

FEED MY PEOPLE, INC.

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2016 AND 2015

**FEED MY PEOPLE, INC.
TABLE OF CONTENTS
DECEMBER 31, 2016 AND 2015**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF FUNCTIONAL EXPENSES	5
STATEMENTS OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION	15
STATEMENTS OF ACTIVITIES WITHOUT DONATED INVENTORY · SHOWING ACTUAL COST PER POUND OF FOOD DISTRIBUTED	16



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Feed My People, Inc.
Eau Claire, Wisconsin

We have audited the accompanying financial statements of Feed My People, Inc., which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 auditors' 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.

Board of Directors
Feed My People, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Feed My People, Inc. as of December 31, 2016 and 2015, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
May 30, 2017

FEED MY PEOPLE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2016 AND 2015

ASSETS	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 512,934	\$ 399,506
Accounts Receivable - Trade	75,683	63,953
Pledges and Grants Receivable	13,825	12,851
Inventory	1,092,573	1,113,849
Prepaid Expenses	19,365	18,304
Total Current Assets	<u>1,714,380</u>	<u>1,608,463</u>
PROPERTY AND EQUIPMENT	1,260,930	1,305,238
INVESTMENTS	1,677,676	1,556,364
OTHER ASSETS		
Pledges Receivable - Noncurrent	<u>14,825</u>	<u>-</u>
Total Assets	<u><u>\$ 4,667,811</u></u>	<u><u>\$ 4,470,065</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 86,919	\$ 102,020
Accrued Expenses	51,468	34,369
Funds Held for Others	<u>57,307</u>	<u>86,103</u>
Total Current Liabilities	195,694	222,492
NET ASSETS		
Unrestricted	4,367,295	4,133,564
Temporarily Restricted	<u>104,822</u>	<u>114,009</u>
Total Net Assets	<u>4,472,117</u>	<u>4,247,573</u>
Total Liabilities and Net Assets	<u><u>\$ 4,667,811</u></u>	<u><u>\$ 4,470,065</u></u>

See accompanying Notes to Financial Statements.

FEED MY PEOPLE, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Totals	Unrestricted	Temporarily Restricted	Totals
REVENUES AND OTHER SUPPORT						
Grants	\$ 191,632	\$ 14,500	\$ 206,132	\$ 34,251	\$ 157,800	\$ 192,051
Contributions	814,343	139,317	953,660	741,449	111,702	853,151
Donated Inventory	11,350,082	-	11,350,082	10,530,016	-	10,530,016
Investment Income (Loss)	169,384	-	169,384	(39,935)	-	(39,935)
In-Kind Contributions	7,482	-	7,482	4,486	-	4,486
Program Revenues						
Purchased Product	766,096	-	766,096	756,903	-	756,903
Shared Maintenance and Delivery Fees	311,382	-	311,382	304,959	-	304,959
Program Fees	9,700	-	9,700	10,642	-	10,642
Miscellaneous	7,365	-	7,365	7,897	-	7,897
Gain on Sale of Assets	15,000	-	15,000	-	-	-
Restrictions Satisfied by Use Restrictions	163,004	(163,004)	-	328,626	(328,626)	-
Total Revenues and Other Support	<u>13,805,470</u>	<u>(9,187)</u>	<u>13,796,283</u>	<u>12,679,294</u>	<u>(59,124)</u>	<u>12,620,170</u>
EXPENSES						
Program	13,270,031	-	13,270,031	11,794,371	-	11,794,371
Management and General	141,621	-	141,621	190,126	-	190,126
Fundraising	160,087	-	160,087	98,668	-	98,668
Total Expenses	<u>13,571,739</u>	<u>-</u>	<u>13,571,739</u>	<u>12,083,165</u>	<u>-</u>	<u>12,083,165</u>
CHANGE IN NET ASSETS	233,731	(9,187)	224,544	596,129	(59,124)	537,005
Net Assets - Beginning of Year	<u>4,133,564</u>	<u>114,009</u>	<u>4,247,573</u>	<u>3,537,435</u>	<u>173,133</u>	<u>3,710,568</u>
NET ASSETS - END OF YEAR	<u>\$ 4,367,295</u>	<u>\$ 104,822</u>	<u>\$ 4,472,117</u>	<u>\$ 4,133,564</u>	<u>\$ 114,009</u>	<u>\$ 4,247,573</u>

See accompanying Notes to Financial Statements.

FEED MY PEOPLE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries	\$ 431,387	\$ 85,077	\$ 58,362	\$ 574,826	\$ 330,623	\$ 128,919	\$ 44,306	\$ 503,848
Payroll Taxes	34,095	6,724	4,613	45,432	27,668	10,789	3,708	42,165
Retirement Plan	19,934	3,931	2,697	26,562	19,767	2,893	1,446	24,106
Health Insurance	34,118	6,729	4,616	45,463	20,489	7,989	2,746	31,224
Medical Expense Reimbursement	4,851	957	656	6,464	4,287	1,672	574	6,533
	<u>524,385</u>	<u>103,418</u>	<u>70,944</u>	<u>698,747</u>	<u>402,834</u>	<u>152,262</u>	<u>52,780</u>	<u>607,876</u>
Purchased Product Costs	761,487	-	-	761,487	840,689	-	-	840,689
Donated Product Costs	80,294	-	-	80,294	83,093	-	-	83,093
Donated Inventory	11,391,005	-	-	11,391,005	9,960,998	-	-	9,960,998
Direct Services Expenses	139,043	-	-	139,043	146,918	-	-	146,918
Depreciation	107,853	2,281	-	110,134	97,130	2,281	-	99,411
Vehicle Expense	76,654	-	-	76,654	79,595	-	-	79,595
Outreach	24,131	-	24,129	48,260	13,365	-	13,365	26,730
Equipment Maintenance	39,402	-	-	39,402	49,139	-	-	49,139
Utilities	35,995	4,000	-	39,995	34,636	3,849	-	38,485
Insurance	20,906	3,411	1,460	25,777	16,331	3,783	823	20,937
Delivery Expense	18,325	-	-	18,325	21,594	-	-	21,594
Professional Fees	-	10,997	-	10,997	-	11,781	-	11,781
Postage	4,213	4,681	2,808	11,702	3,510	3,901	2,340	9,751
Travel	13,478	2,527	842	16,847	11,061	2,074	691	13,826
Office Expense	4,832	853	754	6,439	6,613	2,579	886	10,078
Fundraising Expenses	-	-	56,298	56,298	-	-	26,396	26,396
Garbage	4,598	511	-	5,109	5,530	615	-	6,145
Bank and Credit Card Charges	-	4,628	-	4,628	-	3,522	-	3,522
Telephone	4,731	526	-	5,257	2,579	287	-	2,866
Miscellaneous	18,699	3,788	2,852	25,339	18,756	3,192	1,387	23,335
	<u>\$ 13,270,031</u>	<u>\$ 141,621</u>	<u>\$ 160,087</u>	<u>\$ 13,571,739</u>	<u>\$ 11,794,371</u>	<u>\$ 190,126</u>	<u>\$ 98,668</u>	<u>\$ 12,083,165</u>

See accompanying Notes to Financial Statements.

FEED MY PEOPLE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 224,544	\$ 537,005
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	110,134	99,411
Gain on Sale of Fixed Assets	(15,000)	-
Change in Value of Holdings at Community Foundation	(6,932)	4,096
Realized and Unrealized (Gains) Losses on Investments	(136,873)	58,847
(Increase) Decrease in:		
Accounts Receivable	(11,730)	7,285
Pledges and Grants Receivable	(15,799)	(12,851)
Inventories	21,276	(547,023)
Prepaid Expenses	(1,061)	(1,441)
Increase (Decrease) in:		
Accounts Payable	(15,101)	(90,913)
Accrued Expenses	17,099	2,457
Funds Held for Others	(28,796)	(4,595)
Net Cash Provided by Operating Activities	141,761	52,278
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(403,024)	(479,088)
Proceeds From Sale of Investments	425,517	569,603
Proceeds on Sale of Fixed Assets	15,000	-
Purchase of Property and Equipment	(65,826)	(92,772)
Net Cash Used by Investing Activities	(28,333)	(2,257)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Contributions Restricted for Building Acquisition	-	5,625
Net Cash Provided by Financing Activities	-	5,625
NET INCREASE IN CASH AND CASH EQUIVALENTS	113,428	55,646
Cash and Cash Equivalents - Beginning of Year	399,506	343,860
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 512,934	\$ 399,506

See accompanying Notes to Financial Statements.

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Feed My People, Inc. (FMP) is a not-for-profit organization. FMP's mission is to eliminate hunger in fourteen counties in west-central Wisconsin by distributing food and other grocery products through programs serving low income people. FMP receives donated grocery products from Second Harvest Heartland and FMP's community. FMP distributes these products to the needy through food pantry, community meal and other programs in its service area. Generally these programs are conducted by independent agencies. Refer to Note 7 for more information about FMP's relationship with Second Harvest Heartland.

Basis of Presentation

The accompanying financial statements were prepared using the accrual basis of accounting in accordance with generally accepted accounting principles of the United States of America (GAAP). Net assets and revenues, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, the net assets of FMP and changes therein are classified and reported as follows:

Unrestricted - Net assets not subject to donor-imposed stipulations.

Temporarily restricted - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of FMP and/or by the passage of time.

Permanently restricted - Net assets subject to donor-imposed stipulations to be maintained permanently by FMP. Generally, the donor of these assets permits the use of all or part of the income earned on any related investments for general or specific purposes. At December 31, 2016 and 2015 FMP had no permanently restricted net assets.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor stipulations.

Contributions are recognized when the donor makes a promise to give to FMP that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contributed Services

During the years ended December 31, 2016 and 2015, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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

Cash and cash equivalents include cash on hand or in deposit accounts and highly liquid investments purchased with an original maturity of three months or less. The balances are insured by the Federal Deposit Insurance Corporation up to certain limits. At times, cash deposits may exceed FDIC insurable limits.

Accounts Receivable - Trade

Agencies are invoiced, without requiring collateral, upon FMP's delivery of product with payment due 30 days after invoicing. Trade accounts receivable are stated at original invoice amount less an estimated valuation allowance for potential credit losses. This allowance is based on management judgment considering historical information and accounts with balances past due more than 90 days are individually analyzed for collectability. At December 31, 2016 and 2015, no allowance for credit losses was recorded.

Pledges and Grants Receivable

Pledges and grants receivable consists of unconditional promises by others to give contributions and grants to FMP that are expected to be received in future years. FMP uses the allowance method to determine estimated uncollectible receivables. The allowance is based on prior years' experience and management's analysis of specific promises made.

Inventory

Inventory is valued at cost or fair value as determined by the FIFO (first-in, first-out) method, which assumes the first unit obtained of a particular product is the first unit distributed. Purchased product is valued at cost. Donated product is valued at its fair market value when it is received, which is estimated to equal Feeding America's annually determined national weighted average wholesale price per pound of donated product. During 2016 and 2015 that value was \$1.67 and \$1.70 per pound, respectively. Donated inventory is invoiced to recipients at a "shared maintenance" fee of no greater than \$.19 per pound. The vast majority of inventory is donated so the nature, including nutritional content, of the products received by FMP is determined by the donor. FMP also purchases products to provide agencies with a reliable source of economical high protein food, fruits, vegetables, and cereal.

Donated Assets

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Equipment and Depreciation

Property and equipment is recorded at cost when purchased or fair value as of the date gifted and then depreciated over its useful life, if an individual asset's initial cost is \$1,000 or more and has an estimated useful life of more than one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the individual assets as follows:

Equipment and Vehicles	5-20 years
Buildings and Improvements	5-40 years

Funds Held for Others

Funds held for others consist of donations raised by or for agencies and deposited at FMP. This money is used to reduce agency obligations to FMP as incurred.

Functional Expense Allocation

Shared functional expenses have been allocated between program, management and general, and fund-raising activities based on an analysis of personnel time and space utilized for the related activities.

Income Tax Status

As a public charity, the FMP is exempt from paying corporate federal income tax under Section 501 (c)(3) of the Internal Revenue Code. FMP is also exempt from Wisconsin franchise or income taxes.

FMP has evaluated its tax positions and determined it has no uncertain tax positions as of December 31, 2016.

Fair Value Measurements

FMP measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). FMP may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

The inputs used to measure fair value are categorized into the following three categories:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds that FMP has the ability to access as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect FMP's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

Subsequent Events

In preparing these financial statements, FMP has evaluated events and transactions for potential recognition or disclosure through May 30, 2017, the date the financial statements were available to be issued.

NOTE 2 PLEDGES AND GRANTS RECEIVABLE

FMP was owed \$28,650 and December 31, 2016 for pledges receivable. FMP was owed \$12,851 at December 31, 2015 for a grant receivable.

Pledges and grants receivable more than one year from the date of the unconditional promise will be recognized at fair value, using present value techniques with a discount rate corresponding to the risk of not collecting the full amount. No discount was recorded as of December 31, 2016 and 2015 since the discounts were not material.

Collection of pledges receivable as of December 31, 2016 is expected to be as follows:

Within One Year	\$	13,825
One to Five Years		14,825
	\$	<u>28,650</u>

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2016 and 2015 consisted of the following:

	2016	2015
Land	\$ 112,750	\$ 112,750
Building and Improvements	1,121,133	1,118,698
Equipment	255,202	275,262
Vehicles	386,761	379,026
	<u>1,875,846</u>	<u>1,885,736</u>
Less: Accumulated Depreciation	<u>(614,916)</u>	<u>(580,498)</u>
Total Property and Equipment	<u>\$ 1,260,930</u>	<u>\$ 1,305,238</u>

NOTE 4 INVESTMENTS

FMP carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

	2016		
	Fair Value	Original Value	Unrealized Gain (Loss)
Mutual Funds - Equities	\$ 739,868	\$ 649,097	\$ 90,771
Mutual Funds - Fixed Income	830,862	842,269	(11,407)
Funds Held at Community Foundation	106,946	-	** -
	<u>\$ 1,677,676</u>	<u>\$ 1,491,366</u>	<u>\$ 79,364</u>
	2015		
	Fair Value	Original Value	Unrealized Gain
Mutual Funds - Equities	\$ 690,885	\$ 662,732	\$ 28,153
Mutual Funds - Fixed Income	765,465	794,372	(28,907)
Funds Held at Community Foundation	100,014	-	** -
	<u>\$ 1,556,364</u>	<u>\$ 1,457,104</u>	<u>\$ (754)</u>

** Original value or cost basis of Funds Held at Community Foundation is not readily determinable due to the nature of the investment holdings and reporting practices of the Foundation.

**FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015**

NOTE 4 INVESTMENTS (CONTINUED)

Investment income for the years ended December 31, 2016 and 2015 is summarized as follows:

	2016	2015
Dividend and Interest Income	\$ 32,845	\$ 30,249
Net Realized and Unrealized Gains (Losses)	143,805	(62,943)
Investment Fees	(7,266)	(7,241)
	\$ 169,384	\$ (39,935)

NOTE 5 FUNDS HELD AT EAU CLAIRE COMMUNITY FOUNDATION

FMP has deposited funds with the Eau Claire Community Foundation (ECCF) to be held for the benefit of FMP. These funds are held in a pooled agency investment account of the ECCF. FMP funds are deemed unrestricted, since distributions can be made from the fund at any time with the approval of the ECCF's Board of Trustees.

NOTE 6 NET ASSETS – TEMPORARILY RESTRICTED

Temporarily restricted net assets consisted of the following at December 31, 2016 and 2015:

	2016	2015
Kids Meal Program	104,822	110,009
Other Restricted Contributions	-	4,000
	\$ 104,822	\$ 114,009

NOTE 7 FOOD BANK PARTNER DISTRIBUTION ORGANIZATION RELATIONSHIP

FMP has a food bank partner distribution organization (PDO) relationship with Second Harvest Heartland (SHH), a Feeding America member food bank. Under this contractual agreement, exclusive authority is conveyed to FMP for performance of food banking activities in FMP's fourteen county service area in west-central Wisconsin. FMP is obligated to conduct its food banking activities in compliance with Feeding America operating standards, including safe handling and storage of food. FMP obtains the vast majority of its grocery products from SHH and reports to SHH its independently sourced food donations. FMP obligated itself to pay \$635,461 and \$700,288 during the years ended December 31, 2016 and 2015, respectively, for products and services received from SHH. At December 31, 2016 and 2015, FMP owed \$55,221 and \$68,335 to SHH for products and services, respectively.

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 8 FAIR VALUE MEASUREMENTS

FMP uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how FMP measures fair value refer to Note 1 – Summary of Significant Accounting Policies.

The following table presents the fair value hierarchy for the balances of the assets and liabilities of FMP measured at fair value on a recurring basis as of December 31, 2016 and 2015:

	2016			Total
	Level 1	Level 2	Level 3	
Assets:				
Funds Held at Eau Claire Community Foundation	\$ -	\$ -	\$ 106,946	\$ 106,946
Mutual Funds - Equity	739,868	-	-	739,868
Mutual Funds - Fixed	-	830,862	-	830,862
	<u>\$ 739,868</u>	<u>\$ 830,862</u>	<u>\$ 106,946</u>	<u>\$ 1,677,676</u>
	2015			Total
	Level 1	Level 2	Level 3	
Assets:				
Funds Held at Eau Claire Community Foundation	\$ -	\$ -	\$ 100,014	\$ 100,014
Mutual Funds - Equity	690,885	-	-	690,885
Mutual Funds - Fixed	-	765,465	-	765,465
	<u>\$ 690,885</u>	<u>\$ 765,465</u>	<u>\$ 100,014</u>	<u>\$ 1,556,364</u>

The investment at Eau Claire Community Foundation is measured on a recurring basis using the percentage of the Feed My People fund's contributions compared to the total pool of investments held at the Foundation. The investments held at the Eau Claire Community Foundation are readily marketable.

	2016	2015
<u>Funds Held at Eau Claire Community Foundation</u>		
January 1	\$ 100,014	\$ 104,110
Change in Fair Value of Investment at Eau Claire Community Foundation	6,932	(4,096)
December 31	<u>\$ 106,946</u>	<u>\$ 100,014</u>

FEED MY PEOPLE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 9 RETIREMENT PLAN

On January 1, 2015, FMP established a 401(k) plan for all employees who are least 21 years of age. Eligible employees who elect to participate in FMP's 401(k) retirement savings plan can contribute up to the maximum allowed by the Internal Revenue Service. FMP contributes a match of up to 3% of each employee's gross wage. FMP may also make non-elective contributions at its discretion to employees who have worked at least 1,000 hours during the plan year and were employed as of the last day of the plan year. Employee portions of the contributions vest immediately, while employer match and profit sharing vest over a period of six years. Contributions for the years ended December 31, 2016 and 2015 were \$26,562 and \$24,106, respectively.



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
Feed My People, Inc.
Eau Claire, WI

We have audited the financial statements of Feed My People, Inc. as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated May 30, 2017 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on the following pages is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads 'CliftonLarsonAllen LLP'.

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
May 30, 2017

FEED MY PEOPLE, INC.
STATEMENTS OF ACTIVITIES WITHOUT DONATED
INVENTORY SHOWING ACTUAL COST
PER POUND OF FOOD DISTRIBUTED
YEARS ENDED DECEMBER 31, 2016 AND 2015
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	2016	2015
REVENUES AND OTHER SUPPORT		
Grants	\$ 206,132	\$ 192,051
Contributions	953,660	853,151
Investment Income (Loss)	169,384	(39,935)
In-Kind Contributions	7,482	4,486
Shared Maintenance and Delivery Fees	311,382	304,959
Net Revenue (Loss) on Purchased Products	4,609	(83,786)
Program Fees	9,700	10,642
Miscellaneous	7,365	7,897
Gain on Sale of Assets	15,000	-
Total Revenues and Other Support	1,684,714	1,249,465
EXPENSES		
Salaries	574,826	503,848
Payroll Taxes	45,432	42,165
Retirement Plan	26,562	24,106
Health Insurance	45,463	31,224
Medical Expense Reimbursement	6,464	6,533
Donated Product Costs	80,294	83,093
Direct Services Expense	139,043	146,918
Depreciation	110,134	99,411
Vehicle Expense	76,654	79,595
Outreach	48,260	26,730
Equipment Maintenance	39,402	49,139
Utilities	39,995	38,485
Insurance	25,777	20,937
Professional Fees	10,997	11,781
Delivery Expense	18,325	21,594
Postage	11,702	9,751
Travel	16,847	13,826
Office Expense	6,439	10,078
Fundraising Expenses	56,298	26,396
Garbage	5,109	6,145
Bank and Credit Card Charges	4,628	3,522
Telephone	5,257	2,866
Miscellaneous	25,339	23,335
Total Expenses	1,419,247	1,281,478
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	\$ 265,467	\$ (32,013)
Total Expenses	\$ 1,419,247	\$ 1,281,478
Pounds of Food Distributed	7,569,367	7,309,350
COST PER POUND	\$ 0.19	\$ 0.18