

Chef Ann Foundation

(a nonprofit Colorado corporation)

Financial Statements

December 31, 2024 and 2023

Chef Ann Foundation

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Independent Auditor's Report

To the Board of Directors
Chef Ann Foundation
Boulder, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chef Ann Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Chef Ann Foundation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Chef Ann Foundation 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 Financial Statements

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

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

Independent Auditor's Report (continued)

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 Chef Ann Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chef Ann Foundation's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Independent Auditor's Report (continued)

Supplementary Information (continued)

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the 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 September 16, 2025 on our consideration of Chef Ann Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Chef Ann Foundation's 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 Chef Ann Foundation's internal control over financial reporting and compliance.

Brock and Company, CPAs, P.C.

Certified Public Accountants

Boulder, Colorado
September 16, 2025

Chef Ann Foundation

Statements of Financial Position

December 31	2024	2023
ASSETS		
Current Assets		
Cash	\$ 2,628,047	\$ 1,809,035
Contributions receivable	3,166,347	2,615,526
Prepaid expenses and other current assets	37,779	17,379
Total current assets	<u>5,832,173</u>	<u>4,441,940</u>
Equipment		
Office equipment	9,347	9,347
Less accumulated amortization	(9,347)	(9,347)
Net equipment	<u>-</u>	<u>-</u>
Other Assets		
Deposit	<u>400</u>	<u>400</u>
Total assets	<u><u>\$ 5,832,573</u></u>	<u><u>\$ 4,442,340</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 801,995	\$ 914,605
Accrued compensation and benefits	458,488	267,900
Total current liabilities	<u>1,260,483</u>	<u>1,182,505</u>
Net Assets		
Without donor restrictions	(1,711,858)	(1,815,205)
With donor restrictions	6,283,948	5,075,040
Total net assets	<u>4,572,090</u>	<u>3,259,835</u>
Total liabilities and net assets	<u><u>\$ 5,832,573</u></u>	<u><u>\$ 4,442,340</u></u>

The accompanying Notes are an integral
part of these financial statements

Chef Ann Foundation

Statement of Activities

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Operating Support			
Grants and contributions	\$ 10,824,203	\$ 9,634,633	\$ 20,458,836
In-kind contributions	19,080	-	19,080
Net assets released from restrictions			
Satisfaction of purpose restrictions	5,810,199	(5,810,199)	-
Expiration of time restrictions	2,615,526	(2,615,526)	-
Total operating support	19,269,008	1,208,908	20,477,916
Operating Revenue			
Enrollment fees	19,745	-	19,745
Total operating support and revenue	19,288,753	1,208,908	20,497,661
Operating Expenses			
Program services	16,640,753	-	16,640,753
Supporting services			
General and administrative	1,670,037	-	1,670,037
Fundraising	906,665	-	906,665
Total operating expenses	19,217,455	-	19,217,455
Total operating support and revenue in excess of operating expenses	71,298	1,208,908	1,280,206
Other Changes			
Interest income	15,163	-	15,163
Other income	16,886	-	16,886
Total other changes	32,049	-	32,049
Change in Net Assets	103,347	1,208,908	1,312,255
Net Assets, Beginning of Year	(1,815,205)	5,075,040	3,259,835
Net Assets, End of Year	\$ (1,711,858)	\$ 6,283,948	\$ 4,572,090

The accompanying Notes are an integral
part of these financial statements

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Chef Ann Foundation

Statement of Activities

Year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Operating Support			
Grants and contributions	\$ 336,862	\$ 8,366,876	\$ 8,703,738
Net assets released from restrictions			
Satisfaction of purpose restrictions	5,169,711	(5,169,711)	-
Total operating support	5,506,573	3,197,165	8,703,738
Operating Revenue			
Enrollment fees	40,042	-	40,042
Total operating support and revenue	5,546,615	3,197,165	8,743,780
Operating Expenses			
Program services	6,770,032	-	6,770,032
Supporting services			
General and administrative	601,622	-	601,622
Fundraising	559,477	-	559,477
Total operating expenses	7,931,131	-	7,931,131
Total operating support and revenue in excess (deficit) of operating expenses	(2,384,516)	3,197,165	812,649
Other Changes			
Interest income	1,882	-	1,882
Other income	4,749	-	4,749
Total other changes	6,631	-	6,631
Change in Net Assets	(2,377,885)	3,197,165	819,280
Net Assets, Beginning of Year	562,680	1,877,875	2,440,555
Net Assets, End of Year	\$ (1,815,205)	\$ 5,075,040	\$ 3,259,835

The accompanying Notes are an integral
part of these financial statements

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Chef Ann Foundation

Statement of Functional Expenses

Year ended December 31, 2024

		Supporting Services		
	Program Services	General and Administrative	Fundraising	Total
Salaries and wages	\$ 4,279,512	\$ 566,832	\$ 483,126	\$ 5,329,470
Payroll taxes	350,593	46,460	39,605	436,658
Employee benefits	502,987	66,656	56,820	626,463
Total personnel costs	5,133,092	679,948	579,551	6,392,591
Marketing	6,694,050	133,527	34,508	6,862,085
Salad bars and other program expenses	1,952,126	-	-	1,952,126
Contract services	831,962	531,854	102,186	1,466,002
Travel	584,976	185,564	88,874	859,414
Grants	711,513	-	-	711,513
Information technology	318,651	42,228	35,997	396,876
Miscellaneous expenses	110,726	15,074	15,933	141,733
Legal and professional	86,378	32,754	11,883	131,015
Dues and subscriptions	77,475	11,570	19,735	108,780
Office expenses	87,313	11,571	9,863	108,747
Printing and postage	6,779	13,346	2,118	22,243
Professional development	9,804	7,843	1,961	19,608
Insurance	12,726	1,686	1,438	15,850
Interest expense	12,530	1,660	1,415	15,605
Occupancy	5,961	790	673	7,424
Bank and credit card fees	3,584	475	405	4,464
Meetings and staff expenses	1,107	147	125	1,379
Total operating expenses	\$16,640,753	\$ 1,670,037	\$ 906,665	\$19,217,455

The accompanying Notes are an integral part of these financial statements

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Chef Ann Foundation

Statement of Functional Expenses

Year ended December 31, 2023

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 2,558,716	\$ 252,277	\$ 355,630	\$ 3,166,623
Payroll taxes	215,643	21,271	29,971	266,885
Employee benefits	195,293	19,263	27,143	241,699
Total personnel costs	2,969,652	292,811	412,744	3,675,207
Marketing	1,209,811	72,865	12,496	1,295,172
Salad bars and other program expenses	842,956	-	-	842,956
Contract services	681,969	64,028	57,360	803,357
Travel	377,425	94,719	5,415	477,559
Information technology	269,477	26,581	37,453	333,511
Grants	205,000	-	-	205,000
Miscellaneous expenses	45,160	4,460	6,345	55,965
Dues and subscriptions	40,189	4,391	10,515	55,095
Legal and professional	42,947	4,236	5,969	53,152
Office expenses	33,184	3,273	4,612	41,069
Professional development	9,777	29,330	-	39,107
Printing and postage	17,974	1,653	1,119	20,746
Meetings and staff expenses	8,992	1,064	3,292	13,348
Insurance	9,992	986	1,389	12,367
Occupancy	3,555	351	494	4,400
Bank and credit card fees	1,972	195	274	2,441
Interest expense	-	679	-	679
Total operating expenses	\$ 6,770,032	\$ 601,622	\$ 559,477	\$ 7,931,131

The accompanying Notes are an integral
part of these financial statements

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Chef Ann Foundation

Statements of Cash Flows

Increase (Decrease) in Cash

Years ended December 31	2024	2023
Cash Flows From Operating Activities		
Change in net assets	\$ 1,312,255	\$ 819,280
Increase (decrease) from changes in assets and liabilities		
Contributions receivable	(550,821)	(1,812,565)
Prepaid expenses and other current assets	(20,400)	(16,979)
Accounts payable	(112,610)	845,432
Accrued compensation and benefits	190,588	161,148
Net cash provided (used) by operating activities	<u>819,012</u>	<u>(3,684)</u>
Net Increase (Decrease) in Cash	819,012	(3,684)
Cash, Beginning of Year	<u>1,809,035</u>	<u>1,812,719</u>
Cash, End of Year	<u>\$ 2,628,047</u>	<u>\$ 1,809,035</u>
Supplemental Cash Flow Information		
Cash paid for interest	\$ 15,605	\$ 679

The accompanying Notes are an integral
part of these financial statements

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Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Nature of Organization and Significant Accounting Policies

Nature of Organization. Chef Ann Foundation (the Organization) is a Colorado non-profit corporation established in October 2008 to provide school communities with the tools, training, resources and funding that enables them to create healthier food and redefine lunchroom environments. The Organization's vision is to help schools take action so that every child has daily access to fresh, healthy food. The Organization carries out that vision by actively supporting school districts nationwide through grant programs and by providing tried and tested tools for school food change. Funding for the Organization is primarily obtained through charitable grants and contributions from interested parties.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions. Net assets resulting from revenues generated by receiving contributions that have no donor stipulations, providing services, and receiving interest and other income, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents. Cash consists of a checking and savings account held at a financial institution. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

Contributions Receivable. Unconditional promises to give are recognized as revenue in the period received. Contributions receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible contributions. The allowance for uncollectible contributions is estimated based on management's review of specific contributions outstanding. As of December 31, 2024 and 2023, management believes all contributions receivable are fully collectible, and accordingly, no allowance for doubtful contributions has been recorded. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Equipment. It is the Organization's policy to capitalize equipment at cost for purchases over \$5,000, while repair and maintenance items are charged to expense. Donations of equipment are capitalized at their estimated fair value on the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Equipment is depreciated using the straight-line method over the estimated useful lives of the assets, which is generally five years for office equipment. There was no depreciation expense for the years ended December 31, 2024 and 2023.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that equipment or other assets may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2024 and 2023.

Leases and Right-of-Use Assets. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Organization recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The Organization made a policy election not to separate lease and nonlease components for all leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable, or otherwise, the Organization uses its incremental borrowing rate based on the information available at the commencement date for all leases to discount certain lease asset class obligations. The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The Organization has also elected to exclude leases with terms of 12 months or less from right-of-use asset and operating lease obligation recognition.

Revenue Recognition. The Organization earns revenue from contracts with customers by providing training courses through the School Food Institute program. The Organization accounts for these revenues under Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). The enrollment fees are a fixed fee arrangement and are billed in advance of the service at registration. Enrollment fees are recognized over time (output method) as the services are rendered and as the customer simultaneously receives and consumes the benefits of the services, which is generally within a day. Amounts that have been invoiced are recorded in accounts receivable and in either deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. The Organization generally does not experience changes in the transaction price subsequent to the inception of its contracts.

Enrollment fee revenue recognized under contracts with customers for the years ended December 31, 2024 and 2023 was \$19,745 and \$40,042, respectively.

Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Revenue Recognition (continued). The Organization did not have any accounts receivable or contract assets associated with enrollment fees as of December 31, 2024 and 2023, or as of January 1, 2023. The Organization collects fees in advance of services being provided, which are recorded as deferred revenue (contract liabilities) on the statement of financial position. The Organization did not have any contract liabilities as of December 31, 2024 and 2023, or as of January 1, 2023.

Grants and Contributions. Unconditional grants and contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service. Donor restricted grants and contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Conditional grants and contributions are recognized when the conditions on which they depend are substantially met. Funding received in advance of fulfilling the conditions and refundable to the donor are reported as refundable advances in the statements of financial position.

Contributed Services. Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

Functional Allocation of Expenses. The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through September 16, 2025, the date at which the financial statements were available for release.

Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Liquidity and Availability

The Organization had \$5,794,394 and \$4,424,561 in financial assets available within one year of December 31, 2024 and 2023, respectively. The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. During the years ended December 31, 2024 and 2023, the level of liquidity and reserves was managed within the guiding principles. Additionally, the Organization has a committed line of credit in the amount of \$900,000 at December 31, 2024, which is available if needed.

Note 3 – Promises to Give

Unconditional Promises to Give. Contributions receivable totaled \$3,166,347 and \$2,615,526 as of December 31, 2024 and 2023, respectively. Amounts outstanding at December 31, 2023 were collected during the year ended December 31, 2024, and management estimates the outstanding amount at December 31, 2024 will be collected during the year ending December 31, 2025.

Conditional Promises to Give. In December 2022, the Organization was awarded a grant totaling \$43,181,435. The grant agreement requires program objectives to be achieved by the Organization and are subject to the grantor's review and approval prior to receiving future payments. Grant revenue recognized through December 2024 totaled \$17,974,223, and the remaining balance to be earned is expected to be received through June 2025 upon completion of certain program objectives. The conditional promise to give will be recognized as revenue upon completion of those objectives.

In September 2024, the Organization was awarded a grant totaling \$250,000. The agreement requires matching contributions to be raised by the Organization prior to receiving future payments. Grant revenue recognized through 2024 totaled \$125,000, and the remaining balance to be earned is expected to be received in 2025 upon completion of the objective. The conditional promise to give will be recognized as revenue upon completion of those objectives.

Note 4 – Line of Credit

The Organization has a \$900,000 line of credit agreement with BOK Financial with no outstanding borrowings at December 31, 2024 and 2023. The agreement bears interest at 2.54% over the secured overnight financing rate and cannot be less than 3.00% (7.07% at December 31, 2024). The agreement is collateralized by all business assets and matures in December 2026. Borrowings under the line of credit are subject to certain financial covenants, which were met by the Organization as of December 31, 2024.

Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 5 – Net Assets With Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the years ended December 31, 2024 and 2023:

	Purpose Restrictions			
	Learning and Resource Initiatives	Salad Bars to Schools	Time Restrictions	Total
Balance, January 1, 2023	\$ 1,864,957	\$ 12,918	\$ -	\$ 1,877,875
Additions	5,554,746	196,604	2,615,526	8,366,876
Releases	(4,988,171)	(181,540)	-	(5,169,711)
Balance, December 31, 2023	2,431,532	27,982	2,615,526	5,075,040
Additions	5,732,170	736,116	3,166,347	9,634,633
Releases	(5,525,257)	(284,942)	(2,615,526)	(8,425,725)
Balance, December 31, 2024	<u>\$ 2,638,445</u>	<u>\$ 479,156</u>	<u>\$ 3,166,347</u>	<u>\$ 6,283,948</u>

Note 6 – In-kind Contributions

The Organization receives contributed legal services that are reported using current rates for similar services. All donated services were utilized by the Organization's program services. There were no donor-imposed restrictions associated with the in-kind contributions. Contributed legal services totaled \$19,080 during the year ended December 31, 2024. There were no contributed legal services during year ended December 31, 2023.

Note 7 – Short-Term Operating Leases

The Organization leases office space under short-term operating leases. The agreements require the Organization to make variable payments for the Organization's proportionate share of the building's common area maintenance in addition to fixed monthly payments. Rent expense under the short-term leases totaled \$7,424 and \$4,400 for the years ended December 31, 2024 and 2023, respectively.

Note 8 – Related Party Transactions

The Organization contracts with an entity controlled by an officer of the board of directors for training services. The Organization recognized expenses for payments made to the related party of \$249,030 in 2024 and \$258,904 in 2023. Accounts payable to the related party totaled \$10,560 at December 31, 2024. There were no obligations owed to the related party at December 31, 2023.

Chef Ann Foundation

Notes to Financial Statements

December 31, 2024 and 2023

Note 9 – Retirement Plan

The Organization maintains a 403(b) plan covering substantially all employees with 1,000 hours of service. The plan allows the Organization to make a discretionary matching contribution. The employer matching contributions are fully vested after three years. Matching contributions to the plan were \$128,119 and \$23,052 during the years ended December 31, 2024 and 2023.

Note 10 – Concentrations

Bank Deposits. The Organization routinely maintains cash balances in excess of federally insured limits.

Major Donors. The Organization had a donor that comprised 65% of total support and revenue for the year ended December 31, 2024. Contributions receivable outstanding from the donor totaled \$2,784,119 at December 31, 2024. The Organization had two donors that comprised 59% of total support and revenue for the year ended December 31, 2023. Contributions receivable outstanding from the donors totaled \$2,173,271 at December 31, 2023.

**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance with
Government Auditing Standards**

To the Board of Directors
Chef Ann Foundation
Boulder, Colorado

We have audited, in accordance with the auditing standards generally accepted in United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Chef Ann Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 16, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Chef Ann Foundation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chef Ann Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of Chef Ann Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Independent Auditor's Report (continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chef Ann Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brock and Company, CPAs, P.C.

Certified Public Accountants

Boulder, Colorado
September 16, 2025

**Independent Auditor's Report on Compliance for
Each Major Federal Program and Report on Internal Control
Over Compliance in Accordance with Uniform Guidance**

To the Board of Directors
Chef Ann Foundation
Boulder, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chef Ann Foundation's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Chef Ann Foundation's major federal programs for the year ended December 31, 2024. Chef Ann Foundation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Chef Ann Foundation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Chef Ann Foundation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Chef Ann Foundation's compliance with the compliance requirements referred to above.

Independent Auditor's Report (continued)

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Chef Ann Foundation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Chef Ann Foundation's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Chef Ann Foundation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Chef Ann Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Chef Ann Foundation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Chef Ann Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

Independent Auditor's Report (continued)

Report on Internal Control Over Compliance (continued)

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brock and Company, CPAs, P.C.

Certified Public Accountants

Boulder, Colorado
September 16, 2025

Chef Ann Foundation

Schedule of Expenditures of Federal Awards

Year ended December 31, 2024

<u>Federal Grantor and Program Title</u>	<u>Assistance Listing Number</u>	<u>Identifying Number</u>	<u>Total Expenditures</u>
Major Programs			
<u>U.S. Department of Agriculture</u>			
Child Nutrition Discretionary Grants Limited Availability	10.579	CN-HMI2-2023-CO	\$ 1,176,686
<i>Action for Healthy Kids</i>			
Child Nutrition Discretionary Grants Limited Availability	10.579	238IL000P2003	170,286
<i>University of Wisconsin - Madison</i>			
Child Nutrition Discretionary Grants Limited Availability	10.579	USDA-FNS-OPS-SFWS-24	<u>56,458</u>
Total expenditures of federal awards			<u><u>\$ 1,403,430</u></u>

Chef Ann Foundation

Notes to Schedule of Expenditures of Federal Awards

December 31, 2024

Note 1 – Basis of Presentation

The schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Chef Ann Foundation under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). It is not intended to and does not present the financial position, change in net assets, or cash flows of Chef Ann Foundation.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Chef Ann Foundation has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3 – Funds Passed to Subrecipients

The following summarizes funds passed through to subrecipients for the year ended December 31, 2024:

	<u>Federal Expenditures</u>	<u>Passed to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Child Nutrition Discretionary Grants			
Limited Availability	\$ 532,648	\$ 644,038	\$ 1,176,686

Note 4 – Reconciliation to Financial Statement

Chef Ann Foundation receives grants from other sources in addition to its federal awards. The following analysis reconciles expenditures in the accompanying schedule to contributions and grant revenue reflected in Chef Ann Foundation's financial statements for the year ended December 31, 2024:

Operating Grants and Contributions:	
Federal revenue subject to Single Audit	\$ 1,403,430
Other grants and contributions	19,055,406
Total	<u>\$20,458,836</u>

Chef Ann Foundation

Schedule of Findings and Questioned Costs and Prior Year Audit Findings

Year ended December 31, 2024

Section I - Summary of Audit Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(s) identified that are not
considered to be material weakness(es)? _____ yes X no

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major program:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(s) identified that are not
considered to be material weakness(es)? _____ yes X no

Type of auditor's report issued on compliance for major program: Unqualified

Any audit findings disclosed that are required to be reported
in accordance with the Uniform Guidance? _____ yes X no

Identification of major programs:

<u>ALN</u>	<u>Name of Federal Program or Cluster</u>
10.579	Child Nutrition Discretionary Grants Limited Availability

Dollar threshold used to distinguish between
type A and type B programs \$ 750,000

Auditee qualified as low-risk auditee? _____ yes X no

Chef Ann Foundation

Schedule of Findings and Questioned Costs and Prior Year Audit Findings (continued)

Year ended December 31, 2024

Section II - Financial Statement Findings

Findings Relating to Financial Statements

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III - Federal Award Findings and Questioned Costs

Findings Relating to Federal Awards

Our audit did not disclose any matters required to be reported in accordance with Uniform Guidance.

Prior Year Findings

There were no findings in the prior year that were required to be reported in accordance with the Uniform Guidance.