-cash adjustment – depreciation	(203,955)
Non-federal expenditures	<u>(1,602,070)</u>
Total Federal Expenditures	<u>\$7,800,014</u>

Note E – Indirect Cost Rate Election

The Food Bank did not elect to use the 15% de minimis indirect cost rate during the year ended June 30, 2025.

The Food Bank of Central Louisiana, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025

A. Summary of Auditors' Results

Financial Statements

- | | |
|---|------------|
| 1. Type of auditors' report | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified no considered material weakness? | None noted |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|--|----------------------------------|
| 1. Type of auditors' report issued on compliance for major programs | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified no considered material weakness? | None noted |
| 3. Any audit findings disclosed that are required to be reported in the accordance with 2CFR section 200.516(a)? | No |
| 4. Identification of major programs | |
| Federal Assistance | Federal Program |
| <u>Listing Number</u> | <u>Food Distribution Cluster</u> |
| 10.565, 10.568, 10.569 | |
| 5. Dollar threshold used to distinguish between type A and type B programs | \$750,000 |
| 6. Auditee qualified as low-risk under 2CFR 200.520 | No |

The Food Bank of Central Louisiana, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

B. Findings – Financial Statement Audit

INTERNAL CONTROL AND COMPLIANCE FINDING

No findings.

C. Findings and Questioned Costs – Major Federal Award Programs Audit

DEPARTMENT OF AGRICULTURE

Passed through the State of Louisiana

No findings.

The Food Bank of Central Louisiana, Inc.
Management's Corrective Action Plan
For the Year Ended June 30, 2025

No findings

The Food Bank of Central Louisiana, Inc.
Summary of Prior Audit Findings
For the Year Ended June 30, 2025

No prior year findings.



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of The Food Bank of Central Louisiana and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Food Bank of Central Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Food Bank of Central Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

- a. Budgeting, including

- i. preparing,

Policy is not present in the written policies and procedures manual.

- ii. adopting,

Policy is not present in the written policies and procedures manual.

iii. monitoring, and

Policy is not present in the written policies and procedures manual.

iv. amending the budget.

Policy is not present in the written policies and procedures manual.

b. Purchasing, including

i. how purchases are initiated;

Policy is present in the written policies and procedures manual.

ii. how vendors are added to the vendor list;

Policy is not present in the written policies and procedures manual.

iii. the preparation and approval process of purchase requisitions and purchase orders;

Policy is present in the written policies and procedures manual.

iv. controls to ensure compliance with the public bid law; and

Policy is present in the written policies and procedures manual.

v. documentation required to be maintained for all bids and price quotes.

Policy is present in the written policies and procedures manual.

c. Disbursements, including

i. processing,

Policy is present in the written policies and procedures manual.

ii. reviewing, and

Policy is present in the written policies and procedures manual.

iii. approving.

Policy is present in the written policies and procedures manual.

d. Receipts/Collections, including

- i. receiving,

Policy is present in the written policies and procedures manual.

- ii. recording, and

Policy is present in the written policies and procedures manual.

- iii. preparing deposits

Policy is present in the written policies and procedures manual.

- iv. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

Policy is present in the written policies and procedures manual.

e. Payroll/Personnel, including

- i. payroll processing, and

Policy is present in the written policies and procedures manual.

- ii. reviewing and approving time and attendance records, including leave and overtime worked.

Policy is present in the written policies and procedures manual.

- iii. Approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Policy is present in the written policies and procedures manual.

f. Contracting, including

- i. types of services requiring written contracts,

Policy is present in the written policies and procedures manual.

- ii. standard terms and conditions,

Policy is not present in the written policies and procedures manual.

- iii. legal review,

Policy is not present in the written policies and procedures manual.

- iv. approval process, and

Policy is present in the written policies and procedures manual.

- v. monitoring process

Policy is present in the written policies and procedures manual.

- g. Travel and expense reimbursement, including

- i. allowable expenses,

Policy is present in the written policies and procedures manual.

- ii. dollar thresholds by category of expense,

Policy is present in the written policies and procedures manual.

- iii. documentation requirements, and

Policy is present in the written policies and procedures manual.

- iv. required approvers.

Policy is present in the written policies and procedures manual.

- h. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including

- i. how cards are to be controlled,

Policy is present in the written policies and procedures manual.

- ii. allowable business uses,

Policy is not present in the written policies and procedures manual.

- iii. documentation requirements,

Policy is present in the written policies and procedures manual.

- iv. required approvers of statements, and

Policy is present in the written policies and procedures manual.

- v. monitoring card usage.

Policy is present in the written policies and procedures manual.

- i. Ethics, including

- i. the prohibitions as defined in Louisiana Revised Statute 42:1111-1121,

Not applicable to non-profit organizations.

- ii. actions to be taken if an ethics violation takes place,

Not applicable to non-profit organizations.

- iii. system to monitor possible ethics violations, and

Not applicable to non-profit organizations.

- iv. requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Not applicable to non-profit organizations.

- j. Debt Service, including

- i. debt issuance approval,

Not applicable to non-profit organizations.

- ii. continuing disclosure/EMMA reporting requirements,

Not applicable to non-profit organizations.

- iii. debt reserve requirements, and

Not applicable to non-profit organizations.

- iv. debt service requirements.

Not applicable to non-profit organizations.

- k. Information Technology Disaster Recovery/Business Continuity, including

- i. identification of critical data and frequency of data backups,

Policy is not present in the written policies and procedures manual.

- ii. storage of backups in a separate physical location isolated from the network,

Policy is not present in the written policies and procedures manual.

- iii. periodic testing/verification that backups can be restored,

Policy is not present in the written policies and procedures manual.

- iv. use of antivirus software on all systems,

Policy is not present in the written policies and procedures manual.

- v. Timely application of all available system and software patches/updates, and

Policy is not present in the written policies and procedures manual.

- vi. Identification of personnel, processes, and tools needed to recover operations after a critical event.

Policy is not present in the written policies and procedures manual.

- l. Sexual Harassment, including R.S. 42:342-344 requirements for

- i. agency responsibilities and prohibitions,

Policy is not present in the written policies and procedures manual.

- ii. annual employee training,

Policy is not present in the written policies and procedures manual.

- iii. annual reporting.

Policy is not present in the written policies and procedures manual.

Management's Response to Section Findings: Exceptions noted in 1a, 1f, 1h, 1k, and 1l. Management and the board will review the policies and procedures manual and amend the manual to include policies deemed necessary.

Board or Finance Committee

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Bank Reconciliations

2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

List was obtained, and client represented that it was complete.

- a. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date;

All reconciliations were prepared within 2 months of related statement closing date.

- b. Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation; and

The bank reconciliations do not include written evidence that a person who is not involved in the cash receipts or cash disbursements process has reviewed the reconciliation.

- c. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's Response to Section Findings: Exception noted in 2b. Management will begin to have a member of the finance committee initial each reconciliation monthly.

Collections

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Non-Payroll Disbursements

3. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

A list was obtained. Client represented that it was complete.

4. For each location selected under #3 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

- b. At least two employees are involved in processing and approving payments to vendors.

Two employees are involved in processing and approving payments to vendors.

- c. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Employee responsible for processing payments does add and/or modify vendor files, and no other employee is responsible for periodically reviewing changes to vendor files.

- d. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Employee responsible for signing checks does mail the payment or give the signed check to an individual to mail who is not responsible for processing payments.

- e. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Only employee authorized to sign checks approves the electronic disbursements.

5. For each location selected under #3 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

The disbursements tested matched the related original invoice/billing statement.

- b. Observe whether the disbursement documentation included evidence of segregation of duties tested under #5, as applicable.

The disbursements tested included evidence of segregation of duties in all transaction tested.

6. Using the entity's main operating account and the month selected under #2, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:

- a. Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and

The disbursements tested were not approved by authorized personnel.

- b. Approved by the required number of authorized signers per the entity's policy.

The disbursements tested included the required number of authorized signers per the entity's policy.

Management's Response to Section Findings: Exceptions noted at 4c, 6a, 6b. Due to the size of the organization vendor files can be added by a number of individuals including the employee who processes disbursements.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards

7. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A list was obtained. Client represented that it was complete.

8. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation were reviewed and approved, in writing, by someone other than the authorized card holder.

There was evidence the statement was reviewed and approved by someone other than the authorized card holder for all statements tested.

- b. Observe that finance charges and late fees were not assessed on the selected statements.

No finance charges or late fees were assessed on the statements tested.

9. Using the monthly statements or combined statements selected under #8 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions. For each transaction, observe that it is supported by:

- a. an original itemized receipt that identifies precisely what was purchased,

An original itemized receipt that identifies precisely what was purchased was not present for four transactions tested.

- b. written documentation of the business/public purpose, and

Written documentation of the business/public purpose was not present for several transactions tested.

- c. documentation of the individuals participating in meals (for meal charges only).

Documentation of the individuals participating in the meals was present for the transactions tested.

- d. For missing receipts, the practitioner should be described the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Missing receipts were for parking fees, supplies purchase, fuel purchase, and truck repairs. No compensating control to address missing receipts is in place.

Management’s Response to Section Findings: Exceptions noted at 9a, client will stress the importance of turning in credit card receipts.

Travel and Travel-Related Expense Reimbursements

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Contracts

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Payroll and Personnel

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Ethics

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Debt Service

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Fraud Notice

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

Information Technology Disaster Recovery/Business Continuity

Report was timely submitted for June 30, 2024; therefore, no testing was required to be performed.

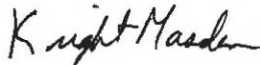
Prevention of Sexual Harassment

No exceptions were noted in this section on the June 30, 2024 report; therefore, no testing was required to be performed.

We were engaged by The Food Bank of Central Louisiana to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Food Bank of Central Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



KnightMasden
Alexandria, Louisiana
January 5, 2026