

FEEDING NEW YORK STATE
FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

C O N T E N T S

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Feeding New York State
Albany, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Feeding New York State (a New York not-for-profit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Feeding New York State as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Feeding New York State and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Feeding New York State's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Feeding New York State's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Feeding New York State's ability to continue as a going concern for a reasonable period of time.

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

Report on the 2021 Financial Statements

The financial statements of Feeding New York State were audited by a previous accountant and in their report dated March 7, 2022, they expressed an unmodified opinion on those audited financial statements. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Gloversville, New York
November 30, 2022

FEEDING NEW YORK STATE
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 1,087,808	\$ 1,298,598
Accounts receivable		
Governmental contracts	549,973	1,018,313
Grants	0	129,363
Prepaid expenses and security deposit	1,300	1,300
Total current assets	<u>1,639,081</u>	<u>2,447,574</u>
Other assets:		
Intangible asset, net accumulated amortization	23,255	12,990
TOTAL ASSETS	<u>\$ 1,662,336</u>	<u>\$ 2,460,564</u>
 LIABILITIES:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 261,170	\$ 950,355
Salaries and annual leave payable	37,012	38,465
Total current liabilities	<u>298,182</u>	<u>988,820</u>
 NET ASSETS		
Net assets without donor restrictions	553,982	423,145
Net assets with donor restrictions	810,172	1,048,599
Total net assets	<u>1,364,154</u>	<u>1,471,744</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,662,336</u>	<u>\$ 2,460,564</u>

See accompanying notes.

FEEDING NEW YORK STATE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2022</u>
REVENUES AND SUPPORT			
Membership dues	\$ 137,500	\$ 0	\$ 137,500
Public Support			
Governmental contracts	1,380,389	161,356	1,541,745
Contributions and grants	310,878	1,145,087	1,455,965
Interest	1,002	0	1,002
Miscellaneous	74	0	74
Net assets released from restrictions	1,544,870	(1,544,870)	0
Total revenues and support	<u>3,374,713</u>	<u>(238,427)</u>	<u>3,136,286</u>
FUNCTIONAL EXPENSES:			
Program services	3,003,069	0	3,003,069
Management and general	228,789	0	228,789
Fundraising	12,018	0	12,018
Total functional expenses	<u>3,243,876</u>	<u>0</u>	<u>3,243,876</u>
CHANGE IN NET ASSETS	130,837	(238,427)	(107,590)
NET ASSETS - BEGINNING	<u>423,145</u>	<u>1,048,599</u>	<u>1,471,744</u>
NET ASSETS - ENDING	<u>\$ 553,982</u>	<u>\$ 810,172</u>	<u>\$ 1,364,154</u>

See accompanying notes.

FEEDING NEW YORK STATE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2021</u>
REVENUES AND SUPPORT			
Membership dues	\$ 100,000	\$ 0	\$ 100,000
Public Support			
Governmental contracts	1,409,311	0	1,409,311
Contributions and grants	289,610	1,934,788	2,224,398
Interest	1,189	0	1,189
Miscellaneous	681	0	681
Net assets released from restrictions	1,487,447	(1,487,447)	0
Total revenues and support	<u>3,288,238</u>	<u>447,341</u>	<u>3,735,579</u>
FUNCTIONAL EXPENSES:			
Program services	3,058,819	0	3,058,819
Management and general	118,533	0	118,533
Fundraising	7,224	0	7,224
Total functional expenses	<u>3,184,576</u>	<u>0</u>	<u>3,184,576</u>
CHANGE IN NET ASSETS	103,662	447,341	551,003
NET ASSETS - BEGINNING	<u>319,483</u>	<u>601,258</u>	<u>920,741</u>
NET ASSETS - ENDING	<u><u>\$ 423,145</u></u>	<u><u>\$ 1,048,599</u></u>	<u><u>\$ 1,471,744</u></u>

See accompanying notes.

FEEDING NEW YORK STATE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	2022 TOTAL	2021 TOTAL
Compensation and benefits:					
Salaries and wages	\$ 420,058	\$ 81,963	\$ 10,245	\$ 512,266	\$ 316,995
Payroll taxes and employee benefits	58,658	11,445	1,431	71,534	28,992
Total compensation and benefits	478,716	93,408	11,676	583,800	345,987
Consultant	0	43,334	0	43,334	21,666
Professional fees	0	21,628	0	21,628	15,048
Advocacy	16,362	0	0	16,362	0
Insurance	1,032	212	0	1,244	1,407
Dues and fees	832	171	0	1,003	753
Information technology/website	35,049	15,020	0	50,069	23,004
Postage	695	136	16	847	374
Supplies	8,662	1,690	211	10,563	5,856
Printing and copying	944	180	0	1,124	6,403
Telephone and communications	4,708	919	115	5,742	8,959
Occupancy	21,551	4,414	0	25,965	12,044
Travel and meetings	23,104	4,732	0	27,836	4,631
Purchased food distributed	195,819	0	0	195,819	62,294
Distribution, shipping and transportation	102,725	0	0	102,725	124,235
Boxed food packaging services	813,515	0	0	813,515	732,671
Grants made - support to organizations	1,287,053	0	0	1,287,053	1,800,828
Miscellaneous	0	40,425	0	40,425	11,921
Amortization	12,302	2,520	0	14,822	6,495
Total expenses	2,524,353	135,381	342	2,660,076	2,838,589
TOTALS	\$ 3,003,069	\$ 228,789	\$ 12,018	\$ 3,243,876	\$ 3,184,576

See accompanying notes.

FEEDING NEW YORK STATE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	2021 TOTAL
Compensation and benefits:				
Salaries and wages	\$ 259,936	\$ 50,719	\$ 6,340	\$ 316,995
Payroll taxes and employee benefits	23,773	4,639	580	28,992
Total compensation and benefits	283,709	55,358	6,920	345,987
Consultant	0	21,666	0	21,666
Professional fees	0	15,048	0	15,048
Insurance	1,168	239	0	1,407
Dues and fees	625	128	0	753
Information technology/website	16,103	6,901	0	23,004
Postage	307	60	7	374
Supplies	4,802	937	117	5,856
Printing and copying	5,379	1,024	0	6,403
Telephone and communications	7,346	1,433	180	8,959
Occupancy	10,117	1,927	0	12,044
Travel and meetings	3,844	787	0	4,631
Purchased food distributed	62,294	0	0	62,294
Distribution, shipping and transportation	124,235	0	0	124,235
Boxed food packaging services	732,671	0	0	732,671
Grants made - support to organizations	1,800,828	0	0	1,800,828
Miscellaneous	0	11,921	0	11,921
Amortization	5,391	1,104	0	6,495
Total expenses	2,775,110	63,175	304	2,838,589
TOTALS	\$ 3,058,819	\$ 118,533	\$ 7,224	\$ 3,184,576

See accompanying notes.

FEEDING NEW YORK STATE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (107,590)	\$ 551,003
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Amortization	14,822	6,495
(Increase) decrease in:		
Accounts receivable	597,703	(374,771)
Membership dues received in advance	0	(80,000)
Increase (decrease) in:		
Salaries and annual leave payable	(1,453)	14,008
Accounts payable and accrued expenses	<u>(689,185)</u>	<u>260,948</u>
Net cash provided (used) by operating activities	(185,703)	377,683
CASH FLOWS FROM INVESTING ACTIVITY:		
Purchase of intangible assts	<u>(25,087)</u>	<u>(19,485)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(210,790)	358,198
CASH AND CASH EQUIVALENTS - BEGINNING	<u>1,298,598</u>	<u>940,400</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>\$ 1,087,808</u></u>	<u><u>\$ 1,298,598</u></u>

See accompanying notes.

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

Organization

Feeding New York State, incorporated as Food Bank Association of New York State, Inc., is a not-for-profit organization representing the Feeding America food banks located in New York. The mission of Feeding New York State is to lead a unified effort for a hunger free New York.

Feeding New York State engages in a wide range of activity to accomplish its mission. It leads a statewide advocacy effort coordinating the members' work aimed at influencing public policy to benefit food-insecure New Yorkers. It operates a statewide fresh produce sourcing program providing donated produce to members and food banks in other states. It coordinates logistics for food transportation. It operates a statewide food rescue program that diverts excess food from landfills, ensuring it is used at food pantries. It manages statewide grants for purposes including donated venison processing, equipment purchases, staff support, advocacy, and produce boxes. It manages partnerships with hundreds of allied organizations in an effort to broadly address the root causes of hunger in New York.

Feeding New York State is governed by a Board of Directors comprised of the executive directors of the member food banks. Membership dues totaled \$137,500 and \$100,000 during 2022 and 2021, respectively. Feeding New York State is funded primarily through public and corporate grants and contributions.

Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Uncertain Tax Positions

Feeding New York State files information returns in its U.S. federal jurisdiction and New York State. Feeding New York State's returns for the years ended June 30, 2022, 2021 and 2020, are subject to U.S. federal and New York State examination.

The Organization follows the provision of uncertain tax positions as addressed in FASB ASC 740. The Organization has been granted tax exempt status as a non-profit organization, which management believes would be accepted upon examination by the taxing authorities. Management has determined that it currently has no other uncertain tax positions to report for the year ended June 30, 2022.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting which recognizes income when earned, expenses when incurred, and reflects all significant receivables, payables, and other liabilities.

Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The net assets of Feeding New York State and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's Board of Directors may designate assets without restrictions for specific operational purposes from time to time.

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION –
(CONTINUED)**

Financial Statement Presentation – (Continued)

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature whereby the donor has stipulated that the funds be maintained in perpetuity.

Use of 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.

Revenue Recognition

Government Contracts

Revenue from government contracts, which are generally considered nonreciprocal transactions restricted for certain purposes, is recognized as revenue when eligible qualifying expenditures are incurred and conditions under the agreements are met. Feeding New York State has elected the simultaneous release policy available under Accounting Standards Update (ASU) 2018-08, which allows a not-for-profit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is net in the same period that the revenue is recognized. Cash received on the contracts in excess of eligible expenses incurred, or in advance of being earned, is recorded as deferred revenue and recognized over the period or periods to which it relates.

During the year ended June 30, 2022, conditional awards from governmental contracts to increase food donation through New York State food banks of \$808,471, were received but not recognized. Conditional awards will be recorded when they become unconditional.

Contributions and Grants

Contributions and grants, including unconditional promises to give, received are recorded as support without or with donor restrictions depending on the existence of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions. Donor restricted support is recorded as an increase in net assets with donor restrictions. When a restriction expires, that is, when a stipulation time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. However, contributions which impose restrictions met in the same year they are received are included in support without donor restrictions. Conditional promises to give are not recognized until the conditions on which they depend are met.

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION –
(CONTINUED)**

Accounts Receivable

Accounts receivable are recorded at unpaid balances, including retained percentages within governmental contracts, which is the amount management expects to collect. Contract retainages are due after completion of all contract goals. Feeding New York State does not require collateral or any other security to support the amounts due.

Property and Equipment

Property and equipment is capitalized at cost. Policy is to capitalize property and equipment expenditures with a unit value in excess of \$1,000. Lesser amounts are expensed. Depreciation is provided on the straight-line method over the estimated useful lives of the assets (4 years).

Donations of property and equipment are recorded as support at their estimated fair value on the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

Intangible Asset

Included in intangible asset are costs of \$44,574 associated with website development. These costs are being amortized over an estimated life of three years. Amortization expense for the year ended June 30, 2022 and 2021 was \$14,822 and \$6,495, respectively. Residual value at June 30, 2022 and 2021 totaled \$23,255 and \$12,990, respectively. Estimated future amortization expense is \$11,628 for the next two years.

Grants Made – Support Organizations

Grants are made from available resources in accordance with funding source requirements and Board of Directors' recommendations. Liabilities for grants made are recognized when incurred. Upon approval, payment is generally made shortly thereafter.

Functional Expenses

The financial statements report expenses that are attributable to more than one function. When possible, expenses are charged directly to program or supporting services based on specific identification. Indirect expenses require allocation on a reasonable basis that is consistently applied. The significant expenses that are allocated are personnel services, which have been allocated based on estimates determined by management, based on a review of the effort, time and expenditures which are program related and which are support and administrative related.

Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Feeding New York State.

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

NOTE 2 – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject Feeding New York State to concentrations of credit risk consist of cash accounts in financial institutions which, from time to time, may exceed insured limits. Feeding New York State has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. Cash in excess of insured limits totaled \$713,752 and \$977,715 at June 30, 2022 and 2021, respectively.

NOTE 3 – LIQUIDITY

Feeding New York State’s financial assets available within one year of the statement of financial position date to meet general expenditures are as follows:

	<u>2022</u>	<u>2021</u>
Cash	\$ 1,087,808	\$ 1,298,598
Accounts receivable	<u>549,973</u>	<u>1,147,676</u>
Total Financial Assets	1,637,781	2,446,274
Less net assets with donor restrictions	<u>(810,172)</u>	<u>(1,048,599)</u>
Totals	<u>\$ 827,609</u>	<u>\$ 1,397,675</u>

As part of liquidity management, Feeding New York State has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs, Feeding New York State invests cash in excess of daily requirements in an interest-bearing money market account and savings account.

NOTE 4 – NET ASSETS

Net assets with donor restrictions are available for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
Increase produce sourcing within NYS	\$ 80,547	\$ 59,472
Strategic planning	400	43,734
Strategic capacity building services (SCRAPS)	249,214	343,000
Fresh to Go food distribution	404,784	465,478
Advocacy	25,000	0
Dairy initiatives	37,977	24,126
Dairy consumption project	12,250	20,154
Nourish NY – purchase of NYS foods	<u>0</u>	<u>92,635</u>
Totals	<u>\$ 810,172</u>	<u>\$ 1,048,599</u>

NOTE 5 – RETIREMENT PLAN

Feeding New York State has a non-contributory SEP IRA retirement plan with Oppenheimer Funds. The Plan covers substantially all employees who have performed one year of service. Contributions are a specified percentage, currently a maximum of 3%, of eligible salaries. Contributions to employees’ accounts amounted to \$2,446 and \$-0- and for the years ended June 30, 2022 and 2021, respectively.

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 6 – RELATED PARTY TRANSACTIONS

Feeding New York State distributed grant support totaling \$1,287,053 and \$1,800,828 during the years ended June 30, 2022 and 2021, respectively, to fund food processing costs and to increase food donation through New York State food banks. Of this total, grant support to member food banks was as follows:

	<u>2022</u>	<u>2021</u>
Island Harvest	\$ 109,131	\$ 167,566
Feeding Westchester	16,305	31,446
Food Bank of the Southern Tier	117,678	36,261
Regional Food Bank of Northeastern New York	51,768	392,515
Food Bank of Western New York	200,068	245,480
Foodlink	54,226	289,493
Food Bank of Central New York	67,863	158,754
Food Bank of New York City	247,935	88,910
City Harvest	155,851	99,931
Long Island Cares	<u>27,692</u>	<u>206,095</u>
Totals	<u>\$ 1,048,517</u>	<u>\$ 1,716,451</u>

Grant support payable to the above member food banks totaled \$261,577 and \$901,727 at June 30, 2022 and 2021, respectively.

During the year ended June 30, 2022, Feeding New York State earned grant revenue from Regional Food Bank of Northeastern New York totaling \$119,362. Additionally, \$126,680 of food was distributed to member food banks through the Nourish NYS grant.

NOTE 7 – DONATED GOODS AND SERVICES

Feeding New York State reports revenue for the fair value of donated services received where the services required specialized skills, are provided by individuals possessing those skills, and represent services that would have been purchased had they not been donated. Feeding New York State receives donated services from unpaid organizations and volunteers who assist in fundraising and other projects. No amounts have been recognized in the statement of activities because criteria for recognition has not been satisfied.

NOTE 8 – COMMITMENTS AND CONTINGENT LIABILITIES

Lease Commitment

Feeding New York State leases office space pursuant to a lease agreement expiring May 2026. Rent expense for the years ended June 30, 2022 and 2021 was \$24,891 and \$10,324, respectively. Future minimum rent commitments at June 30, 2022 are:

2023	\$ 24,891
2024	24,891
2025	24,891
2026	22,817

FEEDING NEW YORK STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 – COMMITMENTS AND CONTINGENT LIABILITIES – (CONTINUED)

Contract/Grant Programs

Feeding New York State participates in contract programs subject to financial and compliance audits. Compliance with requirements may be established at some future date. The amount of expenditures or funding which may be disallowed cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

NOTE 9 – FAIR VALUE/FINANCIAL INSTRUMENTS

Financial instruments consist of cash, accounts receivable, and all current liabilities. It is management's opinion that Feeding New York State is not exposed to significant interest rate or credit risk arising from these instruments. The fair values of these financial instruments are their market values, which approximate their carrying values.

NOTE 10 – PUBLIC SUPPORT – GOVERNMENTAL CONTRACTS AND GRANTS

A significant amount of revenues and support is provided by awards from Feeding America and contracts with New York State Department of Health, New York State Department of Environmental Conservation, and New York State Empire State Development. The current level of operations and program services may be impacted, or segments discontinued, if the funding is not renewed. Feeding New York State is under contract with the aforementioned sources for varying periods through June 2024. Conditional awards received but not recognized totaled \$808,471 and \$1,498,611 as of June 30, 2022 and 2021, respectively.

NOTE 11 – FUTURE ACCOUNTING STANDARDS

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases* (Topic 842). This standard requires a change to the way Feeding New York State will account for its leases, eliminating operating leases and requiring lease obligations to be recorded as a liability on the statement of financial position with a corresponding right to use asset. The guidance, which was deferred by the FASB in June 2020, is effective for annual reporting periods beginning after December 15, 2021. Feeding New York State is currently evaluating the impact this standard will have on its financial statements and related disclosures.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the issuance date of the of the report. There were no issues to report that would have a material effect on the financial statements.