

Griffith, Carol

From: Grants <Grants@centraltexasfoodbank.org>
Sent: Thursday, March 5, 2026 4:28 PM
To: Griffith, Carol; Grants
Subject: [EXTERNAL] [SUSPICIOUS MESSAGE] Re: CDBG and HSAB applications

This Message contains suspicious characteristics and has originated outside your organization.

Carol,

Sorry that I missed your call. I was actually in San Marcos for the training by Community Action, which was very good!

We are applying for \$125,000 total from the City of San Marcos between CDBG and HSAB.

Thank you,
Alyssa



Alyssa Gooch

Government Grants Manager
Direct: 512.684.2119

6500 Metropolis Drive, Austin, TX 78744
centraltexasfoodbank.org



From: Griffith, Carol <CGriffith@sanmarcostx.gov>
Sent: Thursday, March 5, 2026 3:25 PM
To: Grants <Grants@centraltexasfoodbank.org>
Subject: CDBG and HSAB applications

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Alyssa,

Because the CDBG and HSAB application periods happened at the same time this year, I decided to contact each agency for clarification when they applied for both grants.

After briefly reviewing the two applications from Central Texas Food Bank, I believe it would be helpful if you will add a note that clarifies whether your total request is \$250,000. If you will send me a quick explanation, I will add it to both applications.

Thank you very much! Carol



Carol Griffith

Housing and Community Development Manager | Planning & Development Services
630 E. Hopkins St, San Marcos, TX 78666
512-393-8147

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**CITY OF SAN MARCOS COMMUNITY DEVELOPMENT BLOCK GRANT
FY 2026-2027 PUBLIC SERVICES APPLICATION**

I. SUMMARY INFORMATION

Please spell out organization name and program name completely, without acronyms.

Applicant Organization: Central Texas Food Bank

Contact Name, Title: Alyssa Gooch, Government Grants Manager

Telephone: 512-684-2119

Contact E-Mail Address: grants@centraltexasfoodbank.org

Website: centraltexasfoodbank.org

Mailing Address:

6500 Metropolis Dr

Austin, TX 78744

Do you have a location in San Marcos where people can walk in and ask questions about the program? If so, what is the address? N/A

Who is authorized to execute program documents? (Name, Title): Sari Vatske, President + CEO

Program Name: San Marcos Nutrition Access

Amount of CDBG Funds Requested: \$125,000 (total from City of San Marcos with HSAB funds)

What percentage of the cost of this program is requested as funding through this application? 15%

II. SHORT ESSAY QUESTIONS

All questions must be answered. Please type your answers. Application evaluations will be based on, but not necessarily limited to the criteria stated in each section.

OVERVIEW

1. Summarize the program for which funding is being requested, the services it provides, and the clients it serves.

Since 2023, food insecurity in Hays County has risen 27%. To meet increasing demand, Central Texas Food Bank (CTFB) respectfully requests \$125,000 from the City of San Marcos to procure food for our Nutrition Access Program, an investment that directly benefits San Marcos neighbors experiencing food insecurity and will provide 375,000 meals with our proven ability to stretch food dollars further.

CTFB is the largest non-profit hunger relief organization in Central Texas. We procure food at reduced costs through strong partnerships in agriculture, retail, and manufacturing. Our regional warehouse and transportation operations allow us to store, sort, and efficiently deliver food to 440 community organizations across 21 Central Texas counties, including eight sites in San Marcos. In CY 2025, CTFB distributed 1.5M meals in San Marcos. In addition to food, we provide our partners with technical assistance and capacity building support, including grants for infrastructure improvements.

One of our key partners in San Marcos is the Hays County Food Bank (HCFB). CTFB has partnered with HCFB since 1992 and provided 90% of the food that they distributed in FY24. Our partnership is intentionally complementary: CTFB's infrastructure and cross-sector retail and producer relationships enable us to secure and deliver large volumes of diverse foods, thus supporting HCFB's community-based distributions. By coordinating closely, we combine our strengths to expand overall food access in San Marcos.

To supplement the work of our partners, CTFB utilizes data to strategically host mobile pantries in areas with high need but limited food availability. We also operate specialized distributions for populations who experience disproportionate levels of food insecurity, including:

- Home delivery to neighbors with limited mobility or access to transportation, including older adults and those with disabilities;
- "Mobile FARMacies" in partnership with healthcare entities, providing dietician-approved foods to patients with chronic diet-related illnesses;
- Farmers-market-style "Golden Harvest" distributions at senior-living facilities; and
- School-based pantries at Title 1 schools and college campuses.

CTFB's expert nutrition team, including a Registered Dietician, supports our meal distribution programs by disseminating educational materials and conducting onsite nutrition education classes and cooking demonstrations. San Marcos residents can access these distributions throughout Hays County, and with additional funding we could launch initiatives within San Marcos city limits.

Beyond food distribution, CTFB offers direct services that address the root causes of food insecurity, including poverty. Our Benefits and Emergency Services (BES) team provides one-on-one assistance to neighbors applying for federal nutrition programs such as SNAP, a critical support that increases a family's monthly food budget and offers stability that charitable food alone cannot provide. We offer case management to neighbors awaiting benefit approval, including access to food at CTFB's on-site Fresh Harvest Market. During the grant timeframe, CTFB will hold one San Marcos-based SNAP-a-thon, a family-friendly event to increase awareness of and enrollment in government benefit programs.

To further promote economic mobility, CTFB operates Culinary and Warehouse Workforce Training programs for community members with employment barriers, including young adults, individuals involved in the justice system, veterans, and individuals with income at or below 200% of the federal poverty level. CTFB's Workforce Training team offers wraparound services and six months of post-graduation case management to support each student's transition from unemployment to career management and development. In 2024, 100% of graduates secured employment within six months of graduation with earnings between \$37,440-\$59,000/yr.

CTFB serves a wide audience that is ethnically, linguistically and culturally diverse: 35% of clients are children or youth aged 15 years or younger; 1% are college age; 2% are military/veterans; and 18% are older adults. Approximately 17% of CTFB clients are Black, 50% are Hispanic or Latino, and 30% are White.

CTFB's holistic services meet the basic needs of San Marcos neighbors while preserving dignity and improving health outcomes. Funding from the City of San Marcos will help CTFB meet the rising demand for accessible food and better support partners such as HCFB, ensuring that all neighbors have reliable access to nourishing food.

COMMUNITY NEED AND JUSTIFICATION –20 POINTS

Evaluation: documentation and justification of the need for the program in the City of San Marcos.

1. Describe in detail the need for this program in San Marcos.

CTFB's 2025 Food Access Convening Tool (FACT) estimates that 23% of San Marcos residents experience food insecurity, exceeding the 17.6% rate for all of Hays County. Further, according to 2024 census data, San Marcos' poverty rate (26.9%) is more than double that of Hays County (10.8%) and the United States (10.6%), indicating many households are at heightened risk for food insecurity.

To better understand local challenges, CTFB conducted a Hays County Community Needs Assessment (CNA) in 2024, during which San Marcos neighbors shared their lived experiences with food access. This CNA revealed that in addition to household financial strain, convenience stores and fast-food outlets in Hays County outnumber supermarkets 8:1, creating "food swamps" where affordable, nutritious options are limited. As one neighbor expressed, "We want to stay healthy. Our pocket can't support that."

CTFB's programs directly address these needs by ensuring a stable pipeline of nutritious food and promoting economic stability and mobility.

2. Has the need for this program been increasing in recent years?

Yes, the need has been increasing in recent years. A \$125,000 investment from the City of San Marcos will equip CTFB to meet a growing demand by providing 375,000 meals to San Marcos residents. According to CTFB's FACT, the percentage of Hays County residents experiencing food insecurity rose 27% between 2023 and 2025. Major drivers of this growth include population increase, reduced public benefit support, and a rising cost of living. Pervasive unemployment and underemployment, resulting from steep job competition, racial and ethnic disparities, and personal circumstances also continue to affect neighbors. Combined, these factors have led to an increased need for food assistance as more households struggle to make ends meet and afford their basic needs. As one neighbor shared in our CNA, "The cost of food's going up... Especially like, [for] me — I'm on disability. I'm a student...And I'm feeding [my son] three times a day, even if I don't eat." CTFB has witnessed this intensifying need firsthand and distributed 18% more pounds of food in San Marcos from CY2024 to CY2025.

IMPLEMENTATION –15 POINTS

Evaluation:

- *The application demonstrates that resources needed to manage the proposed program are available and ready.*
- *Applicant has clearly defined objectives focusing on results and measurable outcomes vs. only program activities descriptions and numbers served.*
- *Past performance of programs funded by CDBG has met expectations.*

1. Are all resources in place to be able to implement this program? If not, what is missing?

CTFB has the full infrastructure in place for this program, including experienced warehouse, transportation, and direct-service staff. Our 35,000-square-foot warehouse and fleet of 28 refrigerated box trucks and vans further enable efficient receiving, storage, and delivery at scale.

As food insecurity has risen, CTFB has experienced a dramatic change in the origin of our food: due to federal budget changes in 2025, long-standing federal contracts that provided food commodities and financial support were cancelled, resulting in a loss of \$6.5M. In response, CTFB spends \$1.4M/month to procure sufficient food to meet the need for charitable food assistance in Central Texas, including approximately \$23,000/month for San Marcos. This sustained level of spending places considerable strain on our operations and limits our ability to fully meet community needs. Local investment will help backfill these cuts and can be deployed immediately to expand services for San Marcos neighbors.

2. What specific, measurable outcomes or results do you hope to achieve with this program?

Funding from the City of San Marcos will contribute to the following specific, measurable results within the contract timeframe:

- Distribute at least 1.25M meals;
- Support at least 200,000 San Marcos neighbor encounters;
- Establish a Mobile FARMacy partnership in San Marcos;

- Establish at least one Home Delivery enrollment partnership in San Marcos;
- Establish one new Mobile Pantry distribution in San Marcos; and
- Host at least one San Marcos-based SNAP-a-thon.

Together, these will expand existing services and bring proven, evidence-based distribution models to San Marcos.

IMPACT AND COST EFFECTIVENESS –20 POINTS

Evaluation:

- *impact on the identified need*
- *implementation costs compared to impact*
- *use of available resources (financial, staff, volunteer)*
- *impact compared to other applicants*

1. Programs can provide value by deeply impacting the lives of a few, with effects that may ripple through generations, or by providing smaller but meaningful impact to a larger group. Describe in detail the impact this program will have on the identified need and on San Marcos residents.

Food is a basic need; however, around one in five San Marcos residents struggle to access this vital resource. This is where CTFB and our partners step in. As one neighbor accessing a CTFB distribution shared, “[It provides a] lot of tranquility. A lot of peace of mind because we know there is going to be something on our plate... and much, much gratitude.” This quote exemplifies the critical importance of our work in expanding food access, which makes an immediate impact on our neighbors’ lives.

Feeding America reports that food insecurity is associated with poor health outcomes including diabetes, obesity, high blood pressure, and heart disease. Hunger in children can lead to problems in school and other social situations. Increased food access is a practical and effective lever to improve community health and wellbeing. CTFB's own data supports this:

- 43% of Home Delivery participants reported feeling "much better" since enrolling;
- 87% of seniors receiving nutrition education materials at their pantry visits reported that the information helps them understand the importance of a healthy diet;
- 78% of families accessing school pantries report the pantry helps them eat healthier; and
- 70% of Mobile FARMacy patients reported health improvements.

A \$125,000 investment keeps the San Marcos safety net strong and ensures that CTFB and our partners can maintain frequent, community-based food delivery where and how neighbors need it most. Partnership with the City of San Marcos provides a more robust, responsive, and resilient local food system that allows our neighbors to stay healthy and provide for their families.

2. Briefly describe other funding sources, volunteers, or in-kind donations that will be used with this program.

CTFB raises funds from diverse streams, including:

- Individual donors;
- Private foundations;
- Corporations;
- Government contracts;

- Cause Marketing partnerships; and
- Third party events and food drives.

As a member of the Feeding America network, we benefit from national partnerships and shared resources.

In addition to financial support, our retail rescue program provides in-kind food donations from more than 200 retail store partners across our 21-county service area, such as H-E-B, Walmart, and Target. These donations are critical to maintaining a reliable, nutritious food supply. Further, we receive donations from individual community members and food drives. Between July 1, 2024 – June 30, 2025, 51.9M pounds, or 68.1%, of the food we received was donated.

COMMUNITY SUPPORT – 15 POINTS

Evaluation:

- *A minimum of three letters of reference that indicate strong local support for the program and the agency’s ability to implement it as described in the application. Letters must be in support of the specific program requesting funding, not the agency as a whole. Letters will preferably be from San Marcos residents as well as direct clients of the program.*
- *Evidence that volunteers play a vital role in the program or agency’s operation.*
- *Evidence that board members are actively involved in and supportive of the agency*

1. What actions do Board members take to support the programs of the agency?

CTFB’s Board of Directors sets data- and community-informed priorities for our programs and services, guiding the strategic direction of the organization. Board members also play a critical role in fundraising and network-building, helping us establish relationships that advance our mission. In 2025, Board members collectively contributed nearly \$50,000 in personal gifts, demonstrating their deep commitment to our work. Many members also give their time to volunteer in our programs, witnessing firsthand the impact of our collective work.

2. Briefly describe the number and role of volunteers in the program or agency’s operation.

Between July 1, 2024 – June 30, 2025, 27,000+ volunteers donated 135,000+ hours to support our operations.

Volunteers help:

- sort and inspect donations;
- build Home Delivery boxes;
- prepare meals in our kitchen;
- stock our Fresh Harvest Market;
- distribute food in the community; and
- tend to our one-acre farm.

Their service significantly expands our capacity, allowing us to reach far more neighbors than would otherwise be possible.

COUNCIL PRIORITIES - 20 POINTS

1. How long has this program served San Marcos residents? (10 points if at least 2 years)

CTFB has served the San Marcos community for 44 years since our founding in 1982.

2. In what ways does your agency actively conduct outreach to engage San Marcos residents in its programs and services? How will San Marcos residents access those services? (up to 10 points)

San Marcos residents can access food distributions through CTFB's partners, who conduct regular outreach through trusted community channels to inform neighbors of their hours of operation and services. CTFB also maintains an online Find Food Now tool (www.centraltexasfoodbank.org/find-food-now) with real-time information on distribution locations and hours, including our mobile and specialized distributions, and we amplify this information through social media and local news outlets.

To ensure dignified, low-barrier access, CTFB and our partners serve any neighbor who declares a need for food. This approach recognizes that neighbors know their own needs best and removes barriers that can prevent people from seeking help when they need it most.

RISK - 10 POINTS

1. How many years' experience does the agency have in implementing a program of this size and complexity? (5 points if more than 5 years)

CTFB has led the Central Texas region in hunger response for over 40 years, bringing extensive experience in large-scale food procurement/distribution, partner coordination, and direct service delivery. Our operational expertise spans multiple models including:

- **Food distribution through partner agencies since 1982** – We have stocked community pantries since our founding and are a vital source of food for the community. Between July 1, 2024 – June 30, 2025, we distributed over 53M meals through our partner agencies.
- **Benefits and emergency services since 2006** – We have connected neighbors to federal benefits for two decades, unlocking 2.7M meals between July 1, 2024-June 30, 2025.
- **Mobile pantries since 2008** – We conduct over 40 mobile pantries each month and provided 3.6M meals between July 1, 2024-June 30, 2025 through these distributions.
- **Workforce Training since 2018** – To address two pervasive underlying causes of food insecurity, unemployment and underemployment, CTFB has operated a Workforce Training program for nearly a decade. 60 students have graduated from this program since its inception, and it currently has over 76% employment retention rates at 30, 60, and 90 days.
- **Home delivery since 2020** – Launched during the COVID-19 pandemic, our Home Delivery program has become a vital part of our operations and provided 845,190 meals to Central Texas neighbors between July 1, 2024-June 30, 2025.
- **College Pantries since 2022** – We established and deliver free food and support to 18 college campus food pantries throughout Central Texas, including ACC Hays, providing innovative approaches to address food insecurity amongst college students, faculty, and staff.
- **Mobile FARMacies since 2023** – We have deepened our efforts to promote food as medicine with our Mobile FARMacy program and currently have relationships with 13 healthcare providers. Between July 1, 2024 – June 30, 2025, we provided nearly 250,000 meals through these distributions.
- **Feeding Futures School Pantries since 2024** – We launched our K-12 school pantry program to bring food to families in welcoming, familiar spaces. We have become a dependable partner for 15 schools across five school districts, with six new sites in January 2026. Between July 1, 2024 – June 30, 2025, we provided 276,734 meals through these pantries.
- **Golden Harvest since 2025** – Despite being our newest program, Golden Harvest has been very well-received in the community and is steadily growing with 11 partnership sites across Central Texas.

This deep programmatic experience, combined with our strong infrastructure and established partnerships, positions CTFB to expand our work in San Marcos effectively and sustainably.

2. What percentage of the program’s funding is non-City? (5 points if at least 50%)

85% of the program’s funding is non-City.

III. PROGRAM BENEFICIARIES

TYPE OF PUBLIC SERVICE (choose all that apply)

- | | |
|---|---|
| <input checked="" type="checkbox"/> 05A Senior Services | <input type="checkbox"/> 05B Handicapped Services |
| <input type="checkbox"/> 05C Legal Services | <input type="checkbox"/> 05D Youth Services |
| <input type="checkbox"/> 05E Transportation Services | <input type="checkbox"/> 05F Substance Abuse Services |
| <input type="checkbox"/> 05G Battered and Abused Spouses Services | <input type="checkbox"/> 05H Employment Training |
| <input type="checkbox"/> 05I Crime Awareness | <input type="checkbox"/> 05J Fair Housing Activities |
| <input type="checkbox"/> 05K Tenant/Landlord Counseling | <input type="checkbox"/> 05L Child Care Services |
| <input checked="" type="checkbox"/> 05M Health Services | <input type="checkbox"/> 05N Abused and Neglected Children Services |
| <input type="checkbox"/> 05O Mental Health Services | <input type="checkbox"/> 05P Screening for Lead Paint/Lead Hazards |
| <input type="checkbox"/> 05Q Subsistence Payments | <input type="checkbox"/> 05R Homeownership Assistance (Not Direct) |
- Other: Nutrition access and education; benefits outreach, education, and application assistance; workforce development

PROGRAM INFORMATION

1. Program eligibility (please select one):

- a. This is a new program.
- b. This is an existing program that: (select one of the following)
- Has previously received CDBG funding and the amount requested for this year is the same or less than previous funding; or
- will expand to serve more beneficiaries or to provide more services if the CDBG funding as requested is approved. *Please attach an analysis that details how the program or service will be expanded, how many new beneficiaries will be served by the expansion, and how this number was determined.*

2. Is there a fee to clients to participate in the program? Yes No

If yes, please provide fee structure.

3. Describe the days and hours of operation of the program:

Our partner agencies have varying hours of operation, with most operating during scheduled recurring blocks of time that they share with their community. Residents can also access CTFB’s “Find Food Now” tool or call CTFB to learn operating hours for distributions in their area: <https://www.centraltexasfoodbank.org/food-assistance/get-food-now>

Applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents.

A. PRESUMED BENEFIT: See definition above of “Presumed Benefit”.

1. Will all of the program’s beneficiaries be in a Presumed Benefit Category? Yes or No

If “yes”, list the categories: _____

2. How many persons in each presumed category are proposed to be assisted if funding is received?

Abused Children	Elderly Persons	Battered Spouses	Homeless Persons	Severely Disabled Adults	Illiterate Adults	Persons living with AIDS

3. If this program was carried out the previous full program year (10/1 – 9/30), how many persons were served in each presumed category:

Abused Children	Elderly Persons	Battered Spouses	Homeless Persons	Severely Disabled Adults	Illiterate Adults	Persons living with AIDS

B. BENEFICIARIES WHO ARE NOT CONSIDERED “PRESUMED”

1. How many persons are proposed to be assisted if funding is received? We will have an estimated 200,000 touch points with San Marcos residents.

If this program was carried out the previous program year (10/1 – 9/30), how many persons were served?
 We had an estimated 236,014 touch points with San Marcos residents in 2025.

2. How do you propose to document the income of the beneficiaries? (Check all that apply)

- Evidence that the child is approved for free or reduced lunch
- Evidence that the family lives in housing sponsored by the Housing Authority
- Evidence that the family is WIC approved
- Income documentation using one of the 3 HUD approved methods
- Self-certification, with income verification required of 20% of certifications
- Other, describe: Neighbors accessing CTFB’s food distribution programs self-declare income and residency following state and federal guidelines. This removes barriers to access and is a trauma-informed practice.

III. PROJECTED IMPLEMENTATION SCHEDULE WITH PERFORMANCE GOALS

Projected Start Date:

Projected Completion Date:

October 1, 2026

September 30, 2027

Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
<i>Example: Hiring New Staff Member</i>	<i>October 2025</i>	<i>December 2025</i>	<i>Employment process complete</i>
Partner agency distributions	ongoing	ongoing	# pounds distributed and # of pantry touchpoints
Establish SNAP-a-thon San Marcos partnering organization(s)	October 2026	November 2026	Establish one new partnership to host one SNAP-a-thon in San Marcos
Community outreach to establish Home Delivery enrollment for Hays County/San Marcos	October 2026	November 2026	Establish Home Delivery partnering organization to expand program enrollment in Hays County/San Marcos
Community outreach to establish Mobile FARMacy and Mobile Pantry sites	October 2026	November 2026	Establish partnerships with local San Marcos organizations to host monthly Mobile FARMacy and Mobile Pantry food distributions
Host SNAP-a-thon San Marcos event	January 2027	January 2027	Host SNAP-a-thon San Marcos event
Host mobile pantries accessible to San Marcos residents	monthly	monthly	# distributions/month, # pounds distributed

PERSONNEL AND POLICIES

1. Name and Title of your chief administrator: Sari Vatske

Number of years in this position?: 4

2. Total number of current employees at all locations: 170

3. Total number of current employees who will be involved in this project:

Around 14 employees will be involved in this project. This includes the FTE equivalent of one Warehouse Associate and one Driver, although we have many employees in this role. It also includes the FTE equivalent of one Benefits Assistance Coordinator, although various employees in this role will be available to assist neighbors.

4. Total number of new employees expected to be hired for the project: We will not hire any new employees for the project.

5. Does your organization have a personnel policy manual? Yes No

Does it include a procedure for filing grievances? Yes No

Does it include a non-discrimination clause? Yes No

6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes No

7. Separation of duties for financial transactions regarding this project (respond with job title):

a. Who will approve payment of incurred expenses? Todd Frease, Chief Operating Officer

b. Who will prepare the payment check? Todd Frease, Chief Operating Office

c. Who will sign checks paying project expenses? Todd Frease, Chief Operating Officer

d. Who posts the transaction to your financial records? Vanessa Vela, Accountant

e. Who reconciles monthly bank statements? Danae English, Controller

ACCESSIBILITY OF PROGRAMS AND SERVICES

1. Are all facilities to be served by the program ADA Accessible? Yes No

2. Do you have a Section 504 (ADA) Self-Evaluation on file? Yes No

3. How will you provide services to persons with Limited English proficiency?

All CTFB BES team members are bilingual, and we maintain bilingual staff in many client-facing programs. CTFB strives to employ a workforce that reflects the population we serve. Persons with LEP can utilize a Language Line to communicate with our staff and receive services in real time.

INSURANCE, BONDING, AND WORKER'S COMPENSATION

1. Does your organization have liability insurance coverage? Yes No

2. If yes, in what amount? \$1,000,000 per occurrence limit
3. Does your organization pay worker's compensation in accordance with Federal and state laws?
 Yes No N/A
4. Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts? Yes No
We do have D&O Coverage and Employee Theft Coverage.
5. Will vehicles owned by the organization be used in conjunction with the proposed project?
 Yes No
6. If yes, what level of liability insurance is maintained on the vehicles?
We maintain Commercial Auto Insurance with a \$1,000,000 per occurrence limit.
-

V. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)

Two sets of conflict-of-interest provisions apply to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulation found in the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations*. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - An employee, officer, or agent of the subrecipient;
 - Any member of an employee's, officer's, or agent's immediate family;
 - An employee's, agent's, or officer's partner; or
 - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents, or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

CONFLICT OF INTEREST QUESTIONNAIRE

NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.

Name of Organization: Central Texas Food Bank

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes No If "No" is checked, please explain how you will comply with this requirement:

2. Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

a. Employed by the City of San Marcos? Yes No

b. Members of or closely related to members of the San Marcos City Council? Yes No

c. Members of or closely related to an employee of the City of San Marcos? Yes No

d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?

Yes No

e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes No

3. For **each** relationship described above, please answer the following questions: (attach additional page if necessary)

a. Name of employee or official: _____

b. Is this person receiving or likely to receive taxable income from your organization?

Yes No

c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

Yes No

d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

Yes No

4. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG funds and activities.

N/A

5. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG funded activities?

Yes No . *If yes, please attach an explanation.*



VI. APPLICANT ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends \$750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced because of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).

14. It will comply with Texas Civil Statutes, Article 5996a, by ensuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
15. It will ensure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.
16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.
17. It will minimize displacement of persons because of activities assisted with CDBG funds. If displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.
18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.
19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).
20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG Program. The applicable laws and regulations include, but are not limited to:
 - 24 CFR Part 570;
 - 24 CFR Parts 84 and 85;
 - The Davis-Bacon Fair Labor Standards Act;
 - The Contract Work Hours and Safety Standards Act of 1962;
 - Copeland "Anti-Kickback" Act of 1934;
 - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
 - Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
 - Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
 - The Architectural Barriers Act of 1968;
 - The Americans with Disabilities Act (ADA) of 1990;
 - The Age Discrimination Act of 1975, as amended;

- National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
- Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
- Asbestos guidelines established in CPD Notice 90-44;
- HUD Environmental Criteria and Standards (24 CFR Part 51);
- The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
- Flood Disaster Protection Act of 1973;
- Colorado House Bill 06-1023 and 06-1043;
- Procurement Standards (2 CFR 200.322);
- Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- Energy Efficiency (2 CFR Part 200 Appendix II); and
- Recycling (2 CFR Part 200 Appendix II).

21. **NEW SECTION:** It agrees to comply with federal policy provisions contained in Appendix One, which implement the following:

- 1. Executive Order 14168 – Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- 2. Executive Order 14173 – Ending Illegal Discrimination and Restoring Merit-Based Opportunity
- 3. Executive Order 14182 – Enforcing the Hyde Amendment
- 4. Executive Order 14154 – Unleashing American Energy
- 5. Executive Order 14218 – Ending Taxpayer Subsidization of Open Borders
- 6. Executive Order 14205 – Establishment of the White House Faith Office
- 7. 8 U.S.C. § 1601 et seq. (PRWORA – Immigration Eligibility and Verification)
- 8. 31 U.S.C. § 3729(b)(4) (False Claims Act – Material Compliance Provision)

CERTIFICATIONS REGARDING LOBBYING:

22. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
23. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – “Disclosure Form to Report Lobbying”, in accordance with its instructions.
24. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
25. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

GENERAL CERTIFICATIONS:

26. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;
27. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;
28. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,

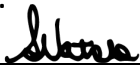
29. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the "Playing by the Rules" handbook that will be supplied by the City of San Marcos.

CITY OF SAN MARCOS FUNDING RESTRICTIONS:

- 30. All CDBG funding will be spent on San Marcos residents.
- 31. Funding requested is not more than 50% of the total funding for the agency.
- 32. Funding will not be used to fund more than 20% of a full time position.
- 33. Agency has been in existence for at least 2 years. (This can include serving communities other than San Marcos.)

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

CERTIFIED BY:

Signature:  Date Signed: March 2, 2026
Printed Name: Sari Vatske Title: President + CEO
Organization Name: Central Texas Food Bank

APPENDIX ONE: FEDERAL POLICY PROVISIONS

This Appendix sets forth the Federal policy requirements that apply to the Subrecipient as a condition of participation in the CDBG Program for Program Year 2025. These provisions are incorporated into and made a material part of the Subrecipient Agreement.

Section 1. Prohibition on Use of Funds to Promote “Gender Ideology”

1.1 Policy Requirement. In accordance with Executive Order (E.O.) 14168, *Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government*, the Subrecipient shall not use any CDBG funds to promote “gender ideology.”

1.2 Definitions. For purposes of this section:

- a. “Gender ideology” means any theory or policy asserting that sex is determined by subjective identity rather than biological reality, as defined in Section 2(f) of E.O. 14168 and any subsequent HUD or OMB guidance.
- b. For the purposes of this section, “Promote” means to publicly advocate, endorse, distribute, advertise, or otherwise support, through funded publications, events, or materials, the prohibited ideology.

1.3 Agency Forms and Data Collection. All forms, applications, surveys, or data-collection instruments developed or used by the Subrecipient for CDBG-funded activities that request information on an individual’s sex shall list only the options “Male” or “Female.”

- a. Such forms shall not include questions or fields requesting or recording gender identity, gender expression, or similar classifications.
- b. Existing forms containing such fields shall be modified or replaced for CDBG-funded purposes to ensure compliance with E.O. 14168.

1.4 Grantee Review. At the request of the Grantee, the Subrecipient shall provide advance copies of flyers, brochures, social-media posts, or other public materials related to CDBG-funded activities for Grantee review to ensure compliance with this provision prior to release or posting.

1.5 Consistency with Existing Civil Rights Requirements. Nothing in this section shall be construed to limit or modify the Subrecipient’s obligations under any other law protecting individuals from unlawful discrimination.

Section 2. Compliance with Federal Anti-Discrimination Laws and False Claims Act Provisions

2.1 General Requirement. The Subrecipient shall comply in all respects with all applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.)

2.2 Material Compliance under the False Claims Act. Pursuant to E.O. 14173 and 31 U.S.C. § 3729(b)(4), the Subrecipient acknowledges that compliance with Federal civil-rights and anti- discrimination laws is material to the U.S. Government’s payment decisions under the False Claims Act.

2.3 Certification. By execution of this Agreement, the Subrecipient certifies that it does not and will not operate any program in violation of these laws and shall promptly report to the Grantee any filed or pending civil-rights complaint, investigation, or finding of non-compliance related to any CDBG-funded activity.

Section 3. Prohibition on Use of Funds for Elective Abortions

3.1 Policy Requirement. Pursuant to E.O. 14182, *Enforcing the Hyde Amendment*, the Subrecipient shall not use any CDBG funds to fund or promote elective abortions.

3.2 Definition. For purposes of this section, “Promote” means to publicly advocate, endorse, distribute, advertise, or otherwise support, through funded publications, events, or materials, the performance of elective abortions.

3.3 Grantee Review. At the request of the Grantee, the Subrecipient shall provide advance copies of flyers, brochures, or other outreach materials for Grantee review to ensure compliance with this provision.

Section 4. Environmental Considerations

4.1 Policy Requirement. Notwithstanding any prior Notice of Funding Opportunity (NOFO) or application materials, this Agreement shall not be governed by orders revoked by E.O. 14154, *Restoring the Rule of Law in Federal Administration*, including E.O. 14008, *Tackling the Climate Crisis at Home and Abroad*.

4.2 NEPA Unchanged. Nothing in this section shall alter or exempt the Subrecipient from compliance with existing environmental-review requirements under 24 CFR Part 58 or the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 et seq. If the NEPA statute or its implementing regulations—including those at 24 CFR Part 58—are amended or superseded during the term of this Agreement, this provision shall be automatically deemed amended to reflect and require compliance with such updated authority, as interpreted by HUD or other applicable Federal agencies.

Section 5. Immigration Status Verification and SAVE System Compliance

5.1 Policy Requirement. To ensure implementation and compliance with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, 8 U.S.C. §§ 1601– 1646) and E.O. 14218, *Ending Taxpayer Subsidization of Open Borders*, the Subrecipient shall assist the Grantee in ensuring that CDBG assistance is not provided to ineligible aliens.

5.2 Subrecipient Role. Subrecipients serving as program administrators shall assist the Grantee in ensuring compliance with PWRORA. Subrecipients may collect intake information and supporting documentation. The Subrecipient shall transmit collected documentation to the Grantee for verification through the Systematic Alien Verification for Entitlements (SAVE) Program or an equivalent verification system approved by the Federal Government.

5.3 Grantee Role and Determinations. The Grantee shall perform all SAVE verifications and maintain the official verification record. Any denial decisions issued by the Grantee based on SAVE results or Federal guidance are final and binding on the Subrecipient.

5.4 Prohibitions. No Subrecipient shall use CDBG funds in a manner that, by design or effect, facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of Federal immigration laws.

Section 6. Equal Treatment for Faith-Based Organizations

6.1 Policy Requirement. Faith-based organizations are eligible to participate as Subrecipients on the same basis as any other organization, consistent with E.O. 14205.

6.2 Prohibition on Religious Activities. No CDBG funds may be used for inherently religious activities such as worship, instruction, or proselytization. Any such religious activities must be separate in time or location from HUD-funded activities and voluntary for participants.

6.3 Non-Discrimination. The Subrecipient shall not, in the selection of contractors, vendors, or beneficiaries, discriminate on the basis of religious character, affiliation, or exercise.

Budgets



Note: FY25 was shortened as we adjusted our FY timeframe from Oct-Sept to July-June. Therefore, this budget only represents Oct 1, 2024-June 30, 2025.

FY25 OPERATING BUDGET DETAIL:

	<u>FY25 (Budget)</u>
Revenue	
Private Contributions	\$22,152,423.00
Government	\$5,748,891.00
Program	\$822,150.00
Investment and Other	\$3,681,859.00
<i>Total Revenue</i>	<u>\$32,405,323.00</u>
Expenses	
Personnel	\$12,150,036.00
Food and Other Program Expenses	\$12,435,587.00
Transportation	\$886,900.00
Occupancy	\$712,933.00
Equipment Rental and Maintenance	\$705,301.00
Professional Services	\$1,645,221.00
Office and Technology	\$156,985.00
Supplies	\$402,908.00
Depreciation	\$1,128,228.00
Insurance	\$444,788.00
Hospitality, Training, Travel	\$204,848.00
Agency Support	\$124,358.00
Other	\$63,750.00
<i>Total Expense</i>	<u>\$31,061,843.00</u>
Total Surplus/(Deficit)	<u>\$1,343,480.00</u>
<i>San Marcos Nutrition Access Program Expenses</i>	<i>\$621,236.86</i>



FY26 OPERATING BUDGET DETAIL:

	<u>FY26 (Budget)</u>
Revenue	
Private Contributions	\$27,788,034.00
Government	\$3,350,874.00
Program	\$4,264,019.00
Investment and Other	\$3,113,304.00
<i>Total Revenue</i>	<u>\$38,516,231.00</u>
Expenses	
Personnel	\$16,431,104.00
Food and Other Program Expenses	\$16,287,716.00
Transportation	\$1,474,145.00
Occupancy	\$1,491,487.00
Equipment Rental and Maintenance	\$705,301.00
Professional Services	\$1,907,507.00
Office and Technology	\$827,424.00
Supplies	\$776,109.00
Depreciation	\$1,979,221.00
Insurance	\$784,732.00
Hospitality, Training, Travel	\$194,280.00
Agency Support	\$267,753.00
Other	\$355,004.00
<i>Total Expense</i>	<u>\$42,776,482.00</u>
Total Surplus/(Deficit)	<u>(\$4,250,251.00)</u>

San Marcos Nutrition Access Program Expenses ***\$855,529.64***

San Marcos Nutrition Access Program Budget

Expense	Total Budget	City of San Marcos	Other Funding Source	Other Funds Amount
Support for Partner Agencies	\$ 5,355.06		Government contracts and private contributions	\$ 5,355.06
Depreciation	\$ 39,584.42		Government contracts and private contributions	\$ 39,584.42
Food and Other Program Expenses	\$ 325,754.32	\$ 125,000.00	Government contracts and private contributions	\$ 200,754.32
Hospitality, Training, Travel	\$ 3,885.60		Government contracts and private contributions	\$ 3,885.60
Insurance	\$ 15,694.64		Government contracts and private contributions	\$ 15,694.64
Occupancy	\$ 29,829.74		Government contracts and private contributions	\$ 29,829.74
Office and Technology	\$ 16,548.48		Government contracts and private contributions	\$ 16,548.48
Other	\$ 7,100.08		Government contracts and private contributions	\$ 7,100.08
Personnel	\$ 328,622.08		Government contracts and private contributions	\$ 328,622.08
Professional Services	\$ 38,150.14		Government contracts and private contributions	\$ 38,150.14
Supplies	\$ 15,522.18		Government contracts and private contributions	\$ 15,522.18
Transportation	\$ 29,482.90		Government contracts and private contributions	\$ 29,482.90
TOTAL	\$ 855,529.64	\$ 125,000.00		\$ 730,529.64

% City funding 15%

Board of Directors Materials

Board of Directors Roster

Name	City of Residence	Title	Phone Numbers
Kathleen Farlow	Houston	Chair	(713) 822-2974
Cassie Ross	Austin	Secretary	
Angela M. VanScoy	Leander	Treasurer	(216) 469-1438
Marili C. Burbes	Austin	Vice Chair	
Raul Amado	Georgetown	Member	
Joe Bland	Austin	Member	
Geoffrey A. Borlet	Austin	Member	
Melissa Garza	Austin	Member	
Josh Hittman	Austin	Member	
Collin Miller	Kyle	Member	
Edwin Page	Hewitt	Member	
Ramiro Palma	Austin	Member	
Justin R. Rose	Austin	Member	
Mark Sanchez	Austin	Member	
Harpreet Singh	Austin	Member	
Trent Townsend	Austin	Member	



February 20, 2026

CENTRAL TEXAS FOOD BANK

BOARD OF DIRECTORS RESOLUTION

WHEREAS, the City of San Marcos is accepting applications for its 2026 Community Development Block Grant (CDBG) to fund projects occurring between October 1, 2026, and September 30, 2027; and

WHEREAS, the Central Texas Food Bank is eligible to apply for funding under the Public Services category, which has a funding cap of \$110,000; and


WHEREAS, the Central Texas Food Bank intends to apply for \$25,000 to support general operating expenses for services benefitting San Marcos residents, and will demonstrate a quantifiable increase in services as required by the program guidelines; and

WHEREAS, applications are due no later than March 2, 2026, and the City of San Marcos requires a resolution or board minutes showing organizational approval to apply and designating an authorized representative to sign the necessary documents.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Central Texas Food Bank hereby authorizes the organization to apply for the City of San Marcos 2026 Community Development Block Grant in the amount of \$25,000 under the Public Services category for the purpose of supporting general operations that benefit San Marcos residents; and

BE IT FURTHER RESOLVED that Sari Vatske, President & CEO, is hereby designated as the authorized representative to sign and submit the application and any related documents on behalf of the Central Texas Food Bank.

APPROVED AND ADOPTED by the Board of Directors of the Central Texas Food Bank on this 20th day of February 2026.



Kathleeh Farlow
Chair, Board of Directors

990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2023

Do not enter social security numbers on this form as it may be made public.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2023 calendar year, or tax year beginning OCT 1, 2023 and ending SEP 30, 2024

Form header section containing organization name (CENTRAL TEXAS FOOD BANK, INC.), EIN (74-2217350), address (6500 METROPOLIS DRIVE, AUSTIN, TX 78744), and other identifying information.

Part I Summary

Summary table with columns for Activities & Governance, Revenue, Expenses, and Net Assets or Fund Balances. Rows include mission statement, governance metrics, revenue breakdown, expense breakdown, and asset/liability totals.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature block section with fields for officer signature (SARI VATSKE), preparer name (RENAE DUNCAN), firm name (ATCHLEY & ASSOCIATES, LLP), and other details.

May the IRS discuss this return with the preparer shown above? See instructions [X] Yes [] No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: THE MISSION OF THE CENTRAL TEXAS FOOD BANK (CTFB) IS TO ENSURE EQUITABLE ACCESS TO HEALTHY FOOD FOR ALL NEIGHBORS WHILE STRENGTHENING THE FOOD SYSTEM TO BUILD SUSTAINABLE AND THRIVING COMMUNITIES.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 113,857,219. including grants of \$ 110,747,787.) (Revenue \$ 1,787,022.) FOOD DISTRIBUTION - FOOD IS DISTRIBUTED TO PARTNER AGENCIES AND PROVIDED TO LOW-INCOME INDIVIDUALS AND FAMILIES FOR FREE.

4b (Code:) (Expenses \$ 7,189,100. including grants of \$) (Revenue \$) MOBILE FOOD PANTRY - MOBILE FOOD PANTRIES FILL GEOGRAPHIC AND SERVICE GAPS IN EMERGENCY FOOD ASSISTANCE. THESE MOBILE FOOD PANTRIES PROVIDE BASIC STAPLES, FRUITS, VEGETABLES, AND FROZEN FOODS.

4c (Code:) (Expenses \$ 1,306,275. including grants of \$) (Revenue \$) FRESH FOOD FOR FAMILIES - FRESH FOOD FOR FAMILIES PROVIDES FREE MONTHLY DISTRIBUTIONS OF FRUITS, VEGETABLES, AND OTHER FRESH FOODS TO LOW-INCOME FAMILIES.

4d Other program services (Describe on Schedule O.) (Expenses \$ 4,506,625. including grants of \$) (Revenue \$)

4e Total program service expenses 126,859,219.

Non-Discrimination Policy Statement

1.0 EMPLOYMENT POLICIES

1.1 Equal Employment Opportunity

Equal opportunity employment has been, and will continue to be, a fundamental principle at CTFB, where employment and opportunities are based upon merit, qualifications, and personal capabilities without regard to race, creed, color, age, sex, marital status, veteran status, religion, national origin, class origin, nationality, gender identity, physical or mental disability which can be reasonably accommodated, military status, sexual orientation, pregnancy, or any other legally protected status.

Employment decisions covered by this policy include recruiting, hiring, promotion, training, compensation, benefits, transfers, corrective discipline, layoffs, termination, and other terms or conditions of employment.

CTFB is committed to providing a work environment free of discrimination, intimidation, or unlawful harassment based on any legally protected characteristic.

The Central Texas Foodbank is committed to understanding, communicating and establishing trust with individuals from various cultural backgrounds. We are committed to create an environment that respects and accommodates the cultural diversity of the workforce and community. Our commitment extends to recruiting a culturally and linguistically diverse governance, leadership and workforce that are responsive to the population in the service area. We actively seek to recruit and cultivate staff and supporters who bring new approaches and experiences to our mission, and continually champion tolerance, acceptance, and cultural competence.

1.2 Americans with Disabilities Act

The Americans with Disabilities Act (ADA) prohibits discrimination in all employment practices, including job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions, and privileges of employment. It applies to recruitment, advertising, tenure, layoff, leave, fringe benefits, and all other employment-related activities.

Individuals with disabilities may request reasonable accommodations to accommodate a "known" disability of a qualified applicant or employee. Accommodations must be made on an individual basis, as requirements vary in each case. If the employee does not request an accommodation, CTFB is not obligated to provide one except where an individual's known disability impairs their ability to know of, or effectively communicate a need for, an accommodation that is obvious to the employer.

Under the ADA, an employer is not required to reallocate essential functions of a job as a reasonable accommodation.

1.3 Employee Relations

We believe regular, open and respectful discussions between you and your manager is important to manage performance, concerns, and provide constructive feedback (good and bad). At times, the People team may be brought in to help facilitate these conversations.

Our open-door philosophy provides an effective method for resolution of differences without fear of reprisal or retaliation.

Where and when appropriate, you are encouraged to seek assistance through the following chain of command:

1. Immediate Supervisor (Supervisor-Manager-Director-Chief Officer)
2. Chief People Officer or member of the People team
3. President & CEO

We will use appropriate discretion, care, and do our best to investigate your complaint or concern to resolve any internal conflict and find a satisfactory resolution.

1.4 At-Will Employment

CTFB is an “at-will” employer. This means, you may resign at any time with or without advance notice and with or without cause. Likewise, CTFB may make a decision to terminate at any time with or without advance notice and with or without cause. Only the President & CEO has the authority to make an agreement contrary to the “at-will” employment status, which must be in writing to be effective.

In compliance with the Immigration Reform and Control Act of 1986, you must complete an employment eligibility verification form and provide proof of eligibility to work in the United States no later than three business days after your first day of work. If the employee has not provided proof of eligibility to work within these three days, employment may be terminated. In addition, we participate in E-Verify to confirm your identity and work status electronically.

1.5 Non-Discrimination and Anti-Harassment

Any type of harassment is not tolerated at CTFB. We are committed to providing a positive work environment free of unlawful harassment. The work environment is not limited to our facilities, but also includes client and vendor facilities, as well as anywhere a business-related function is taking place. In addition, our work environment includes our electronic communications and computer systems.

CTFB prohibits sexual harassment and harassment because of race, color, religion, national origin, ancestry, sex, age, mental or physical disability, medical condition, pregnancy, sexual orientation, marital status or veteran status, or any other legally protected characteristic.

Unlawful harassment includes, but is not limited to, verbal harassment, visual harassment, physical harassment, any threats or demands made, and retaliation to anyone who reports harassment.

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, harassment or offensive conduct directed at an employee because of gender, whether or not motivated by sexual attraction and regardless of the sexual orientation of the individuals involved, and other verbal or physical harassment of a sexual nature.

The harassment prohibited by this standard encompasses conduct between individuals of the opposite sex, individuals of the same sex, volunteers, supervisors and employees, co-employees, and between an employee and any individual who has a business, service, or professional relationship with CTFB.

Unlawful harassment includes, but is not limited to, the following:

- Verbal harassment such as epithets, derogatory jokes or comments, slurs, or unwanted comments and jokes;
- Visual harassment such as derogatory posters, photography, cartoons, drawings, or gestures;
- Physical harassment such as assault, unwanted touching, blocking normal movement, restraining, or otherwise physically interfering with the work of another individual;
- Threats or demands that an individual submit to certain conduct or perform certain actions to keep or get a job, to avoid some other loss, or as a condition of job benefits, security, or promotion; and
- Retaliation for having reported, or threatened to report, harassment or discrimination, or having assisted another employee to report harassment or discrimination.

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, harassment or offensive conduct directed at an employee because of gender, whether or not motivated by sexual attraction and regardless of the sexual orientation of the individuals involved, and other verbal or physical harassment of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; and
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

CTFB provides a mandatory yearly anti-harassment training for its employees.

Any employee found to have unlawfully or sexually harassed another employee, volunteer, vendor, or customer will be subject to disciplinary action, up to and including termination.

1.6 Complaint and Violation Reporting and Resolution

If you have witnessed prohibited harassment or believe you have been subjected to prohibited harassment, you are encouraged, if appropriate and comfortable, to confront the offender first. However, if this action is uncomfortable and/or the harassing behavior continues, immediately report the harassment to supervisory personnel or to a member of the People Team, without fear of reprisal. In addition, any supervisory and managerial personnel who learn of conduct that may constitute prohibited harassment must immediately inform The People Team.

The People Team has the primary responsibility of investigating and resolving complaints of harassment. All investigations shall be conducted in as confidential a manner as is compatible with a thorough investigation of the complaint. All employees have a duty to cooperate in investigations of alleged harassment.

Any employee of CTFB, if determined by an impartial investigation to have violated CTFB harassment standard, will be subject to appropriate corrective action, up to and including, termination.

Letters of Support



Debbie Gonzales Ingalsbe
Hays County Commissioner
Precinct 1

February 27, 2026

Sari Vatske, President and CEO
Central Texas Food Bank
6500 Metropolis Drive
Austin, TX 78744-3123

Dear Sari Vatske:

On behalf of Hays County Commissioner's Court, I am pleased to express my full support for Central Texas Food Bank's (CTFB) application for funding from the City of San Marcos, as the proposed funding has the potential to make a meaningful impact on the health and well-being of our community. As the governing body of Hays County, we are fortunate to have CTFB's immense support to improve access to nutritious food for Hays County residents.

CTFB has led the region to address food insecurity for four decades, leveraging its robust network to ensure a reliable source of nutritious food for our neighbors. Over the course of its history, CTFB has continuously innovated its services to meet emerging needs. Your ability to adapt, particularly in challenging times, has made CTFB a critical asset for our community. Our neighbors know they can trust CTFB to provide food when, where, and how they need it most.

The Hays County Commissioner's Court wholeheartedly supports CTFB's commitment to providing high-quality food and resources to residents. CTFB's integrated services promoting food access, nutrition education, and economic stability are vital to our neighbors' wellbeing and long-term prosperity. We are grateful for your fierce commitment to serving our neighbors in need.

Thank you for all you do for our community.

Sincerely,


Debbie Gonzales Ingalsbe



**American
Red Cross**

Community Adaptation
Program

February 16, 2026

Sari Vatske, President and CEO
Central Texas Food Bank
6500 Metropolis Drive
Austin, TX 78744

Dear Ms. Vatske:

Please accept this letter of support for your application to the City of San Marcos to enhance your nutrition access program. The American Red Cross partners with the Central Texas Food Bank (CTFB) through our Community Adaptation Program (CAP), which aims to lessen the impact of extreme weather events and disaster-caused displacement. Through CAP, we work to reduce the number of families that fall into poverty after being forced from their homes by extreme weather events. To enhance their capacity, capability, and continuity, our field teams collaborate with existing community partners like CTFB.

CTFB has consistently proven to be a reliable and highly effective partner in these efforts. During the January 2026 winter storms, CTFB stepped up to provide nourishing food for neighbors at Hays County warming shelters. In times of crisis, access to food not only meets essential needs but also provides peace of mind and a sense of security in otherwise tumultuous times. Beyond disaster response, CTFB's year-round work to expand food access helps families better achieve stability, reducing the likelihood that short-term crises will escalate into long-term hardship.

Given CTFB's proven track record of rapidly responding to community needs, we are confident that City funding will be used efficiently and effectively. We look forward to our continued partnership with CTFB to serve more neighbors.

Sincerely,

Stephanie Cerda

Stephanie Cerda
Community Risk Reduction Manager, Hays County TX
Community Adaptation Program, American Red Cross



Hays County Health Department

101 Thermon Drive, San Marcos, Texas 78666

Local Health Director

February 27, 2026

Sari Vatske, President and CEO
Central Texas Food Bank
6500 Metropolis Drive
Austin, TX 78744

Dear Ms. Vatske:

On behalf of the Healthy Hays Coalition, I am pleased to support the Central Texas Food Bank's (CTFB) application for funding from the Community Development Block Grant (CDBG). Our coalition envisions a Healthy Hays fully committed to equitable access to resources where all people are thriving and resilient. We are committed to improving the quality of life in Hays County by collaborating to ensure a system of high-quality physical & mental health services, education, employment, and infrastructure is available to all. CTFB's work strongly advances this vision, especially for our neighbors experiencing hardship.

CTFB is a vital part of our local social service network, and we wholeheartedly believe in your ability to use CDBG funds to create immediate and significant impact. As an employee of the Hays County Health department, I personally witness the importance of nonprofits like CTFB in promoting economic stability and positive health outcomes. Through diverse and evidence-based services, CTFB ensures more neighbors can live healthy, active lives.

CTFB has a proven ability to execute large-scale operations while also remaining nimble enough to swiftly adapt services in response to emergent needs.

Thank you for your leadership in building a strong system of support in our community and improving the quality of life for our neighbors.

Sincerely,

Matthew Gonzales

Matthew Gonzales, MHA
Health Department Director
Hays County Health Department
Office Phone: 512-393-5535
Email: Matthew.Gonzales@hayscountytx.gov

Analysis of program expansion:

1. # new Mobile FARMacy sites
 - a. To address the disparate percentage of San Marcos residents reporting fair to poor health outcomes between 2021 – 2023 according to the CDC (15-20%), we will establish one new Mobile FARMacy distribution site in San Marcos.
2. # new Home Delivery partnerships
 - a. We currently have 37 San Marcos residents on our waitlist for home delivery. To meet this need, we will establish one new partnership with a partner agency to help with program enrollment.
3. # new Mobile Pantry distribution sites
 - a. To address the growing need for food access and better meet neighbors where they are, we will establish one new Mobile Pantry distribution site in San Marcos.

Audit

**CENTRAL TEXAS FOOD BANK, INC. and
CENTRAL TEXAS FOOD BANK FOUNDATION,
(nonprofit organizations)
FINANCIAL STATEMENTS
and Other Financial Information
September 30, 2024 and 2023**

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BASIC FINANCIAL STATEMENTS



Independent Auditors' Report

To the Board of Directors of
Central Texas Food Bank, Inc. and
Central Texas Food Bank Foundation

Opinion

We have audited the accompanying consolidated financial statements of Central Texas Food Bank, Inc. and Central Texas Food Bank Foundation (all nonprofit organizations, collectively, the Organizations) which comprise the consolidated statements of financial position as of September 30, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organizations as of September 30, 2024 and 2023, and the results of their operations and their 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organizations and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government Auditing Standards* 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, 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 the Organizations' 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 the Organizations' 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedule of financial position on page 21 and consolidating schedule of activities and changes in net assets by fund on page 22 are presented for purposes of additional analysis and are not required parts of the basic consolidated financial statements. The consolidating schedules of financial position and activities and changes in net assets by fund are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 June 4, 2025, on our consideration of the Organizations' 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 solely 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 effectiveness of the Organizations' 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 the Organizations' internal control over financial reporting and compliance.

Atchley & Associates LLP

Austin, Texas

June 4, 2025

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2024 AND 2023**

ASSETS	2024	2023
Cash and Cash Equivalents	\$ 52,947,969	\$ 57,441,731
Accounts Receivable	2,260,783	2,703,389
Investments	32,878,883	18,577,391
Donated Food Inventory	1,885,570	3,510,508
Purchased Food Inventory	1,828,503	2,921,249
Prepaid Expenses	352,755	208,816
Property and Equipment (Net of Accumulated Depreciation of \$8,721,552 and \$7,557,601, respectively)	22,482,769	23,047,183
TOTAL ASSETS	\$ 114,637,232	\$ 108,410,267
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts Payable	\$ 1,380,971	\$ 4,877,508
Accrued Liabilities	910,461	718,662
Deferred Revenue	-	-
Total Liabilities	2,291,432	5,596,170
Net Assets:		
Net Assets Without Donor Restrictions:		
Undesignated	76,294,136	66,706,949
Designated:		
For Future Food Distribution	1,885,570	3,510,508
For Operating Reserve	34,000,000	29,000,000
For CTFB Foundation	-	3,420,546
Total Net Assets Without Donor Restrictions	112,179,706	102,638,003
Net Assets With Donor Restrictions:		
For Programs	15,000	25,000
In Perpetuity	151,094	151,094
Total Net Assets With Donor Restrictions	166,094	176,094
Total Net Assets	112,345,800	102,814,097
TOTAL LIABILITIES AND NET ASSETS	\$ 114,637,232	\$ 108,410,267

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Without Donor Restrictions	With Donor Restrictions		Total
		Time and/or Purpose	In Perpetuity	
PUBLIC SUPPORT AND REVENUE				
Public Support:				
Contributed Non-Financial Assets				
Donated Food	\$ 97,580,518	\$ -	\$ -	\$ 97,580,518
Grants and Contracts	9,076,327	-	-	9,076,327
Contributions	27,138,216	15,000	-	27,153,216
Revenue:				
Program Service Fees	1,510,456	-	-	1,510,456
Investment Return, Net	7,168,543	-	-	7,168,543
Other	307,379	-	-	307,379
	142,781,439	15,000	-	142,796,439
Net Assets Released from Restrictions	25,000	(25,000)	-	-
Total Public Support and Revenue	142,806,439	(10,000)	-	142,796,439
EXPENSES				
Program Services:				
Donated Food Program	126,859,219	-	-	126,859,219
Supporting Services:				
Management and General	3,626,961	-	-	3,626,961
Fund Raising	2,778,556	-	-	2,778,556
Total Expenses	133,264,736	-	-	133,264,736
Change in Net Assets	9,541,703	(10,000)	-	9,531,703
Net Assets at Beginning of Year	102,638,003	25,000	151,094	102,814,097
Net Assets at End of Year	<u>\$ 112,179,706</u>	<u>\$ 15,000</u>	<u>\$ 151,094</u>	<u>\$ 112,345,800</u>

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Without Donor Restrictions	With Donor Restrictions		Total
		Time and/or Purpose	In Perpetuity	
PUBLIC SUPPORT AND REVENUE				
Public Support:				
Contributed Non-Financial Assets				
Donated Food	\$ 82,775,981	\$ -	\$ -	\$ 82,775,981
Grants and Contracts	6,109,599	-	-	6,109,599
Contributions	24,014,047	239,179	-	24,253,226
Revenue:				
Program Service Fees	649,519	-	-	649,519
Investment Return, Net	3,807,316	-	-	3,807,316
Other	208,052	-	-	208,052
	117,564,514	239,179	-	117,803,693
Net Assets Released from Restrictions	232,062	(232,062)	-	-
Total Public Support and Revenue	117,796,576	7,117	-	117,803,693
EXPENSES				
Program Services:				
Donated Food Program	105,768,454	-	-	105,768,454
Supporting Services:				
Management and General	2,989,725	-	-	2,989,725
Fund Raising	2,627,926	-	-	2,627,926
	111,386,105	-	-	111,386,105
Change in Net Assets	6,410,471	7,117	-	6,417,588
Net Assets at Beginning of Year	96,227,532	17,883	151,094	96,396,509
Net Assets at End of Year	\$ 102,638,003	\$ 25,000	\$ 151,094	\$ 102,814,097

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Donated Food Program	Supporting Services		Total
		Management and General	Fund Raising	
Donated Food Distributed to Others	\$ 102,221,496	\$ -	\$ -	\$ 102,221,496
Salaries and Related Expenses	10,581,563	2,367,624	1,232,883	14,182,070
Food Acquisitions	8,479,005	-	-	8,479,005
Fees for Service	150,908	220,349	1,323,048	1,694,305
Equipment Rent and Maintenance	1,008,032	20,717	19,105	1,047,854
Occupancy	1,060,689	35,056	-	1,095,745
Mileage and Freight	1,171,519	-	-	1,171,519
Professional Fees	54,628	548,798	42,900	646,326
Insurance	257,943	223,426	-	481,369
Supplies	352,859	36,008	39,837	428,704
Conferences and Meetings	91,654	49,868	12,416	153,938
Grants to Agencies	47,286	-	-	47,286
Telephone	60,302	41,033	4,341	105,676
Printing and Publication	19,985	15,949	37,077	73,011
Memberships	3,229	23,748	3,610	30,587
Postage	1,023	1,339	18,572	20,934
Miscellaneous	4,599	4,825	634	10,058
	<u>125,566,720</u>	<u>3,588,740</u>	<u>2,734,423</u>	<u>131,889,883</u>
Depreciation	<u>1,292,499</u>	<u>38,221</u>	<u>44,133</u>	<u>1,374,853</u>
TOTAL EXPENSES	<u><u>\$ 126,859,219</u></u>	<u><u>\$ 3,626,961</u></u>	<u><u>\$ 2,778,556</u></u>	<u><u>\$ 133,264,736</u></u>

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Donated Food Program	Supporting Services		Total
		Management and General	Fund Raising	
Donated Food Distributed to Others	\$ 81,577,833	\$ -	\$ -	\$ 81,577,833
Salaries and Related Expenses	8,458,904	1,789,923	1,127,730	11,376,557
Food Acquisitions	9,734,826	-	-	9,734,826
Fees for Service	184,223	150,543	1,312,733	1,647,499
Equipment Rent and Maintenance	1,477,514	131,319	33,087	1,641,920
Occupancy	926,996	21,734	-	948,730
Mileage and Freight	940,006	-	-	940,006
Professional Fees	137,172	668,529	59,371	865,072
Insurance	280,148	99,748	-	379,896
Supplies	339,503	25,360	2,039	366,902
Conferences and Meetings	203,686	41,612	10,551	255,849
Grants to Agencies	158,303	-	-	158,303
Telephone	47,166	8,928	4,231	60,325
Printing and Publication	16,379	2,891	30,811	50,081
Memberships	2,655	21,057	2,100	25,812
Postage	1,486	2,597	21,615	25,698
Miscellaneous	8,629	4,995	-	13,624
	<u>104,495,429</u>	<u>2,969,236</u>	<u>2,604,268</u>	<u>110,068,933</u>
Depreciation	<u>1,273,025</u>	<u>20,489</u>	<u>23,658</u>	<u>1,317,172</u>
TOTAL EXPENSES	<u><u>\$ 105,768,454</u></u>	<u><u>\$ 2,989,725</u></u>	<u><u>\$ 2,627,926</u></u>	<u><u>\$ 111,386,105</u></u>

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 9,531,703	\$ 6,417,588
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used by) Operating Activities:		
(Gain) Loss on Disposal of Property and Equipment	(30,813)	53,936
Depreciation	1,374,853	1,317,172
Unrealized (Gain) Loss on Investments	(1,459,220)	(1,478,429)
Donated Food Inventory	1,624,938	(1,716,326)
(Increase) Decrease in Operating Assets:		
Accounts Receivable	442,606	(972,010)
Purchased Food Inventory	1,092,746	(1,987,870)
Prepaid Expenses	(143,939)	205,144
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(3,496,537)	3,799,998
Accrued Liabilities	191,799	41,403
Deferred Revenue	-	(161,061)
Net Cash Provided by (Used by) Operating Activities	9,128,136	5,519,545
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of Investments	(22,999,693)	(7,828,496)
Proceeds from Sale of Investments	10,157,421	6,947,430
Proceeds from Sale of Property and Equipment	91,204	-
Purchase of Property and Equipment	(870,830)	(659,669)
Net Cash Provided by (Used by) Investing Activities	(13,621,898)	(1,540,735)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net Cash Provided by (Used by) Financing Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(4,493,762)	3,978,810
Cash and Cash Equivalents at Beginning of Year	57,441,731	53,462,921
Cash and Cash Equivalents at End of Year	\$ 52,947,969	\$ 57,441,731

The Notes to Consolidated Financial Statements are an integral part of these consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization. Central Texas Food Bank, Inc. (the Food Bank), formerly the Capital Area Food Bank of Texas, Inc, is a Texas nonprofit corporation. The Food Bank accepts food donations and distributes it to various agencies and food insecure individuals. On May 5, 2024, the Board of Directors voted to change the fiscal year end from September 30th to June 30th, effective for the fiscal year beginning October 1, 2025.

The Central Texas Food Bank Foundation (the Foundation), formerly the Capital Area Food Bank Foundation, also a Texas nonprofit corporation, was created in January 2000 to provide a stable source of revenue to support the Food Bank's general program operations. As of September 30, 2024, this entity was dissolved, all net assets were transferred to the Food Bank.

The Food Bank raises funds through government grants and donations from organizations, businesses and individuals. Funding is provided primarily by donated food received, public support, program fees, and grants and contracts. The Food Bank is a part of the Feeding America Network.

Consolidated Financial Statements. The accompanying consolidated financial statements include the financial statements of the Food Bank and the Foundation (collectively, the Organizations). The majority of the Foundation's Board of Directors is derived from the directors of the Food Bank's Board. All significant inter-company transactions have been eliminated in the consolidated financial statements.

Basis of Presentation. The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organizations and changes therein are classified and reported as follows:

Net assets without donor restrictions— Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restriction — Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organizations and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions. Net assets with donor stipulations in perpetuity are also included in this class. Generally, the donors of these assets permit the Organizations to use all or part of the income earned on any related investments for general or specific purposes.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED**

Cash Equivalents. The Organizations consider all deposits held at financial institutions or brokerage houses that are subject to withdrawal by check and investments with an original maturity of three months or less to be cash equivalents.

Investments. Investments are recorded at fair value as of year-end. Unrealized gains and losses as well as all interest and dividends earned are included in the change in unrestricted net assets in the accompanying Consolidated Statements of Activities and Changes in Net Assets.

Accounts Receivable. The Food Bank considers all recorded accounts and grants to be fully collectible. Accordingly, no allowance for credit losses is required.

Food Inventory. The Food Bank acts as an agent for the donors of food, distributing it to various agencies. Donated food inventory on-hand at September 30, 2024 and 2023, is recorded in the consolidated financial statements at an average value of \$1.97 and \$1.93, respectively, per pound as calculated by Feeding America, a nationwide network of member food banks.

Property and Equipment. Donations of property and equipment are recorded as support revenue at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Food Bank reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Food Bank reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Purchased property and equipment is recorded at cost. There were no capital assets donated during the years ended September 30, 2024 and 2023.

During 2024, the Organizations changed the capitalization threshold for assets with a value \$1,000 to \$5,000 and a useful life more than 1 year. There was not a significant impact with this change. Assets retired from service during the year are charged against their accumulated depreciation account and removed from the fixed asset records. If the asset is not fully depreciated the residual asset balance is charged to depreciation expense for the current year.

Depreciation on property and equipment is provided using the straight-line method over estimated useful lives of the respective assets, ranging from 3 to 50 years. Upon sale or other disposition of assets, the costs and related accumulated depreciation are removed from the accounts and the resulting gain or loss, if any, is reflected as an increase or decrease in net assets without donor restrictions.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED**

Board Designated Net Assets. The Board of Directors has set aside amounts to be used for designated future purposes of the Organizations as reflected in these consolidated financial statements. A portion of the net assets without donor restrictions is set aside as an operating reserve fund in compliance with Feeding America recommendations.

Revenue Recognition. In accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-605, *Revenue Recognition*, contributions (grants) received from federal, state, and local governments that are conditioned upon the Food Bank incurring certain qualifying costs are considered to be conditional promises to give and therefore are recognized as revenue as those costs are incurred.

Donations. Donated material and services, although significant in amount, are not recorded unless there is an objectively measurable basis for determining their fair value.

A substantial number of people donate significant amounts of services to the Food Bank. The consolidated financial statements do not reflect the value of these services as no objective basis exists for the reasonable measuring of the value of such services in accordance with FASB ASC 958-605-25. It is estimated that volunteers contributed approximately 133,355 and 101,415 hours to the food distribution program during the years ended September 30, 2024 and 2023, respectively.

Recognition of Donor Restrictions. Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions without donor restrictions are recorded as an increase in net assets without donor restrictions in the period in which the notice of unconditional promise to give is received.

Contributions or grants, which contain a donor-imposed restriction or a stipulation that the contribution cannot be used until a future period, are recorded as contributions with donor restrictions. Contributions, which are restricted with respect to the expenditure of the funds, are recorded as increases in net assets with donor restrictions available in the period in which the notice of grant award is received. Net assets with donor restrictions are reclassified to net assets without donor restrictions in the period in which the use restriction has been met or the time restriction lapses.

Federal Income Taxes. The Organizations are exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and are classified as organizations other than private foundations. The Organizations' federal exempt organization returns for the years ended September 30, 2021, and after are subject to examination by the Internal Revenue Service.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED**

Federal Income Taxes - Continued. The Organizations have adopted FASB ASC 740-10, *Accounting for Uncertainty in Income Tax*. That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to be met before being recognized in the consolidated financial statements.

Fair Value Measurement. The Organizations have implemented FASB ASC 820-10-50, *Fair Value Measurements*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10-50 are described below:

- | | |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access. |
| Level 2 | Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2024.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED**

Fair Value Measurement - Continued. Common stocks and others, certificates of deposit, corporate bonds, mortgage pools, municipal bonds, CMO & asset backed securities, and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organizations believe the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Functional Allocation of Expenses. The costs of providing program, fundraising, and supporting services have been summarized on a functional basis in the Consolidated Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. The expenses that were not directly related to program or supporting services are allocated using the following methods:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and Related Expenses	Time and Effort
Occupancy	Square Footage
Insurance	Square Footage
Depreciation	Square Footage

Use of Estimates and Assumptions. The preparation of consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncement. Effective October 1, 2023, the Organizations adopted the provisions of FASB ASC Topic 326, *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments (ASU 2016-13)*. This update establishes the current expected credit loss (CECL) model established by ASU 2016-13, which requires the immediate recognition of estimated expected credit losses over the life of a financial instrument, including trade receivables, net investments in leases (for lessors with sales-type or direct financing leases), and certain off-balance sheet credit exposures. The estimate of expected credit losses considers historical information as well as current and future economic conditions and events. The impact of the adoption was not considered material to the consolidated financial statements.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED**

Subsequent Events. Management of the Organizations have evaluated subsequent events for disclosure through the date of the Independent Auditors' Report, the date the consolidated financial statements were available to be issued. See Note 13.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at September 30:

	2024	2023
Cash Held at Financial Institutions	\$ (1,550,156)	\$ 381,614
Money Market Accounts	54,498,125	57,060,117
	<u>\$ 52,947,969</u>	<u>\$ 57,441,731</u>

Cash in excess of daily requirements are held at financial institutions in high-yield saving and money market accounts. Cash held at financial institutions reflects net of outstanding checks.

NOTE 3 - INVESTMENTS

The Organizations follow FASB ASC 958-320-50. This standard requires entities to report investments in the statement of financial position at fair value and report realized and unrealized gains and losses in the statement of activities and changes in net assets. Investment income for the years ended September 30, 2024 and 2023, included in the Consolidated Statements of Activities and Changes in Net Assets, is summarized as follows:

	2024	2023
Unrealized Gain (Loss) on Investments	\$ 1,459,220	\$ 1,478,429
Realized Gain (Loss) on Investments	2,202,250	61,085
Interest and Dividends - Investments	3,558,673	2,356,242
Investment Fees	(51,600)	(88,440)
Investment Return, Net	<u>\$ 7,168,543</u>	<u>\$ 3,807,316</u>

Short-term investments are recorded at fair value and are recorded in the consolidated financial statements as cash and cash equivalents. Long-term investments are recorded at fair value as determined by quoted market prices, which is Level 1 under the fair value hierarchy. Market values and unrealized appreciation (depreciation) at September 30, 2024 and 2023, are summarized as follows:

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 3 - INVESTMENTS - CONTINUED

September 30, 2024:			
<u>FOOD BANK</u>	Cost	Market Value (Level 1)	Unrealized Gain/(Loss)
Investments:			
Money Market Funds [Non-Sweep]	\$ 254,243	\$ 254,243	\$ -
U.S. Treasuries	-	-	-
Corporate Bonds	15,999,353	16,295,978	296,625
Municipal Bonds	-	-	-
Mortgage Pools	-	-	-
CMO & Asset Backed Securities	-	-	-
Common Stocks and Other	14,702,419	16,328,662	1,626,243
Total Food Bank	<u>\$ 30,956,015</u>	<u>\$ 32,878,883</u>	<u>\$ 1,922,868</u>
September 30, 2023:			
<u>FOOD BANK</u>	Cost	Market Value (Level 1)	Unrealized Gain/(Loss)
Investments:			
Money Market Funds [Non-Sweep]	\$ 2,125,211	\$ 2,125,211	\$ -
U.S. Treasuries	956,556	901,305	(55,251)
Corporate Bonds	2,114,977	2,064,779	(50,198)
Municipal Bonds	100,615	99,235	(1,380)
Mortgage Pools	458	455	(3)
CMO & Asset Backed Securities	16,498	15,328	(1,170)
Common Stocks and Other	9,123,823	9,850,253	726,430
Total Food Bank	<u>14,438,138</u>	<u>15,056,566</u>	<u>618,428</u>
September 30, 2023:			
<u>FOUNDATION</u>	Cost	Market Value (Level 1)	Unrealized Gain/(Loss)
Investments:			
Money Market Funds [Non-Sweep]	\$ 435,647	\$ 435,647	\$ -
U.S. Treasuries	98,872	93,836	(5,036)
Corporate Bonds	223,674	216,641	(7,033)
Municipal Bonds	55,674	55,001	(673)
Common Stocks and Other	1,744,446	2,719,700	975,254
Total Foundation	<u>2,558,313</u>	<u>3,520,825</u>	<u>962,512</u>
Total Food Bank and Foundation	<u>\$ 16,996,451</u>	<u>\$ 18,577,391</u>	<u>\$ 1,580,940</u>

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 4 - CONTRIBUTED NONFINANCIAL ASSETS

The Food Bank received donations of food from various sources including the United States Department of Agriculture, various private donors and reclamation items from area grocery stores and food distributors. The Food Bank received 62,830,234 and 53,290,073 pounds donated food during the years ended September 30, 2024 and 2023, respectively. Where donated food cannot be reported based upon market prices, it is reported at an estimated fair value using the weighted-average wholesale value per pound of food as determined in an annual study performed by Feeding America. The weighted-average wholesale value per pound of food was \$1.97 and \$1.93 for the fiscal years ended September 30, 2024 and 2023, respectively.

NOTE 5 - PROPERTY AND EQUIPMENT

The major classes of property and equipment held as of September 30, 2024 and 2023, are as follows:

	Life	2024	2023
Land	-	\$ 3,056,775	\$ 3,056,775
Construction in Progress	-	484,569	56,738
Building	5-50 years	19,609,751	19,510,451
Office Equipment	3-10 years	1,312,147	1,226,093
Warehouse Equipment	3-10 years	1,852,079	1,617,386
Vehicles	5-8 years	3,432,185	3,680,525
Kitchen Equipment	5-10 years	513,004	513,004
Garden	5-10 years	844,726	844,727
Agency Capacity	5-10 years	99,085	99,085
		<u>31,204,321</u>	<u>30,604,784</u>
Accumulated Depreciation		<u>(8,721,552)</u>	<u>(7,557,601)</u>
		<u>\$ 22,482,769</u>	<u>\$ 23,047,183</u>

Depreciation expense of \$1,374,853 and \$1,317,172 was recorded during the years ended September 30, 2024 and 2023, respectively.

NOTE 6 - CITY AND COUNTY GRANTS

Expenditures of the City of Austin and Travis County grant funds for the years ended September 30, 2024 and 2023, were \$1,791,877 and \$1,262,819, respectively.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 7 - NET ASSETS

The following are net assets with board designations which the Organizations held at September 30:

	2024	2023
For Future Food Distribution	\$ 1,885,570	\$ 3,510,508
For Operating Reserve	34,000,000	29,000,000
For CTFB Foundation	-	3,420,546
Total Net Assets with Board Designations	\$ 35,885,570	\$ 35,931,054

Board designated net assets are those funds set aside by the Board of the Organizations for the purpose of future planning and management of assets. These amounts can be undesignated or more funds can be designated by the board and can only be used for the specific purposes as noted above.

The following are net assets with donor restrictions which the Organizations held at September 30:

	2024	2023
Time or Purpose:		
Disaster support	\$ 10,000	\$ -
SFSP grant	5,000	-
Cargill Protein Hub and Spoke	-	25,000
	15,000	25,000
In Perpetuity:		
Endowment	151,094	151,094
	151,094	151,094
Total Net Assets with Donor Restrictions	\$ 166,094	\$ 176,094

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, by occurrence of events specified by the donors, or by the change of restrictions specified by the donors. Amounts were released during the years ending September 30:

	2024	2023
Cargill Protein Hub and Spoke	\$ 25,000	\$ -
Mobile Food Pantries	-	172,979
Backpack Program	-	59,083
	\$ 25,000	\$ 232,062

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 8 - THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

The Food Bank contracted with the Texas Department of Agriculture (TDA) for the distribution of USDA commodities to Food Bank partner agencies under The Emergency Food Assistance Program (TEFAP). During the years ended September 30, 2024 and 2023, the Food Bank recognized \$1,035,957 and \$1,126,240 of revenue, respectively, from TDA for reimbursement of allowable actual direct costs of storage and distribution of commodities. The related costs charged to the program totaled \$1,035,957 and 1,126,240 in 2024 and 2023, respectively.

NOTE 9 - RETIREMENT PLAN

The Food Bank participates in a 403(b) plan which is made up of a group of other local nonprofits sponsored by One Voice Central Texas. Eligible employees may contribute to the Plan a portion of their annual salary through payroll deductions. The Food Bank contributes 2% of each eligible employee's salary to the Plan and also matches up to 5% of each employee's salary reduction contribution. All full-time employees with one year of service are eligible to participate in the Plan. All Food Bank contributions are fully vested. For the years ended September 30, 2024 and 2023, the Food Bank contributed \$325,835 and \$273,913, respectively.

NOTE 10 - CONCENTRATION OF CREDIT RISK

The Organizations maintain cash deposits at financial institutions, which at times exceed federally guaranteed limits. Management closely monitors the financial institutions as well as the account balances. The Organizations have not experienced any losses on deposits at these institutions. Combined cash deposits of \$54,248,124 at financial institutions exceeded federally guaranteed limits at September 30, 2024.

In addition, the Organizations invest in various money market funds that are classified as cash equivalents in the consolidated financial statements. No losses were experienced during the period on these short-term investments, which are held by high credit quality institutions.

NOTE 11 - RELATED PARTY TRANSACTIONS

Certain members of the Board of Directors of the Organizations contributed \$60,121 and \$49,995 during the years ended September 30, 2024 and 2023, respectively.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 12 - LIQUIDITY AND AVAILABILITY

The table below presents financial assets available for general expenditures within one year at September 30,:

	2024	2023
Financial assets at year end:		
Cash and Cash Equivalents	\$ 52,947,969	\$ 57,441,731
Investments	32,878,883	18,577,391
Accounts Receivable	2,260,783	2,703,389
	88,087,635	78,722,511
Less amounts not available to be used within one year:		
Net Assets with Board Designations For CTFB Foundation	-	3,420,546
Net Assets with Donor Restrictions	166,094	176,094
	166,094	3,596,640
Financial assets available to meet general expenditures within one year	\$ 87,921,541	\$ 75,125,871

The Food Bank's goal is generally to maintain financial assets to meet 12 months of operating expenses. As part of its liquidity plan, excess cash may be invested in short term investments, including money market accounts, certificates of deposit, and U.S. Treasuries. Excess cash may also be invested in instruments like stocks and bonds that are easily converted to cash. A final potential source of liquidity is provided by funds from the Central Texas Food Bank Foundation that is treated as a quasi-endowment.

NOTE 13 - SUBSEQUENT EVENTS

The Food Bank Board of Directors approved in December, 2024 capital expenditures of \$25,000,000 to construct a new food hub in Waco, Texas providing the following services:

- A no-cost market offering client choice,
- Services to assist in SNAP applications and nutritional education,
- A full-service community kitchen,
- Culinary and logistics training programs,
- Volunteer engagement area, and
- A full-service warehouse to support the facility and partner agencies in the northern nine counties.

**CENTRAL TEXAS FOOD BANK, INC. AND
CENTRAL TEXAS FOOD BANK FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 13 - SUBSEQUENT EVENTS - CONTINUED

A former non-profit established by the Food Bank's Board, CAFB of TX Support Corporation, was renamed CTFB of TX Support Corporation. On January 10, 2025, the Food Bank and the CTFB of TX Support Corporation entered into a construction contract to build a new food hub in Waco, Texas. The contract has a guaranteed maximum price of \$20,911,926.

To fund part of this project, on February 11, 2025, the Food Bank (the leverage lender) entered into a New Markets Tax Credit (NMTCs) totaling \$18,000,000 with Rural Development Partners (the community development entity) and Capital One (the NMTC investor). The Food Bank, as part of the NMTCs financing, entered into an agreement to lend \$12,699,000 to COCRF Investor 305, LLC. The loan matures September 30, 2048, and bears an interest rate of 1.00%. A former non-profit established by the Food Bank's Board, CAFB of TX Support Corporation, was renamed CTFB of TX Support Corporation and will act as the Qualified Active Low-Income Business (QALICB). CTFB of TX Support Corporation executed loan agreements on February 11, 2025, that provide for borrowings of \$12,699,000 and \$4,941,000 from RDP 51 LLC. The QALICB loans matures on September 30, 2055, and bears an interest rate of 1.33222%.

The remaining \$7 million will be funded by the Food Bank through contributions, existing cash, and grants.

ADDITIONAL INFORMATION

CENTRAL TEXAS FOOD BANK, INC. AND CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
SEPTEMBER 30, 2024

	Food Bank					
	Operating	Operating Reserve	Total	Foundation	Eliminations	Consolidated
ASSETS						
Cash and Cash Equivalents	\$ 18,947,969	\$ 34,000,000	\$ 52,947,969	\$ -	\$ -	\$ 52,947,969
Accounts Receivable	2,260,783	-	2,260,783	-	-	2,260,783
Investments	32,878,883	-	32,878,883	-	-	32,878,883
Donated Food Inventory	1,885,570	-	1,885,570	-	-	1,885,570
Purchased Food Inventory	1,828,503	-	1,828,503	-	-	1,828,503
Prepaid Expenses	352,755	-	352,755	-	-	352,755
Property and Equipment (Net of Accumulated Depreciation of \$8,721,552)	22,482,769	-	22,482,769	-	-	22,482,769
TOTAL ASSETS	\$ 80,637,232	\$ 34,000,000	\$ 114,637,232	\$ -	\$ -	\$ 114,637,232

LIABILITIES AND NET ASSETS

Liabilities:						
Accounts Payable	\$ 1,380,971	\$ -	\$ 1,380,971	\$ -	\$ -	\$ 1,380,971
Accrued Liabilities	910,461	-	910,461	-	-	910,461
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	2,291,432	-	2,291,432	-	-	2,291,432
Net Assets:						
Net Assets Without Donor Restrictions:						
Undesignated	76,294,136	-	76,294,136	-	-	76,294,136
Designated for Future Food Distribution	1,885,570	-	1,885,570	-	-	1,885,570
Designated for Operating Reserve	-	34,000,000	34,000,000	-	-	34,000,000
Total Net Assets Without Donor Restrictions	78,179,706	34,000,000	112,179,706	-	-	112,179,706
Net Assets With Donor Restrictions:						
For Programs	15,000	-	15,000	-	-	15,000
In Perpetuity	151,094	-	151,094	-	-	151,094
Total Net Assets	78,345,800	34,000,000	112,345,800	-	-	112,345,800
TOTAL LIABILITIES AND NET ASSETS	\$ 80,637,232	\$ 34,000,000	\$ 114,637,232	\$ -	\$ -	\$ 114,637,232

**CENTRAL TEXAS FOOD BANK, INC. AND CENTRAL TEXAS FOOD BANK FOUNDATION
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Food Bank				
	Operating Fund		In Perpetuity		
	Without Donor Restrictions	Time and/or Purpose Donor Restrictions	Donor Restrictions	Operating Reserve	
Total					
PUBLIC SUPPORT AND REVENUE					
Public Support:					
Donated Food Received for Distribution	\$ 97,580,518	\$ -	\$ -	\$ -	\$ 97,580,518
Grants and Contracts	9,076,327	-	-	-	9,076,327
Contributions	27,138,216	15,000	-	-	27,153,216
Revenue:					
Program Service Fees	1,510,456	-	-	-	1,510,456
Investment Return, Net	7,168,543	-	-	-	7,168,543
Other	307,379	-	-	-	307,379
	<u>142,781,439</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>142,796,439</u>
Net Assets Released from Restrictions	25,000	(25,000)	-	-	-
	<u>142,806,439</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>142,796,439</u>
Total Public Support and Revenue					
EXPENSES					
Program Services:					
Donated Food Program	126,859,219	-	-	-	126,859,219
Supporting Services:					
Management and General	3,626,961	-	-	-	3,626,961
Fund Raising	2,778,556	-	-	-	2,778,556
Total Expenses	<u>133,264,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,264,736</u>
Change in Net Assets	9,541,703	(10,000)	-	-	9,531,703
Transfers Among Funds	(1,579,454)	-	151,094	5,000,000	3,571,640
Net Assets at Beginning of Year	70,217,457	25,000	-	29,000,000	99,242,457
Net Assets at End of Year	<u>\$ 78,179,706</u>	<u>\$ 15,000</u>	<u>\$ 151,094</u>	<u>\$ 34,000,000</u>	<u>\$ 112,345,800</u>

See Independent Auditors' Report

**CENTRAL TEXAS FOOD BANK, INC. AND CENTRAL TEXAS FOOD BANK FOUNDATION,
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY FUND - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Foundation				Eliminations	Consolidated Total
	Foundation Funds					
	Without Donor Restrictions	Donor Restrictions	Total	In Perpetuity		
PUBLIC SUPPORT AND REVENUE						
Public Support:						
Donated Food Received for Distribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,580,518
Grants and Contracts	-	-	-	-	-	9,076,327
Contributions	-	-	-	-	-	27,153,216
Revenue:						
Program Service Fees	-	-	-	-	-	1,510,456
Investment Return, Net	-	-	-	-	-	7,168,543
Other	-	-	-	-	-	307,379
Net Assets Released from Restrictions	-	-	-	-	-	142,796,439
Total Public Support and Revenue	-	-	-	-	-	142,796,439
EXPENSES						
Program Services:						
Donated Food Program	-	-	-	-	-	126,859,219
Supporting Services:						
Management and General Fund Raising	-	-	-	-	-	3,626,961
Total Expenses	-	-	-	-	-	2,778,556
Change in Net Assets	-	-	-	-	-	9,531,703
Transfers Among Funds	(3,420,546)	(151,094)	(3,571,640)	-	-	-
Net Assets at Beginning of Year	3,420,546	151,094	3,571,640	-	-	102,814,097
Net Assets at End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,345,800

See Independent Auditors' Report