



**FOODCORPS, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JULY 31, 2017 AND 2016**

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**FINANCIAL STATEMENTS**  
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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
FoodCorps, Inc.  
Portland, Oregon

We have audited the accompanying financial statements of FoodCorps, Inc. (a nonprofit organization), which comprise the statement of financial position as of July 31, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### **Auditors' 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FoodCorps, Inc. as of July 31, 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.

## INDEPENDENT AUDITORS' REPORT

### Report on Summarized Comparative Information

We have previously audited the FoodCorps, Inc.'s July 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Rosenberg + Manente PLLC*

Rosenberg and Manente, PLLC  
Certified Public Accountants  
New York, New York

January 2, 2018

**FOODCORPS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JULY 31, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,926,224	\$ 2,753,779
Unconditional Promises to Give:		
Restricted to Future Programs and Periods, Net	7,881,580	6,851,860
Government Grant Receivables	486,434	499,410
Program Service Fees and Other Receivables	97,231	5,596
Prepaid Expenses	366,447	294,910
Property and Equipment, Net of Accumulated Depreciation	117,589	68,413
Security Deposit	48,341	59,117
<b>TOTAL ASSETS</b>	<b>\$ 11,923,846</b>	<b>\$ 10,533,085</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 53,430	\$ 373
Accrued Expenses	45,529	121,832
Credit Cards Payable	100,504	91,596
Unearned Revenue	18,048	25,000
Accrued Paid Time Off	115,124	68,794
Accrued Salaries and Related Expenses	178,926	95,809
<b>TOTAL LIABILITIES</b>	<b>511,561</b>	<b>403,404</b>
<b>NET ASSETS</b>		
Unrestricted	2,001,020	1,461,511
Temporarily Restricted	9,411,265	8,668,170
<b>TOTAL NET ASSETS</b>	<b>11,412,285</b>	<b>10,129,681</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,923,846</b>	<b>\$ 10,533,085</b>

**FOODCORPS, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JULY 31, 2017**  
(With Comparative Totals for the Year Ended July 31, 2016)

	<u>JULY 31, 2017</u>			<u>JULY 31, 2016</u>
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>	<u>TOTAL</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>				
Grants	\$ 3,245,457	\$ 6,015,287	\$ 9,260,744	\$ 5,384,463
Contributions	1,688,024	656,209	2,344,233	4,398,438
Program Service Revenue	1,364,528	-	1,364,528	969,779
Donated Professional Services and Gifts In-Kind	33,342	-	33,342	506,650
Miscellaneous	19,531	-	19,531	197
<b>Total Revenues, Gains and Other Support Before the Release of Restricted Net Assets</b>	<b>6,350,882</b>	<b>6,671,496</b>	<b>13,022,378</b>	<b>11,259,527</b>
<b>Net Assets Released from Restrictions:</b>				
Satisfaction of Time and Program Restrictions	5,928,401	(5,928,401)	-	-
<b>Total Revenue, Gains and Other Support</b>	<b>12,279,283</b>	<b>743,095</b>	<b>13,022,378</b>	<b>11,259,527</b>
<b>EXPENSES</b>				
<b>Program Services</b>	8,922,997	-	8,922,997	8,264,769
<b>Supporting Services:</b>				
Management and General	963,905	-	963,905	960,095
Development and Fundraising	1,852,872	-	1,852,872	1,644,237
Total Supporting Services	2,816,777	-	2,816,777	2,604,332
Total Expenses	11,739,774	-	11,739,774	10,869,101
<b>CHANGES IN NET ASSETS</b>	<b>539,509</b>	<b>743,095</b>	<b>1,282,604</b>	<b>390,426</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>1,461,511</b>	<b>8,668,170</b>	<b>10,129,681</b>	<b>9,739,255</b>
<b>NET ASSETS, ENDING OF YEAR</b>	<b>\$ 2,001,020</b>	<b>\$ 9,411,265</b>	<b>\$ 11,412,285</b>	<b>\$ 10,129,681</b>

**FOODCORPS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JULY 31, 2017**  
(With Comparative Totals for the Year Ended July 31, 2016)

	JULY 31, 2017				JULY 31, 2016
	Program Services	Management and General	Development and Fundraising	Total	Total
<b>Personal Service Expenses</b>					
Salaries and Temporary Services	\$ 5,900,137	\$ 556,648	\$ 1,213,154	\$ 7,669,939	\$ 6,764,361
Employee Benefits	769,459	53,837	115,558	938,854	799,746
Payroll Taxes	471,059	49,310	92,281	612,650	534,951
<b>Research and Evaluation</b>					
Research and Evaluation Consultants	41,932	-	-	41,932	92,455
Database Hosting and Maintenance	20,673	1,512	10,506	32,691	28,116
<b>Building and Occupancy</b>					
Rent	310,707	18,099	23,262	352,068	200,261
Utilities	10,248	8,606	1,404	20,258	15,593
<b>Technology and Communications</b>					
Website, Press and Media	487	-	6,271	6,758	6,911
Photo and Video	5,540	-	32	5,572	9,492
Telephone and Internet	15,447	574	925	16,946	24,344
Consulting	9,743	873	54,813	65,429	173,205
Computer Expenses	88,434	23,167	9,591	121,192	98,596
Depreciation	20,106	747	1,204	22,057	9,040
<b>Training and Staff Development</b>					
Consulting	58,589	-	-	58,589	77,740
Uniforms	7,949	4,963	1,104	14,016	12,515
Conferences	44,463	5,761	14,892	65,116	85,752
Travel, Meals and Lodging	526,352	33,049	-	559,401	711,967
Printing	27,247	3,020	12,641	42,908	24,758
Other Training and Staff Development	12,810	11,915	4,188	28,913	14,470
<b>Administrative and Other</b>					
Compliance	27,146	12,870	454	40,470	30,219
Consulting	-	2,125	106,225	108,350	416,250
Grants to Other Organizations	-	-	-	-	61,097
Insurance and Other Administrative Expenses	31,673	23,626	12,060	67,359	59,145
Payroll, Bank and Merchant Processing	-	2,181	4,471	6,652	28,072
Postage and Delivery	17,092	3,803	3,379	24,274	17,835
Professional Fees	109,882	84,292	24,939	219,113	205,428
Supplies and Reference Materials	177,785	21,357	34,035	233,177	135,523
Travel, Meals and Lodging	218,037	18,320	105,483	341,840	231,259
Bad Debt Expense	-	23,250	-	23,250	-
<b>Total Expenses</b>	<b>\$ 8,922,997</b>	<b>\$ 963,905</b>	<b>\$ 1,852,872</b>	<b>\$ 11,739,774</b>	<b>\$ 10,869,101</b>

See Accompanying Notes to Financial Statements

**FOODCORPS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED JULY 31, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 1,282,604	\$ 390,426
<b>Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:</b>		
<b>Depreciation</b>	22,057	9,040
<b>Decrease (Increase) in:</b>		
Unconditional Promises to Give	(1,029,720)	(1,578,357)
Government Grant Receivables	12,976	(113,252)
Program Service Fees and Other Receivables	(91,635)	219,816
Prepaid Expenses	(71,537)	(34,407)
Security Deposits	10,776	41,584
<b>Increase (Decrease) in:</b>		
Accounts Payable	53,057	(61,915)
Accrued Expenses	(76,303)	82,839
Credit Cards Payable	8,908	77,374
Unearned Revenue	(6,952)	(8,500)
Accrued Paid Time Off	46,330	17,546
Accrued Salaries and Related Expenses	83,117	42,075
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>243,678</b>	<b>(915,731)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(71,233)	(66,924)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(71,233)</b>	<b>(66,924)</b>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	172,445	(982,655)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,753,779	3,736,434
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 2,926,224</b>	<b>\$ 2,753,779</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
<b>Cash Paid During the Year For:</b>		
Interest	\$ -	\$ -
Taxes	\$ -	\$ -



# FOODCORPS, INC.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2017 AND 2016

### NOTE 1 - NATURE OF ORGANIZATION

FoodCorps, Inc. ("FoodCorps" or the "Organization") is a New York nonprofit corporation chartered on November 15, 2010. Through its national staff, partner organizations and the network of emerging leaders in its AmeriCorps public service program, FoodCorps seeks to connect children to healthy food in school. FoodCorps is a nonprofit public charity recognized under section 501(c)(3) of the IRS code.

FoodCorps fielded its sixth class of leaders during the fiscal period under audit, supporting 215 service members and 18 fellows throughout their yearlong term of service and working across 17 states and Washington D.C. to meet the Organization's mission. Together with communities, FoodCorps serves to connect to healthy food in school.

Hands-On Learning:

- Taught 25,520 kids for 10+ hours - a tipping point to change what kids eat.
- Supported 783 gardens for immersive outdoor learning.

Healthy School Meals:

- 1,374 state tests, a fun way for kids to try healthy recipes.
- 440 new foods added to the lunch line.

Schoolwide Culture of Health:

- 131 schools created new educational opportunities for staff and families.

The Organization receives the majority of its funding from foundation and government grants, individual donations, corporate sponsorships, and cost-sharing payments from its nonprofit partner organizations.

FoodCorps Service Members are AmeriCorps members who serve with and through the Organization. Each one commits to an eleven and 1/2 month term of paid public service fostering healthy school food environments in limited-resource communities.

FoodCorps fellows, the Organization's statewide team leaders who guide and support their state's cohort of service members, assist the Organization in program implementation within their state and region and build statewide capacity for the Organization's programming under the direction of their State Partner.

State Partners are the state-level partners of the Organization that oversee program implementation in their region. In partnership with FoodCorps, State Partners are also responsible for building and overseeing their state's network of Service Sites, community-level partners that directly supervise a service member or service team. State Partners and Service Site partners can be nonprofit organizations, public schools or districts, government agencies or academic institutions. This year, FoodCorps replaced the State-Partner in Connecticut, with FoodCorps staff who took on the role of the State-Partner, managing the program full-time and directly.

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### **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 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, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**FOODCORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JULY 31, 2017 AND 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Website and Database**

Expenditures in relation to the development, modification and maintenance of the Organization's website and database are recorded as expenses in the period in which they were incurred.

**Allowance for Doubtful Accounts**

The Organization determines whether an allowance for uncollectible should be provided for accounts receivable. Such estimates are based on managements' assessment of the aged basis of its sources, current economic conditions, subsequent receipts and historical information. Account receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. At July 31, 2017 and 2016, management determined that no allowance for doubtful accounts is necessary.

**Revenue Recognition**

Contributions are reported at fair value at the date the contribution is received. All contributions are considered to be available for unrestricted use unless specifically restricted by donors. The gifts are reported as temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Accordingly, net assets are classified as unrestricted, temporarily restricted, or permanently restricted based on the designation of the donors.

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require special skills and are performed by people with those skills and would otherwise be purchased by the Organization.

**Contribution Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until conditions are substantially met.

**Property and Equipment**

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Fixed assets are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

Furniture and Office Equipment	3 to 5 years
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**Contributions**

Under Accounting Standards Board (FASB) ASC 958, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

**Comparative Information**

The financial statements include certain prior-year comparative information that may not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended July 31, 2016, from which the summarized information was derived.

**Reclassifications**

It is the Organization's policy to reclassify, where appropriate, prior year financial statements to conform to the current year presentation.

# FOODCORPS, INC.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2017 AND 2016

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Volunteer Services

During the years ended July 31, 2017 and 2016, many individuals volunteered their time and performed a variety of tasks that assisted the Organization. However, these services do not meet the criteria for recognition as contributed services.

#### Financial Statement Presentation

The statements of financial position and of activities focuses on the organization as a whole and report total assets, liabilities, net assets and changes in net assets in accordance with the FASB ASC 958-205, Financial Statements of Not-for-Profit Organizations. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

**(1) Unrestricted:**

Net assets that are either not subject to donor-imposed stipulations or have been reclassified from temporarily restricted net assets because donor restrictions have either expired or been met.

**(2) Temporarily Restricted:**

Net assets that carry donor-imposed restrictions that expire upon the passage of time or upon occurrence of a stated event as specified by the donor. Net assets released from restrictions represent the satisfaction of the restricted purpose.

**(3) Permanently Restricted:**

Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization had no permanently restricted assets at July 31, 2017.

#### Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization is subject to routine audits by various federal, state and local taxing authorities; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2014.

The financial statements effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the Statement of Activities.

#### Employee Benefit Plan

Eligible employees are invited to participate in the Organization's 401(k) plan. The Organization provides a 50% match on each employee's total contribution up to \$3,000 per year. Matches are assessed on a calendar year basis. Fellows are not eligible for the 401(k) benefit.

#### Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications based upon benefits received in ratios determined by management.

### NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment by major classification is summarized as follows:

	<u>2017</u>	<u>2016</u>
Furniture and Office Equipment	\$ 203,227	\$ 131,994
Less: Accumulated Depreciation	85,638	63,581
Property and Equipment, Net	<u>\$ 117,589</u>	<u>\$ 68,413</u>

**FOODCORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JULY 31, 2017 AND 2016**

**NOTE 3 - PROPERTY AND EQUIPMENT (CONTINUED)**

Depreciation expense for the years ended July 31, 2017 and 2016 was \$22,057 and \$9,040, respectively.

**NOTE 4 - COMMITMENTS AND CONTINGENCIES**

Certain grants and contracts may be subject to audit by funding sources. Such audits may result in disallowance of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such potential claims.

The Organization may be involved in legal actions arising in the ordinary course of its business. It is the opinion of Management that such actions will be resolved without material effect on the Organization's financial position.

**NOTE 5 - LEASE COMMITMENTS AND RENTAL EXPENSE**

The Organization leases office and program space under various operating leases expiring at various dates through the fiscal year end 2021.

Future minimum lease payments are as follows:

<b>Year Ended July 31,</b>	
2018	\$ 283,218
2019	278,407
2020	235,179
2021	<u>169,712</u>
Total	<u>\$ 966,516</u>

Rent expense for the years ended July 31, 2017 and 2016 was \$352,068 and \$200,261, respectively.

**NOTE 6 - EMPLOYEE BENEFIT PLANS**

During the years ended July 31, 2017 and 2016, the Organization contributed \$105,875 and \$91,766, respectively, to the 401(k) plan to meet the 50% employer match.

**NOTE 7 - UNEARNED REVENUE**

As of July 31, 2017 and 2016, unearned revenue from program service fees was \$18,048 and \$25,000, respectively. Program service fees are earned as the participating member sites complete their program year.

**NOTE 8 - TRAINING AND STAFF DEVELOPMENT**

The Organization provides training for its fellows and service members in order for them to effectively carry out its mission on the ground. As part of this training, the Organization hosts an annual training conference. The applicable travel, meals and lodging expenses for this training conference are, accordingly, included in program expenses in the accompanying financial statements.

**NOTE 9 - RELATED PARTIES**

During the years ended July 31, 2017 and 2016, various members of the Organization's board of directors also served on the boards of unrelated organizations that contributed to the Organization and have pledged donations of \$512,355 and \$397,550, respectively. During the years ended July 31, 2017 and 2016, various staff members of the Organization pledged donations in the amount of \$10,101 and \$4,507, respectively. During the years ended July 31, 2017 and 2016, relatives of the board of directors and staff pledged donations in the amounts of \$978,460 and \$162,741, respectively. Additionally, during the year ended July 31, 2017, the Organization received a grant of \$35,000 from an organization in which a board member holds the position of President and CEO.

**FOODCORPS, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JULY 31, 2017 AND 2016**

**NOTE 10 - CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents accounts in financial institutions, which from time to time, may exceed the Federal Depository Insurance Coverage limit. As of July 31, 2017 and 2016, cash and cash equivalents exceeding federally insured limits totaled \$2,455,649 and \$1,695,262, respectively. In assessing its risk, the Organization's policy is to maintain funds only with reputable financial institutions and management believes the risk of losses is minimal.

Grants and contributions received from a single funder may, at times, exceed 20% of total support. The Organization assesses credit risk related such grants on a contract-by-contract basis.

**NOTE 11 - DONATED SERVICES AND DONATIONS IN-KIND**

Donated goods and services that meet the requirements for recognition are recorded as revenue and expenses in the accompanying statement of activities. The Organization received donated consulting services of \$0 and \$388,000 for the years ending July 31, 2017 and 2016, respectively. The Organization received donated legal services totaling \$33,342 and \$50,527 for the years ended July 31, 2017 and 2016, respectively. These services are included in consulting and professional fees in the accompanying financial statements, respectively. The values of the consulting and legal services are based upon estimates provided by the donors. For the years ended July 31, 2017 and 2016, donations in-kind consisted of technology equipment totaling \$0 and \$66,924, respectively.

**NOTE 12 - UNCONDITIONAL PROMISES TO GIVE**

Contributions receivable, including multi-year commitments, were discounted to net present value using a discount rate of 2%. Contributions receivable as of July 31, 2017 consisted of the following:

Amount Due In:	
Less Than One Year	\$ 4,383,467
One to Three Years	1,940,000
Four to Six Years	<u>1,800,000</u>
Total	8,123,467
Less: Discount to Present Value	<u>241,887</u>
Total Contributions Receivable, Net	<u>\$ 7,881,580</u>

**NOTE 13 - NET ASSETS**

**Unrestricted**

As of July 31, 2017 and 2016, the Organization had \$2,001,020 and \$1,461,511 in unrestricted net assets, respectively. Unrestricted grants include amounts received from federal agencies, which are for use in the furthering of the Organization's mission. Unearned amounts from such grants have not been accrued in the accompanying financial statements.

**Temporarily Restricted**

As of July 31, 2017 and 2016, the total temporarily restricted net assets of \$9,411,265 and \$8,668,170, respectively, were available for the following purposes:

	<u>Beginning of Fiscal Year</u>	<u>Contributions</u>	<u>Released</u>	<u>End of Fiscal Year</u>
FYE 2017 Programming Support	\$ 1,570,000	\$ -	\$ 1,570,000	\$ -
FYE 2018 Programming Support	10,000	2,100,000	-	2,110,000
Program/Evaluation FYE 2016 and 2017	63,345	-	63,345	-
Purpose Restriction – State Specific	590,385	1,284,382	951,840	922,927
Time Restriction Multi-Year FYE 2016-2024	6,399,440	3,262,114	3,308,216	6,353,338
Time Restriction FYE 2017	35,000	-	35,000	-
Time Restriction FYE 2018	-	25,000	-	25,000
	<u>\$ 8,668,170</u>	<u>\$ 6,671,496</u>	<u>\$ 5,928,401</u>	<u>\$ 9,411,265</u>

**FOODCORPS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JULY 31, 2017 AND 2016**

**NOTE 13 - NET ASSETS (CONTINUED)**

Temporarily restricted net assets are available for the following time periods:

	<b>FYE 2018 Programming Support</b>	<b>Purpose Restriction - State Specific</b>	<b>Time Restriction Multi-Year FYE 2016-2024</b>	<b>Time Restriction FYE 2018</b>	<b>Total</b>
2018	\$ 2,110,000	\$ 922,927	\$ 2,855,226	\$ 25,000	\$ 5,913,153
2019	-	-	725,490	-	725,490
2020	-	-	576,701	-	576,701
2021	-	-	565,393	-	565,393
2022	-	-	554,307	-	554,307
2023	-	-	543,438	-	543,438
2024	-	-	532,783	-	532,783
	<u>\$ 2,110,000</u>	<u>\$ 922,927</u>	<u>\$ 6,353,338</u>	<u>\$ 25,000</u>	<u>\$ 9,411,265</u>

**Permanently Restricted**

As of July 31, 2017 and 2016, the Organization had no permanently restricted net assets.

**NOTE 14 - BAD DEBT EXPENSE**

Bad debt expense for years ending July 31, 2017 and 2016 totaled \$23,250 and \$0, respectively.

**NOTE 15 - SUBSEQUENT EVENTS**

Subsequent to the date of the financial statements, the Organization entered into an agreement with a third party nonprofit organization that will assign, transfer, convey and contribute certain assets and liabilities of the School Food Focus to the Organization effective December 31, 2017. The Organization intends to have a six-month strategic planning process with school districts, food producers and suppliers, and school food stakeholders to assess what districts need, the barriers to providing it, and how the newly expanded FoodCorps can best help them provide healthier, more sustainable school meals.

Management has evaluated subsequent events through January 2, 2018, which is the date the financial statements were available to be issued and determined no adjustments to the financial statements or additional disclosures are necessary.