



Federal Awards Reports in Accordance  
with the Uniform Guidance  
June 30, 2020

# Food Bank for Larimer County

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**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Directors  
Food Bank for Larimer County  
Fort Collins, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Food Bank for Larimer County (the Organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 15, 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 opinions 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.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Denver, Colorado  
September 15, 2020



**Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Directors  
Food Bank for Larimer County  
Fort Collins, Colorado

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

We have audited Food Bank for Larimer County’s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization’s major federal program for the year ended June 30, 2020. The Organization’s major federal program 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 federal awards applicable to its federal programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for the Organization’s major federal program 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 federal program 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 the major federal program. However, our audit does not provide a legal determination of the Organization’s compliance.

**Opinion on Each Major Federal Program**

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 its major federal program for the year ended June 30, 2020.

## **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 federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program 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 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 federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Organization as of and for the year ended June 30, 2020, and have issued our report thereon dated September 15, 2020, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance

with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Eide Bailly LLP*

Denver, Colorado  
September 15, 2020

Food Bank for Larimer County  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2020

| Federal Grantor/Pass-Through<br>Grantor/Program or Cluster Title                       | Federal<br>CFDA<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Expenditures        |
|--|---------------------------|---|---------------------|
| <u>Department of Agriculture</u>   |                           |   |                     |
| Passed through Colorado Department of Public Health and Environment:                   |                           |   |                     |
| Child and Adult Care Food Program  | 10.558                    | 4558  | \$ 90,658           |
| Passed through Colorado Department of Local Affairs:                                   |                           |   |                     |
| Child Nutrition Cluster  |                           |   |                     |
| Summer Food Service Program for Children   | 10.559                    | 4559  | 220,805             |
| Total Child Nutrition Cluster  |                           |   | <u>220,805</u>      |
| Passed through Colorado Department of Human Services:                                  |                           |   |                     |
| SNAP Cluster   |                           |   |                     |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561                    | *   | 36,769              |
| Total SNAP Cluster   |                           |   | <u>36,769</u>       |
| Passed through Weld County Food Bank:  |                           |   |                     |
| Food Distribution Cluster  |                           |   |                     |
| Emergency Food Assistance Program (Administrative Costs)                               | 10.568                    | *   | 133,346             |
| Emergency Food Assistance Program (Food Commodities)                                   | 10.569                    | *   | 1,742,906           |
| Total Food Distribution Cluster  |                           |   | <u>1,876,252</u>    |
|  |                           |   | <u>2,224,484</u>    |
| <u>Department of Health and Human Services</u>   |                           |   |                     |
| Passed through Office on Aging Services - Larimer County:                              |                           |   |                     |
| Aging Cluster  |                           |   |                     |
| COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services         | 93.045                    | *   | 3,683               |
| Total Aging Cluster  |                           |   | <u>3,683</u>        |
|  |                           |   | <u>3,683</u>        |
| <u>Department of Homeland Security</u>   |                           |   |                     |
| Passed through United Way of Larimer County:   |                           |   |                     |
| Emergency Food and Shelter National Board Program                                      | 97.024                    | *   | 10,000              |
|  |                           |   | <u>10,000</u>       |
|  |                           |   | <u>\$ 2,238,167</u> |

\* Pass-through Entity Identifying Number not available



**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Food Bank for Larimer County (the Organization) under programs of the federal government for the year ended June 30, 2020. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

**Note 3 - Indirect Cost Rate**

The Organization does not draw for indirect administrative expenses and has not elected to use the 10% de minimus cost rate.

**Note 4 - Food Donation**

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2020, the Organization had food commodities totaling \$315,905 in inventory.

**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

|  |               |
|--|---------------|
| Type of auditor's report issued  | Unmodified    |
| Internal control over financial reporting:                                   |               |
| Material weaknesses identified   | No            |
| Significant deficiencies identified not considered to be material weaknesses | None Reported |
| Noncompliance material to financial statements noted?                        | No            |

**FEDERAL AWARDS**

|  |               |
|--|---------------|
| Internal control over major program:   |               |
| Material weaknesses identified   | No            |
| Significant deficiencies identified not considered to be material weaknesses                                     | None Reported |
| Type of auditor's report issued on compliance for major programs:  | Unmodified    |
| Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516: | No            |

**Identification of major programs:**

| Name of Federal Program  | CFDA Number |
|--|-------------|
| Food Distribution Cluster  |             |
| Emergency Food Assistance Program (Administrative Costs)                 | 10.568      |
| Emergency Food Assistance Program (Food Commodities)                     | 10.569      |
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000   |
| Auditee qualified as low-risk auditee?                                   | No          |

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.