

HUNGER TASK FORCE, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2017

(With Summarized Totals for the Year Ended September 30, 2016)

HUNGER TASK FORCE, INC.

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Independent Auditor's Report

Board of Directors
Hunger Task Force, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Hunger Task Force, Inc. which comprise the balance sheet as of September 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hunger Task Force, Inc. as of September 30, 2017, 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.

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Board of Directors
Hunger Task Force, Inc.

Report on Summarized Comparative Information

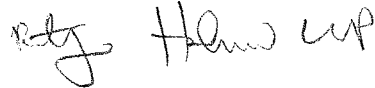
We have previously audited Hunger Task Force, Inc.'s 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses, schedule of hunger relief fund and DHS cost reimbursement award schedule are presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and in accordance with the *State Single Audit Guidelines* and is also 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2017, on our consideration of Hunger Task Force, 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 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 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 Hunger Task Force, Inc.'s internal control over financial reporting and compliance.



RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
January 17, 2018

HUNGER TASK FORCE, INC.
BALANCE SHEET
SEPTEMBER 30, 2017
(With Summarized Totals for September 30, 2016)

ASSETS		2017	2016
CURRENT ASSETS			
Cash and Cash Equivalents	\$	1,769,491	\$ 2,511,658
Grants Receivable		720,006	584,062
Current Pledges Receivable		540,000	555,300
Accounts Receivable		11,878	9,021
Inventory		558,685	530,742
Inventory - From USDA		1,082,016	1,165,273
Prepaid Expenses		83,109	130,450
Total Current Assets	\$	4,765,185	\$ 5,486,506
FIXED ASSETS			
Land and Building	\$	1,299,000	\$ 1,299,000
Office Equipment		226,380	228,505
Warehouse Equipment		1,954,742	1,786,644
Building Improvements		1,666,685	337,170
Intangible Assets		82,671	82,671
Construction in Progress		---	710,254
Total Fixed Assets	\$	5,229,478	\$ 4,444,244
Less: Accumulated Depreciation		(2,171,955)	(1,927,030)
Net Fixed Assets	\$	3,057,523	\$ 2,517,214
OTHER ASSETS			
Investments	\$	3,255,758	\$ 2,830,592
Net Long-Term Pledges Receivable		23,981	483,092
Beneficial Interest in Greater Milwaukee Foundation		282,191	249,862
Total Other Assets	\$	3,561,930	\$ 3,563,546
TOTAL ASSETS	\$	11,384,638	\$ 11,567,266
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable	\$	420,707	\$ 746,707
Accrued Salaries		64,822	64,615
Accrued Vacation		125,265	115,800
Flexible Benefits Payable		5,918	6,448
Current Portion of Loan Payable		8,723	8,424
Current Portion of Capital Lease Obligation		109,876	98,800
Total Current Liabilities	\$	735,311	\$ 1,040,794
NON-CURRENT LIABILITIES			
Loan Payable	\$	26,238	\$ 34,663
Less: Current Portion of Loan Payable		(8,723)	(8,424)
Capital Lease Obligation		383,369	284,015
Less: Current Portion of Capital Lease		(109,876)	(98,800)
Total Non-Current Liabilities	\$	291,008	\$ 211,454
Total Liabilities	\$	1,026,319	\$ 1,252,248
NET ASSETS			
Unrestricted			
Operating	\$	9,214,662	\$ 8,238,359
Board Designated		---	243,440
Total Unrestricted Net Assets	\$	9,214,662	\$ 8,481,799
Temporarily Restricted		1,143,657	1,833,219
Total Net Assets	\$	10,358,319	\$ 10,315,018
TOTAL LIABILITIES AND NET ASSETS	\$	11,384,638	\$ 11,567,266

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

HUNGER TASK FORCE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(With Summarized Totals for the Year Ended September 30, 2016)

	Unrestricted	Temporarily Restricted	2017 Total	2016 Total
REVENUE				
Federal Emergency Management Act Grant	\$ 488,077	\$ ---	\$ 488,077	\$ 489,383
Community Development Block Grant	---	---	---	93,744
Emergency Food Assistance Program	212,188	---	212,188	219,912
Commodity Supplemental Food Program	639,483	---	639,483	632,475
No Kid Hungry Social Innovation Fund	270,049	---	270,049	208,494
SNAP Outreach	360,259	---	360,259	369,826
Other Grants	309,126	---	309,126	152,371
Donations - Current Year Use	5,457,584	---	5,457,584	5,167,155
Donations - Future Year Use	---	143,159	143,159	1,186,675
Hunger Relief Fund	227,083	2,223	229,306	233,624
Donated Food and Services	3,718,897	---	3,718,897	4,921,343
USDA Food Received	4,520,512	---	4,520,512	4,617,968
Change in Beneficial Interest	---	32,328	32,328	17,099
Net Investment Income (Loss)	438,554	---	438,554	255,745
In-Kind Revenue	47,267	---	47,267	51,188
Miscellaneous	16,732	---	16,732	9,078
Loss on Disposal of Fixed Asset	---	---	---	(5,994)
Net Assets Released from Restrictions	867,272	(867,272)	---	---
Total Revenue	<u>\$ 17,573,083</u>	<u>\$ (689,562)</u>	<u>\$ 16,883,521</u>	<u>\$ 18,620,086</u>
EXPENSES				
Program Services	\$ 15,730,038	\$ ---	\$ 15,730,038	\$ 16,295,055
Development	745,326	---	745,326	706,476
Management and General	364,856	---	364,856	392,362
Total Expenses	<u>\$ 16,840,220</u>	<u>\$ ---</u>	<u>\$ 16,840,220</u>	<u>\$ 17,393,893</u>
CHANGE IN NET ASSETS	\$ 732,863	\$ (689,562)	\$ 43,301	\$ 1,226,193
Net Assets, Beginning of Year	<u>8,481,799</u>	<u>1,833,219</u>	<u>10,315,018</u>	<u>9,088,825</u>
NET ASSETS, END OF YEAR	<u><u>\$ 9,214,662</u></u>	<u><u>\$ 1,143,657</u></u>	<u><u>\$ 10,358,319</u></u>	<u><u>\$ 10,315,018</u></u>

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

HUNGER TASK FORCE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(With Summarized Totals for the Year Ended September 30, 2016)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 43,301	\$ 1,226,193
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	358,496	316,062
Realized/Unrealized Investment Loss (Gain)	(308,226)	(98,745)
Loss on Disposal of Asset	---	5,994
(Increase) Decrease in Grants Receivable	(135,944)	(368,949)
(Increase) Decrease in Net Pledges Receivable	474,411	(420,528)
(Increase) Decrease in Accounts Receivable	(2,857)	105,432
(Increase) Decrease in Inventory	(27,943)	157,103
(Increase) Decrease in Inventory - from USDA	83,257	(170,040)
(Increase) Decrease in Prepaid Expenses	47,341	(68,562)
(Increase) Decrease in Beneficial Interest	(32,329)	(17,099)
Increase (Decrease) in Accounts Payable	(326,000)	513,255
Increase (Decrease) in Accrued Salaries	207	(96,456)
Increase (Decrease) in Accrued Vacation	9,465	1,959
Increase (Decrease) in Flexible Benefits Payable	(530)	2,078
Net Cash Provided by Operating Activities	\$ 182,649	\$ 1,087,697
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	\$ (216,939)	\$ (415,952)
Sale of Investments	99,999	245,650
Purchase of Fixed Assets	(898,806)	(904,983)
Net Cash Used by Investing Activities	\$ (1,015,746)	\$ (1,075,285)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Note Payable	\$ (8,425)	\$ (8,136)
Proceeds from Capital Lease	211,748	112,786
Payments on Capital Leases	(112,393)	(118,161)
Net Cash Provided (Used) by Financing Activities	\$ 90,930	\$ (13,511)
Net Decrease in Cash and Cash Equivalents	\$ (742,167)	\$ (1,099)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,511,658	2,512,757
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,769,491	\$ 2,511,658
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Donated Stock	\$ 120,022	\$ 76,318
Interest Paid	19,225	16,207
New Fixed Assets Financed by Capital Leases	211,748	112,786

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

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE A - Summary of Significant Accounting Policies

Organization

Hunger Task Force, Inc. ("HTF") works to prevent hunger and malnutrition by providing food to people in need today and by promoting social policies to achieve food security tomorrow.

Accounting Method

The financial statements of HTF have been prepared on the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less when purchased.

Fixed Assets

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Fixed assets are recorded at cost or at the estimated fair market value at the date of donation. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

Inventory

Inventory consists of purchased and donated food. Purchased food is valued at the lower of cost or market and donated food is valued at the lower of fair market value on the date of donation or market. The specific identification method is used for inventory. The inventory system identifies the inventory with the earliest expiration date to be used first.

Inventory - From USDA

Inventory from USDA consists of food allocations by The Emergency Food Assistance Program (TEFAP) and The Commodity Supplemental Food Program (CSFP). The value of inventory from USDA is based on pricing information provided by USDA. The specific identification method is used for inventory. The inventory system identifies the inventory with the earliest expiration date to be used first.

Basis of Presentation

HTF reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Assets of the restricted classes are created only by donor-imposed restrictions.

At September 30, 2017, HTF had \$559,280 of temporarily time- and purpose-restricted net assets, \$5,000 of temporarily time-restricted net assets, and \$579,377 of temporarily purpose-restricted net assets.

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE A - Summary of Significant Accounting Policies (continued)

Contributions

All contributions are considered available for HTF's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increase the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Investment income that is limited to specific uses by donor restrictions is reported as increases in unrestricted net assets if the restrictions are met in the same reporting period as the income is recognized.

Contributions of donated property are recorded at fair market value on the date of donation.

Allowance for Uncollectible Accounts

Management believes all grants and pledges will be collected in accordance with the terms of the agreements. Thus, no allowance for uncollectible accounts is necessary at year end.

NOTE B - Comparative Financial Information

The financial information shown for 2016 in the accompanying financial statements is included to provide a basis for comparison with 2017. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with HTF's financial statements for the year ended September 30, 2016, from which the summarized information was derived.

For comparability, certain 2016 amounts have been reclassified to conform with classifications adopted in 2017. The reclassifications have no effect on reported amounts of net assets or changes in net assets.

NOTE C - Concentration of Credit Risk

HTF maintains cash balances in banks. These balances are insured by the Federal Deposit Insurance Corporation. As of September 30, 2017, the uninsured portion of this balance was \$1,288,783.

NOTE D - Investments

Investments are stated at fair value and summarized as follows:

	<u>Fair Value</u>
Exchange Traded Equity Funds	\$ 681,592
Bond Funds	724,934
Equity Mutual Funds	<u>1,849,232</u>
Total Investments	<u>\$3,255,758</u>

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE D - Investments (continued)

Net investment income (loss) is summarized as follows:

Interest and Dividend Income	\$141,625
Realized/Unrealized Gain (Loss)	308,226
Fees	<u>(11,297)</u>
Total	<u>\$438,554</u>

NOTE E - Beneficial Interest in Assets Held by Others

Generally Accepted Accounting Principles requires that a specified beneficiary recognize its rights to the assets held by a recipient organization unless the donor has explicitly granted the recipient organization variance power. HTF transferred some of its investment portfolio to the Greater Milwaukee Foundation to establish a fund in a prior year. At September 30, 2017, the fund held at the Greater Milwaukee Foundation has a value of \$282,191, which is reported on the balance sheet as Beneficial Interest in Greater Milwaukee Foundation.

NOTE F - Fair Value Measurements

HTF has adopted the Financial Accounting Standards Board guidance on fair value measurements. A three-tier hierarchy is used to maximize the use of observable market data inputs and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Financial assets valued using level 3 inputs are based primarily on valuation models with significant unobservable pricing inputs and which result in the use of management estimates.

The following table sets forth by level, within the fair value hierarchy, HTF's assets at fair value as of September 30, 2017:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
GMF Beneficial Interest	\$ 282,191	\$ ---	\$ ---	\$282,191
Exchange Traded Equity Funds	681,592	681,592	---	---
Bond Funds	724,934	724,934	---	---
Equity Mutual Funds	<u>1,849,232</u>	<u>1,849,232</u>	<u>---</u>	<u>---</u>
Total	<u>\$3,537,949</u>	<u>\$3,255,758</u>	<u>\$ ---</u>	<u>\$282,191</u>

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE F - Fair Value Measurements (continued)

GMF Beneficial Interest includes equities securities, fixed income securities, absolute return hedge funds, and long/short equity hedge funds. The funds are held by the Greater Milwaukee Foundation which reports on a calendar year.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
	<u>GMF Investments</u>
Beginning Balance, October 1, 2016	\$249,862
Total gains or losses (realized/unrealized)	32,243
Purchases, issuances, and settlements	2,190
Fees	(2,104)
Transfers in and/or out of Level 3	<u>---</u>
Ending Balance, September 30, 2017	<u>\$282,191</u>

All assets have been valued using a market approach, except for Level 3 assets. Level 3 assets are valued using the income approach. Fair values for assets in Level 2 are calculated using quoted market prices for similar assets in markets that are not active. Fair values for assets in Level 3 are calculated using assumptions about discounted cash flow and other present value techniques. There were no changes in the valuations techniques during the current year.

NOTE G - Grants Receivable

Grants receivable consists of the following amounts at September 30, 2017:

<u>Source</u>	<u>Amount</u>
Wisconsin Department of Health Services	
SNAP-ED	\$157,587
Commodity Supplemental Food Program	145,547
SNAP - OUTREACH	100,892
Temporary Emergency Food Assistance Program	4,731
Share our Strength, Inc.	60,043
Emergency Food and Shelter Program	244,039
USDA - Food Insecurity Nutrition Incentive	<u>7,167</u>
Total	<u>\$720,006</u>

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE H - Pledges Receivable

Pledges receivable consists of the following amounts at September 30, 2017:

<u>Source</u>	<u>Amount</u>
Foundations	\$565,000
Less: Present Value Discount	<u>(1,019)</u>
Total	<u>\$563,981</u>

The discount rate used to determine the present value of pledges receivable was 4.25%.

Pledges receivable is comprised of the following amounts at September 30, 2017:

<u>Account</u>	<u>Amount</u>
Current Pledges Receivable	\$540,000
Net Long-Term Pledges Receivable	<u>23,981</u>
Total Pledges Receivable	<u>\$563,981</u>

All amounts are expected to be fully collected as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2018	\$540,000
2019	<u>25,000</u>
Total	<u>\$565,000</u>

NOTE I - Operating Leases

HTF leases real estate at the Milwaukee County Parks in Franklin to use for the operation of an urban work farm at a cost of \$1 per year through 2027. The rent expense for the year ended September 30, 2017, totaled \$1.

HTF leases office equipment at a monthly rate of \$130. This lease expires October 19, 2019. The lease expense for the year ended September 30, 2017, totaled \$1,564.

HTF entered into a maintenance agreement for the semi-tractor at a monthly rate of \$235. The expense for the year ended September 30, 2017, totaled \$2,820.

HTF entered into a lease for a tractor at a monthly rate of \$326. The expense for the year ended September 30, 2017, totaled \$3,913.

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE I - Operating Leases (continued)

On March 15, 2016, HTF entered into a five-year lease agreement for the premises located at 723 W. Historic Mitchell Street. The lease expense for the year ended September 30, 2017, totaled \$36,630.

Future minimum lease payments are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2018	\$45,039
2019	40,997
2020	41,142
2021	19,112

NOTE J - Intangible Assets

Net intangible assets of \$82,671 presented on the balance sheet as of September 30, 2017, consists of the following:

<u>Amortized Asset</u>	<u>Gross Value</u>	<u>Accumulated Amortization</u>	<u>Residual Value</u>	<u>Life</u>
Inventory Computer System	\$ 2,500	\$ 2,500	\$ ---	3 years
Raiser's Edge Enhancements	6,719	6,719	---	3 years
Inventory Computer system	31,265	31,265	---	3 years
O-Matic Import Software and License	6,400	6,400	---	3 years
New Website	<u>35,787</u>	<u>24,852</u>	<u>10,935</u>	3 years
Total	<u>\$82,671</u>	<u>\$71,736</u>	<u>\$10,935</u>	

Amortization expense was \$11,929 for the year ended September 30, 2017.

Future amortization is expected as follows for the year ending September 30:

<u>Year</u>	<u>Amount</u>
2018	<u>\$10,935</u>
Total	<u>\$10,935</u>

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE K - Loan Payable

HTF entered into a \$51,298 loan payable for the purchase of a vehicle. The loan has a 72 month term, an interest rate of 3.49% and a monthly payment of \$792. The loan payable balance was \$26,239 at September 30, 2017.

Future minimum payments on the loan are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 8,723	\$ 777	\$ 9,500
2019	9,032	468	9,500
2020	<u>8,483</u>	<u>148</u>	<u>8,631</u>
Total	<u>\$26,238</u>	<u>\$1,393</u>	<u>\$27,631</u>

NOTE L - Capital Lease

HTF entered into capital lease obligations for six freight trucks and seven copiers. The cost of \$726,729 is included in fixed assets. Total accumulated depreciation for the leased assets amounts to \$354,349 at September 30, 2017.

The items are depreciated over the life of the leases. Amortization of the capital leases of \$107,929 is included in depreciation expense for the year ended September 30, 2017.

Future minimum lease payments are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$109,876	\$19,364	\$129,510
2019	79,499	14,814	94,313
2020	63,528	10,688	74,216
2021	58,724	5,040	63,764
2022	49,277	4,240	53,517
2023	<u>22,465</u>	<u>1,405</u>	<u>23,870</u>
Total	<u>\$383,369</u>	<u>\$55,551</u>	<u>\$439,190</u>

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE M - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

Hunger Relief Fund	\$ 51,693
Amani Neighborhood	20,449
Farm	745,324
Turkey Ticker	25,000
Holiday Cards	12,000
Beneficial Interest	282,191
17/18 Fiscal Year	5,000
Other Purpose	<u>2,000</u>
Total	<u>\$1,143,657</u>

NOTE N - Donated Food and Services

HTF records donated food and services at fair market value on the date of the donation. Food is valued per pound based on type of donation. This amount is included in both revenue and expenses. HTF received \$8,239,409 of donated food for the fiscal year ended September 30, 2017.

NOTE O - In-Kind Revenue

During the year ended September 30, 2017, HTF received \$4,041 of donated printing services, use of forklift valued at \$918, a farm tractor valued at \$25,000, and \$17,308 of donated milk vouchers.

NOTE P - Hunger Relief Fund

HTF administers the Hunger Relief Fund of Wisconsin. Hunger Relief Fund does not charge fees of any kind to its participants.

NOTE Q - Retirement Savings Plan

HTF has an employee retirement savings plan in which all employees are eligible to receive a matching employer contribution to the plan. The matching contribution from HTF was 100% of the employee contribution up to a limit of 5% of an employee's gross wages. In addition, HTF made a discretionary contribution. Total retirement savings plan contributions for the fiscal year ended September 30, 2017, were \$240,537.

NOTE R - Advertising Costs

HTF uses advertising to promote its programs. Advertising costs are expensed as incurred. Advertising expense for the year ended September 30, 2017, was \$224,679.

HUNGER TASK FORCE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

NOTE S - Produce Harvested on Farm

HTF operates a farm in Franklin, Wisconsin, under a long-term lease agreement with Milwaukee County. The value of produce harvested for the year ended September 30, 2017, amounted to \$763,699. This amount is not reflected in the financial statements.

NOTE T - Income Taxes

HTF is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. Management has reviewed all tax positions taken in previous fiscal years and those expected to be taken in future fiscal years. As of September 30, 2017, HTF had no amounts related to unrecognized income tax benefits and no amounts related to accrued interest and penalties. HTF does not anticipate any significant changes to unrecognized income tax benefits over the next year.

NOTE U - Subsequent Events

HTF has evaluated events and transactions occurring after September 30, 2017, through January 17, 2018, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures. HTF has determined that no subsequent events need to be disclosed.

HUNGER TASK FORCE, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(With Summarized Totals for the Year Ended September 30, 2016)

	Food Program	Outreach	Advocacy	Development	Management and General	2017 Total	2016 Total
Salaries	\$ 1,480,531	\$ 782,546	\$ 483,582	\$ 354,670	\$ 210,991	\$ 3,312,320	\$ 3,191,122
Payroll Taxes	148,326	78,400	48,603	35,608	21,143	332,080	323,076
Employee Benefits	328,767	173,380	106,626	79,631	48,035	736,439	692,113
Food Expenses	666,260	39,633	---	---	220	706,113	453,916
Donated Food and Services	3,844,195	---	---	---	---	3,844,195	5,071,650
USDA Food Distributed	4,603,769	---	---	---	---	4,603,769	4,447,928
Special Event Expense	149	10,799	2,858	33,951	---	47,757	8,645
Staff Development	4,105	1,200	1,633	6,898	2,123	15,959	12,353
Printing	23,790	75,624	46,460	23,459	5,226	174,559	116,440
Postage	1,692	6,427	712	34,018	1,689	44,538	48,582
Travel	4,985	10,558	12,931	1,691	3,182	33,347	32,820
Accounting/Audit Fees	4,377	2,314	1,448	1,057	18,224	27,420	24,833
Dues and Subscriptions	22,051	9,455	16,043	32,610	8,614	88,773	80,166
Advertisements	---	114,925	42,136	67,618	---	224,679	215,654
Program Supplies and Expense	20,775	349,606	369,818	---	68	740,267	672,194
Office Supplies	5,087	4,272	807	2,962	1,838	14,966	13,672
Professional Services	9,468	64,243	17,931	1,376	7,308	100,326	72,605
Maintenance and Supplies	173,601	13,800	3,923	5,535	2,488	199,347	242,710
Occupancy	94,348	44,067	4,244	6,366	1,591	150,616	190,330
Telephone	47,938	35,466	8,651	8,126	3,994	104,175	107,208
Conferences, Conventions and Meetings	2,125	2,477	3,429	760	1,969	10,760	5,612
Insurance	58,437	11,236	6,570	8,520	6,712	91,475	94,019
Volunteer Expenses	20,383	16,372	3,295	4,070	3,288	47,408	47,076
Sales Tax	---	---	---	1,187	---	1,187	1,051
Grants to Others	---	684,242	---	---	---	684,242	702,994
Non-Capitalized Equipment	38,574	5,949	2,051	2,571	1,455	50,600	64,501
IT/Hardware	9,368	5,285	1,654	1,983	4,527	22,817	59,220
Depreciation	322,668	15,738	6,148	7,872	6,070	358,496	316,062
In-Kind Expense	22,267	---	---	---	---	22,267	41,188
Miscellaneous	16,200	6,543	(308)	22,787	4,101	49,323	44,153
Totals	\$ 11,974,236	\$ 2,564,557	\$ 1,191,245	\$ 745,326	\$ 364,856	\$ 16,840,220	\$ 17,393,893

**HUNGER TASK FORCE, INC.
SCHEDULE OF HUNGER RELIEF FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

BALANCE, BEGINNING OF YEAR		\$	51,073
REVENUE			
Combined Federal Campaign	\$	19,569	
City of Milwaukee		32,505	
Milwaukee County		13,979	
State Employees Combined Campaign		101,133	
Milwaukee Area Technical College		13,688	
Milwaukee Public Schools		21,288	
Other		27,144	
Total Revenue			229,306
EXPENSES			
Payments			
HTF Designations	\$	29,813	
Payments to Other Organizations		201,096	
Total Expenses			230,909
BALANCE, END OF YEAR		\$	49,470

HUNGER TASK FORCE, INC.
DHS COST REIMBURSEMENT AWARD SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2017

GRANT	TEFAP-HTFM	CSFP	SNAP Nutrition	SNAP Outreach	
DHS Identification Number	70011	154780	154661	445406	
AWARD AMOUNT	\$ 212,456	\$ 639,483	\$ 249,919	\$ 720,517	
AWARD PERIOD	10/1/16-9/30/17	10/1/16-9/30/17	10/1/16-9/30/17	10/1/16-9/30/17	Total
EXPENDITURES REPORTED TO DHS FOR PAYMENT					
Payment from DHS	\$ 212,188	\$ 639,483	\$ 249,919	\$ 360,259	\$ 1,461,849
Match	---	---	---	360,259	360,259
Total Expenditures Reported to DHS	<u>\$ 212,188</u>	<u>\$ 639,483</u>	<u>\$ 249,919</u>	<u>\$ 720,518</u>	<u>\$ 1,822,108</u>
TOTAL ALLOWABLE COSTS OF AWARD					
Salaries and Wages	\$ 176,741	\$ 376,079	\$ 118,502	\$ 603,305	\$ 1,274,627
Consulting	---	20,761	7,640	---	28,401
Program Supplies	---	109,428	78,340	---	187,768
Agency Operations	30,716	133,215	---	---	163,931
Copying/ Printing	---	---	45,322	18,599	63,921
Internet/Telephone	---	---	---	28,296	28,296
Equipment	4,731	---	---	4,882	9,613
Supplies	---	---	---	2,681	2,681
Building/Space	---	---	---	36,000	36,000
Other	---	---	---	22,863	22,863
Travel	---	---	115	3,892	4,007
Total Allowable Costs of Award	<u>\$ 212,188</u>	<u>\$ 639,483</u>	<u>\$ 249,919</u>	<u>\$ 720,518</u>	<u>\$ 1,822,108</u>
Expenditures Reported Less Allowable Costs	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

HUNGER TASK FORCE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/ State Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal/State CFDA Program Number	Pass-Through Entity Identifying Number	Expenditures	Subrecipients
FEDERAL ASSISTANCE				
The United States Department of Agriculture, Food and Nutrition Services				
Direct Funding				
Food Insecurity Incentive Grants Program	10.331		\$ 27,278	
Wisconsin Department of Health Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	445406	\$ 360,259	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	154661	249,919	
Total CFDA 10.561/SNAP Cluster			<u>\$ 610,178</u>	
Wisconsin Department of Health Services				
Commodity Supplemental Food Program	10.565	154780	\$ 639,483	
Commodity Supplemental Food Program (Food Commodities)	10.565		2,142,333	
Total CFDA 10.565			<u>\$ 2,781,816</u>	
Wisconsin Department of Health Services				
Emergency Food Assistance Program (Administrative Costs)	10.568	70011	190,205	
Wisconsin Department of Health Services				
Emergency Food Assistance Program (Food Commodities)	10.569		2,378,179	
Total Food Distribution Cluster			<u>\$ 5,350,200</u>	
Total United States Department of Agriculture, Food and Nutrition Services			<u>\$ 5,987,656</u>	
The United States Department of Housing and Urban Development				
Milwaukee County				
Community Development Block Grants/Entitlement Grants	14.218		\$ 31,929	
Corporation for National and Community Service				
Share Our Strength				
Social Innovation Fund	94.019	1451HD6002	\$ 270,049	
The United States Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024		\$ 488,077	\$ 483,196
TOTAL FEDERAL EXPENDITURES			<u>\$ 6,777,711</u>	<u>\$ 483,196</u>
STATE ASSISTANCE				
Wisconsin Department of Health Services				
Emergency Food Assistance Program (Administrative Costs)		70011	\$ 21,983	
TOTAL STATE EXPENDITURES			<u>\$ 21,983</u>	

The accompanying notes are an integral part of this schedule.

HUNGER TASK FORCE, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

NOTE 1 - Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Hunger Task Force, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The Organization has not elected to use the 10% de minimus cost rate. The Organization allocates indirect costs based on direct salaries.

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 the Board of Directors
Hunger Task Force, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Hunger Task Force, Inc., which comprise the balance sheet as of September 30, 2017, 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 17, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hunger Task Force, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hunger Task Force, Inc. internal control. Accordingly, we do not express an opinion on the effectiveness of Hunger Task Force, 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 may exist that have not been identified.

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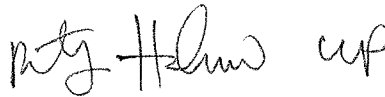
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hunger Task Force, 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 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.

A handwritten signature in black ink, appearing to read "Ritz Holman" followed by a stylized flourish.

RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
January 17, 2018

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

Independent Auditor's Report

To the Board of Directors of
Hunger Task Force, Inc.

Report on Compliance for Each Major Federal Program

We have audited Hunger Task Force, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Hunger Task Force, Inc.'s major federal programs for the year ended September 30, 2017. Hunger Task Force, Inc.'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 its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Hunger Task Force, Inc.'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 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 Hunger Task Force, Inc.'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 Hunger Task Force, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Hunger Task Force, 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 September 30, 2017.

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To the Board of Directors of
Hunger Task Force, Inc.
Page Two

Report on Internal Control Over Compliance

Management of Hunger Task Force, Inc. 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 Hunger Task Force, Inc.'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 Hunger Task Force, Inc.'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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
January 17, 2018

Report on Compliance for Each Major State Program and
Report on Internal Control Over Compliance Required by the *State Single Audit Guidelines*

Independent Auditor's Report

To the Board of Directors of
Hunger Task Force, Inc.

Report on Compliance for Each Major State Program

We have audited Hunger Task Force, Inc.'s compliance with the types of compliance requirements described in the *State Single Audit Guidelines* that could have a direct and material effect on each of Hunger Task Force, Inc.'s major state programs for the year ended September 30, 2017. Hunger Task Force, Inc.'s major state 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 its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Hunger Task Force, Inc.'s major state 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 *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Hunger Task Force, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Hunger Task Force, Inc.'s compliance.

Opinion on Each Major State Program

In our opinion, Hunger Task Force, 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 state programs for the year ended September 30, 2017.

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To the Board of Directors of
Hunger Task Force, Inc.
Page Two

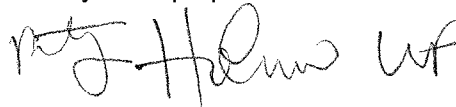
Report on Internal Control Over Compliance

Management of Hunger Task Force, Inc. 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 Hunger Task Force, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the *State Single Audit Guidelines*, 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 Hunger Task Force, Inc.'s internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state 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 state 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 state 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 *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
January 17, 2018

**HUNGER TASK FORCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:	Unmodified
--	------------

Internal control over financial reporting:

- | | |
|---|--------------------------------|
| <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified? | None Reported
None Reported |
|---|--------------------------------|

Noncompliance material to financial statements noted?	No
---	----

Federal Awards

Internal control over major programs:

- | | |
|---|--------------------------------|
| <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified? | None Reported
None Reported |
|---|--------------------------------|

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

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

Identification of major programs:

10.565, 10.568, 10.569	Food Distribution Cluster
------------------------	---------------------------

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

Auditee qualified as low-risk auditee?	Yes
--	-----

State Awards

Internal control over major programs:

- | | |
|---|--------------------------------|
| <ul style="list-style-type: none"> • Material weakness(es) identified? • Significant deficiencies identified? | None Reported
None Reported |
|---|--------------------------------|

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

**HUNGER TASK FORCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

SECTION I - SUMMARY OF AUDITOR'S RESULTS (continued)

Any audit findings disclosed that are required to be reported in accordance with State Single Audit Guidelines? No

Identification of major state programs, not included under federal programs

The Emergency Food Assistance Program 70011

Dollar threshold used to distinguish between Type A and Type B programs under the State Single Audit Guidelines:

Type A - \$250,000

Type B - \$62,500

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters were reported

SECTION V - OTHER ISSUES

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e., material noncompliance, non-material noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with applicable *State Single Audit Guidelines*?
Department of Health Services No

**HUNGER TASK FORCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

SECTION V - OTHER ISSUES (continued)

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit?

No

4. Name and signature of partner



Andrew C. Holman

5. Date of report

January 17, 2018