

Greater Chicago Food Depository

**Federal Awards
Supplemental Information
June 30, 2016**

Greater Chicago Food Depository

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

Independent Auditor's Report

To the Board of Directors
Greater Chicago Food Depository

We have audited the basic financial statements of Greater Chicago Food Depository as of and for the year ended June 30, 2016 and have issued our report thereon dated September 15, 2016 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to September 15, 2016.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

November 2, 2016

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*

Independent Auditor's Report

To Management and the Board of Directors
Greater Chicago Food Depository

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 Greater Chicago Food Depository (GCFD), which comprise the basic statement of financial position as of June 30, 2016 and the related basic statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 15, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greater Chicago Food Depository's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GCFD's internal control. Accordingly, we do not express an opinion on the effectiveness of GCFD'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.

To Management and the Board of Directors
Greater Chicago Food Depository

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Chicago Food Depository'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 GCFD's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GCFD's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

September 15, 2016

Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance

Independent Auditor's Report

To the Board of Directors
Greater Chicago Food Depository

Report on Compliance for Each Major Federal Program

We have audited Greater Chicago Food Depository's (GCFD) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016. Greater Chicago Food Depository's major federal programs are 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 the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Greater Chicago Food Depository's major federal programs 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* (the "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 Greater Chicago Food Depository's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Greater Chicago Food Depository's compliance.

To the Board of Directors
Greater Chicago Food Depository

Opinion on Each Major Federal Program

In our opinion, Greater Chicago Food Depository 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, 2016.

Report on Internal Control Over Compliance

Management of Greater Chicago Food Depository 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 Greater Chicago Food Depository's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 GCFD'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 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.

Plante & Moran, PLLC

November 2, 2016

Greater Chicago Food Depository

Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Total Amount Provided to Subrecipients	Federal Expenditures
Clusters				
Child Nutrition Cluster - U.S. Department of Agriculture - U.S. Department of Agriculture - Passed through the Illinois State Board of Education - Summer Food Service Program for Children	10.559	15-016-695P-00	\$ -	\$ 1,453,440
Food Distribution Cluster - U.S. Department of Agriculture - U.S. Department of Agriculture - Passed through the Illinois Department of Human Services: Emergency Food Assistance Program (administrative costs)	10.568	FCSUH01401	-	908,424
Emergency Food Assistance Program (food commodities)	10.569	FCSUH01401	12,536,498	12,536,498
Total Food Distribution Cluster			12,536,498	13,444,922
SNAP Cluster - U.S. Department of Agriculture - Passed through U.S. Department of Agriculture - The Illinois Department of Human Services - SNAP Outreach	10.561	FCSUQ03497	-	145,477
TANF Cluster - U.S. Department of Health and Human Services - U.S. Department of Health and Human Services - Passed through the Illinois Department of Human Services - Temporary Assistance for Needy Families	93.558	FCSUH01401	225,797	225,797
Total clusters			12,762,295	15,269,636
Noncluster Programs				
U.S. Department of Housing and Urban Development - Passed through City of Chicago - Department of Family and Support Services - Services Community Development Block Grants	14.218	31250	989,890	989,890
Corporation for National and Community Service - Passed through the Illinois Department of Human Services: AmeriCorps	94.006	5057380007C	-	15,700
AmeriCorps	94.006	6067380007C	-	34,568
AmeriCorps	94.006	6067380007D	-	83,311
Total 94.006			-	133,579
U.S. Department of Homeland Security - Passed through United Way of America - Emergency Food and Shelter National Board Program - Phase XXXII	97.024	N/A	562,915	755,108
U.S. Department of Health and Human Services - Passed through Feeding CEDA - Community Services Block Grant	93.569	14-107-001	-	536,316
U.S. Department of Agriculture - Passed through the Illinois State Board of Education - Child and Adult Care Food Program	10.558	15-016-695P-00	-	1,069,739
Total federal expenditures			\$ 14,315,100	\$ 18,754,268

Greater Chicago Food Depository

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2016

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Greater Chicago Food Depository (GCFD) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Greater Chicago Food Depository, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Greater Chicago Food Depository.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

GCFD has not elected to use the 10 percent *de minimus* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

Note 3 - Noncash Assistance

The value of the noncash assistance received was determined in accordance with the provisions of the Uniform Guidance.

Summary of Noncash Assistance - GCFD received noncash food commodities assistance during the year ended June 30, 2016 that is included on the schedule of expenditures of federal awards.

Other than the food commodities received, determined in accordance with the provisions of OMB Uniform Guidance, there were no other amounts of noncash assistance, federal insurance, loans, or loan guarantees outstanding as of and for the year ended June 30, 2016.

Greater Chicago Food Depository

Schedule of Findings and Questioned Costs Year Ended June 30, 2016

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes 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 Section 2 CFR 200.516 (a)?

Yes No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.568/10.569	Emergency Food Assistance Program Cluster
14.218	Community Development Block Grant

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

Auditee qualified as low-risk auditee? Yes No

Greater Chicago Food Depository

Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2016

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None

Greater Chicago Food Depository

Summary Schedule of Prior Audit Findings Year Ended June 30, 2016

<u>Prior Year Finding Number</u>	<u>Fiscal Year in which the Finding Initially Occurred</u>	<u>Federal Program, CFDA Number and Name</u>	<u>Original Finding Description</u>	<u>Status/Partial Corrective Action (as Applicable)</u>	<u>Planned Corrective Action (if Finding Not Corrected)</u>
2015-001	2015	N/A	There was an error in the recognition and classification of pledge receivable balances.	Corrected	N/A