UNITED STATES MEAT EXPORT FEDERATION INC.

Financial Statements And Single Audit
For The Years Ended September 30, 2024 and 2023

Together With Independent Auditors' Report

JDS professional group

certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United States Meat Export Federation, Inc.:

Opinion

We have audited the accompanying financial statements of United States Meat Export Federation, Inc. ("USMEF"), which comprise the statements of financial position as of September 30, 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 financial statements referred to above present fairly, in all material respects, the financial position of United States Meat Export Federation, Inc. as of September 30, 2024 and 2023, and the changes in its net assets and 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 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 Financial Statements section of our report. We are required to be independent of USMEF 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 USMEF's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 USMEF'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 USMEF's ability to continue as a going concern for a reasonable period of time.

Independent Auditors' Report (Continued)

We are required to communicate to 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 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedule of revenue and expenses by source and 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*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of revenue and expenses by source and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

JDS Professional Group

November 5, 2024

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements of Financial Position
As of September 30, 2024 and 2023

ASSETS	2024	2023
Current Assets:		
Cash and Cash Equivalents	$ 6,710,134	$ 6,778,531
Accounts Receivable	9,567,531	10,504,308
Federal Grants Receivable	1,887,612	686,973
Other Current Assets	1,518,212	1,224,480
Total Current Assets	19,683,489	19,194,292
Property and Equipment:		
Furniture, Equipment and Capital Projects	3,821,852	3,471,828
Right-of-use Asset	3,873,190	3,840,853
Leasehold Improvements	57,330	57,330
	7,752,372	7,370,011
Less: Accumulated Depreciation and Amortization	(4,634,519)	(3,045,661)
Net Property And Equipment	3,117,853	4,324,350
Deposits	349,969	347,781
TOTAL ASSETS	$ 23,151,311	$ 23,866,423
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$ 6,007,943	$ 5,885,961
Deferred Revenue	970,028	1,000,181
Lease Liability	932,170	1,018,115
Other Current Liabilities	876,607	922,920
Total Current Liabilities	8,786,748	8,827,177
Noncurrent Liabilities:		
Refundable Advances	457,860	457,860
Lease Liability	1,389,575	2,058,212
Total Noncurrent Liabilities	1,847,435	2,516,072
Total Liabilities	10,634,183	11,343,249
Net Assets:		
Without Donor Restrictions	12,517,128	12,523,174
Total Net Assets Without Donor Restrictions	12,517,128	12,523,174
TOTAL LIABILITIES AND NET ASSETS	$ 23,151,311	$ 23,866,423

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements of Activities
For the Years Ended September 30, 2024 and 2023

	2024	2023
Revenue:		
USDA Programs	$ 16,783,901	$ 22,679,939
Private Funding Projects	23,324,539	23,494,324
Contributions	2,547,150	2,297,768
Membership Dues	1,710,170	1,669,112
Private Funding Implementation	5,815,712	5,728,521
Board Meeting Fees	301,900	243,660
Other Revenue	159,472	68,733
Total Revenue	50,642,844	56,182,057
Expenses:		
Program Services -		
International Program Activities	44,313,243	49,621,175
Issue Management	639,911	521,611
Packer Services and Government Affairs	177,428	81,279
Market Access Support	21,799	14,028
Information Reporting	1,109,033	1,090,453
Total Program Services	46,261,414	51,328,546
Supporting Services -		
Management and General	2,655,779	2,903,591
Board Activities	1,073,190	1,115,973
Governance Activities	19,245	9,586
Fundraising and Membership Relations	639,262	464,274
Total Supporting Services	4,387,476	4,493,424
Total Expenses	50,648,890	55,821,970
CHANGE IN NET ASSETS FROM OPERATIONS	(6,046)	360,087
Net Assets, Beginning of Year	12,523,174	12,163,087
NET ASSETS, END OF YEAR	$ 12,517,128	$ 12,523,174

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statement of Functional Expenses
For the Year Ended September 30, 2024

		USMEF Program Activities						Supporting Services				
	Total	Total Program Services	International Program Activities	Issue Management	Packer Services & Government Affairs	Market Access Support	Information Reporting	Total Supporting Services	Management and General	Board Activities	Governance Activities	Fund Raising & Membership Relations
Project Expenses-												
Promotions	$ 16,232,118	$ 16,232,118	$ 16,232,118	$	$	$	$	$	$	$	$	$
Consumer	2,941,170	2,941,170	2,941,170									
Digital Marketing	4,087,499	4,087,499	4,087,499									
Education & Seminars	2,875,256	2,875,256	2,875,256									
Shows	2,828,256	2,828,256	2,828,256									
Teams	602,904	602,904	602,904									
Trade Servicing	999,923	999,923	999,923									
Industry Funded	810,402	810,402	810,402									
Market Access	88,970	88,970	88,970									
Denver Implementation and International Overhead Expenses-												
Salaries and Benefits	11,772,915	8,678,967	7,215,215	469,007	130,836	9,623	854,286	3,093,948	2,036,758	575,583	15,613	465,994
Rent	1,354,140	1,183,875	1,099,465	30,147	7,839	277	46,147	170,265	115,650	31,164	674	22,777
Travel	881,676	691,469	636,266	21,705	7,796	2,020	23,682	190,207	32,842	106,901	295	50,169
Contractual	2,866,062	2,746,569	2,691,758	19,576	5,090	180	29,965	119,493	75,096	29,169	438	14,790
Professional	185,440	147,975	136,134	4,229	1,100	39	6,473	37,465	29,803	4,372	95	3,195
Telephone and Internet	69,926	35,142	17,902	6,156	1,600	57	9,427	34,784	23,626	6,366	138	4,654
Depreciation and Amortization	801,939	633,386	549,824	29,844	7,760	275	45,683	168,553	114,486	30,851	668	22,548
Equipment Rental, Maintenance, and Repairs	52,642	34,837	27,650	2,567	667	24	3,929	17,805	9,846	5,963	57	1,939
Insurance	61,062	33,936	20,488	4,803	1,249	44	7,352	27,126	18,425	4,965	107	3,629
Meetings and Conferences	540,199	169,606	96,051	26,270	6,831	242	40,212	370,593	100,776	241,072	588	28,157
Dues and Subscriptions	173,666	91,019	45,017	14,501	3,771	5,133	22,597	82,647	55,627	14,990	324	11,706
TeamLinQ, Office Supplies, Postage, and Shipping	269,637	251,699	245,656	2,106	548	19	3,370	17,938	8,079	8,221	47	1,591
Printing and Publications	20,833	8,424	4,389	1,441	375	13	2,206	12,409	5,529	5,759	32	1,089
Trade Shows and Promotional Items	46,094	23,588	10,946	3,753	976	35	7,878	22,506	14,395	3,879	84	4,148
Taxes, Interest, Bank Fees	86,161	64,424	49,984	3,806	990	3,818	5,826	21,737	14,841	3,935	85	2,876
Total Expenses	$ 50,648,890	$ 46,261,414	$ 44,313,243	$ 639,911	$ 177,428	$ 21,799	$ 1,109,033	$ 4,387,476	$ 2,655,779	$ 1,073,190	$ 19,245	$ 639,262

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statement of Functional Expenses
For the Year Ended September 30, 2023

		USMEF Program Activities						Supporting Services				
	Total	Total Program Services	International Program Activities	Issue Management	Packer Services & Government Affairs	Market Access Support	Information Reporting	Total Supporting Services	Management and General	Board Activities	Governance Activities	Fund Raising & Membership Relations
Project Expenses-												
Promotions	$ 18,145,668	$ 18,145,668	$ 18,145,668	$	$	$	$	$	$	$	$	$
Consumer	2,711,761	2,711,761	2,711,761									
Digital Marketing	7,212,753	7,212,753	7,212,753									
Education & Seminars	3,391,170	3,391,170	3,391,170									
Shows	3,247,370	3,247,370	3,247,370									
Teams	485,322	485,322	485,322									
Trade Servicing	1,177,058	1,177,058	1,177,058									
Industry Funded	538,987	538,987	538,987									
Market Access	75,855	75,855	75,855									
Denver Implementation and International Overhead Expenses-												
Salaries and Benefits	11,429,357	8,305,359	7,026,772	384,060	63,018	5,315	826,194	3,123,998	2,266,096	510,937	8,043	338,922
Rent	1,248,411	1,069,131	990,127	27,235	3,853	174	47,742	179,280	135,940	26,477	334	16,529
Travel	945,752	744,568	665,560	22,882	2,036	547	53,543	201,184	56,585	88,707	135	55,757
Contractual	2,644,719	2,528,605	2,473,434	16,322	2,311	103	36,435	116,114	81,481	24,526	200	9,907
Professional	191,144	160,381	150,537	3,393	480	22	5,949	30,763	25,362	3,299	42	2,060
Telephone and Internet	64,044	31,000	16,438	5,020	710	32	8,800	33,044	25,056	4,880	61	3,047
Depreciation and Amortization	888,727	702,348	620,213	28,314	4,006	181	49,634	186,379	141,326	27,522	347	17,184
Equipment Rental, Maintenance, and Repairs	59,665	41,673	36,617	1,743	247	11	3,055	17,992	8,698	8,215	21	1,058
Insurance	48,547	27,173	17,754	3,247	459	21	5,692	21,374	16,206	3,157	40	1,971
Meetings and Conferences	499,585	67,795	46,036	7,501	1,061	48	13,149	431,790	37,440	389,703	95	4,552
Dues and Subscriptions	180,658	96,678	54,471	12,757	1,805	5,081	22,564	83,980	63,678	12,403	156	7,743
Office Supplies, Postage, and Shipping	497,466	479,235	473,144	2,042	289	13	3,747	18,231	10,191	6,776	25	1,239
Printing and Publications	10,817	4,045	2,139	653	92	4	1,157	6,772	3,260	3,108	8	396
Trade Shows and Promotional Items	37,730	19,037	9,299	2,840	402	18	6,478	18,693	14,174	2,761	35	1,723
Taxes, Interest, Bank Fees	89,404	65,574	52,690	3,602	510	2,458	6,314	23,830	18,098	3,502	44	2,186
Total Expenses	$ 55,821,970	$ 51,328,546	$ 49,621,175	$ 521,611	$ 81,279	$ 14,028	$ 1,090,453	$ 4,493,424	$ 2,903,591	$ 1,115,973	$ 9,586	$ 464,274

The accompanying notes are an integral part of the financial statements.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Statements of Cash Flows
For the Years Ended September 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets from operations	$ (6,046)	$ 360,087
Adjustments to reconcile changes in net assets from operations to net cash provided by (used in) operating activities from -		
Amortization of right-of-use asset	758,498	773,557
Depreciation and amortization	801,938	888,727
Loss on disposal of property and equipment		2,366
Changes in operating assets and liabilities -		
(Increase) decrease in accounts receivable	936,777	(1,143,388)
(Increase) decrease in federal grants receivable	(1,200,639)	2,652,157
(Increase) in other current assets	(293,732)	(7,786)
(Increase) in deposits	(2,188)	(14,776)
Increase (decrease) in accounts payable	121,982	(1,488,893)
(Decrease) in deferred revenue	(30,153)	(228,137)
(Decrease) in lease liability	(754,583)	(773,557)
(Decrease) in other current liabilities	(46,313)	(10,887)
Net cash provided by operating activities	285,541	1,009,470
Cash flows from investing activities:		
Acquisitions of property and equipment	(353,939)	(531,148)
Net cash (used in) investing activities	(353,939)	(531,148)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(68,398)	478,322
Cash and Cash Equivalents, Beginning of Year	6,778,531	6,300,209
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 6,710,133	$ 6,778,531
Supplemental Cash Flow Information -		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$ (1,143,778)	$ (1,152,903)

The accompanying notes are an integral part of the financial statements.

(1) Nature of the USMEF

The United States Meat Export Federation, Inc. ("USMEF") is a Washington, D.C. nonprofit corporation chartered in 1975. Its purpose is to support and enhance the worldwide export of red meat products. USMEF solicits funding from several groups, including the U.S. Department of Agriculture through its Foreign Agriculture Service, and national, statewide and industry red meat and grain organizations. USMEF currently operates offices in Tokyo, Hong Kong, Beijing, Seoul, Taipei, Singapore, Shanghai, Mexico City, and Monterrey. USMEF also maintains a year-round presence in the Middle East, the Caribbean, South and Central America, Africa, the Philippines, Vietnam, Indonesia, Europe and CIS.

USMEF has entered into agreements under the Market Access Program ("MAP"), the Foreign Market Development Program ("FMD"), the Regional Agricultural Promotion Program ("RAPP"), the Emerging Market Program ("EMP"), the Agricultural Trade Promotion Program ("ATP") and Section 108 of the Agriculture Trade Development and Assistance Act of 1954 (Section 108), all of which are administered by the USDA. MAP, FMD, RAPP, EMP, ATP and Section 108 funding in the amount of $16,783,901 and $22,679,939 was earned during fiscal years ended September 30, 2024 and 2023, respectively, by USMEF for specifically budgeted activities.

In addition, USMEF has received funding under contracts with the Cattlemen's Beef Board ("CBB"), the National Pork Board ("NPB"), the American Lamb Board, the United Soybean Board ("USB"), and various state beef, pork, soybean, and corn boards (checkoff funds). These funds originate from assessments on beef, pork, soybean, and corn sales in the United States, as established in the Beef Promotion and Research Act of 1985, the Pork Promotion, Research and Consumer Information Act of 1985, the Soybean Promotion, Research and Consumer Information Act, and various state beef and corn check-off programs.

(2) Summary of Significant Accounting Policies

Method of Accounting

USMEF's financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

Basis Of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and with donor restrictions as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. As of September 30, 2024 and 2023, USMEF did not have net assets with donor restrictions.

Recently Adopted Accounting Standards

On October 1, 2022, USMEF adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*, which required lessees to recognize leases on the Statement of Financial Position and disclose key information about leasing arrangements. USMEF elected not to restate the comparative periods (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. The adoption did not result in a significant effect on amounts reported on the Statements of Activities for the year ended September 30, 2023.

On October 1, 2023, USMEF adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (*Topic 326) (ASC 326) and all related subsequent amendments thereto using the modified retrospective approach. This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. Results for the reporting periods beginning after October 1, 2023 are presented under CECL while prior period amounts continue to be reported in accordance with previously applicable accounting standards. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including accounts receivable. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The adoption did not have an impact to the financial statements for the year ended September 30, 2024.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates, and those differences could be material.

Statement of Cash Flows

For purposes of the Statements of Cash Flows, USMEF considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. As of September 30, 2024 and 2023, USMEF did not have any investments with a maturity in excess of three months.

Fair Value Measurements

The carrying amount reported in the Statements of Financial Position for cash and cash equivalents, accounts receivable, federal grants receivable, accounts payable and other current liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Accounts Receivable

Accounts receivable are due according to contractual terms and are stated at the amounts due from funding sources. At the time the accounts receivable are originated, USMEF considers an allowance for credit losses, which is an estimate of amounts that may not be collectible. USMEF separates accounts receivable into risk pools based on their aging. In determining the amount of the allowance as of the Statements of Financial Position dates, USMEF develops a loss rate for each risk pool. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions and on a specific assessment of the creditworthiness of the customer. The provision for uncollectible amounts is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future losses. The losses ultimately incurred could differ materially in the near term from the amounts estimated in determining the allowance. As of September 30, 2024, there was no allowance for credit losses on accounts receivable balances as neither the loss rate nor the allowance are significant to the financial statements. There was no allowance for doubtful accounts on accounts receivable for the year ended September 30, 2023.

Property and Equipment

All property and equipment is stated at cost, or fair value if donated. Depreciation of office furniture, equipment and capital projects is computed using the straight-line method over the estimated useful lives of the respective asset, which range from two to seven years. Leasehold improvements are capitalized and amortized using the straight-line method over the lesser of the remaining lease term or the estimated useful life of the asset. Software development costs are not depreciated until the asset is placed into service. Depreciation and amortization expense totaled $801,939 and $888,727 for the years ended September 30, 2024 and 2023, respectively.

Expenditures for maintenance, repairs, and minor replacements are charged to operations as incurred. Individual expenditures for major replacements and betterments of $350 or greater are capitalized.

Compensated Absences

USMEF accrues for the costs of compensated absences to the extent that the employee's right to receive payment relates to service already rendered, the obligation vests or accumulates, payment is probable, and the amount can be reasonably estimated.

Leases

USMEF determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities on the Statements of Financial Position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. USMEF does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

International office lease liabilities are subject to remeasurement each reporting period from leases denominated in foreign currency to the functional currency using the current exchange rate while ROU assets are remeasured using the exchange rate as of the commencement date of the lease.

Measure of Operations

USMEF's Statements of Activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consists of those items attributable to USMEF's ongoing program services. Nonoperating activities are limited to activities considered to be of a more unusual or nonrecurring nature.

Revenue And Revenue Recognition

Private funding and implementation consists of revenue from private funding agencies for services performed by USMEF. USMEF recognizes revenue from contracts during the period in which the performance obligations are met. The performance obligations consist of completing deliverables or providing services and are satisfied as work is performed or deliverables are met over time. Payments are due to USMEF either upon receipt or within 15, 30, or 45 days once invoiced for satisfied performance obligations (depending on the terms of the contract). Transaction prices for each deliverable are written in the contracts. Payments received prior to performance obligations being met are recorded as deferred revenue. During the years ended September 30, 2024 and 2023, the amount of services that were recognized over time amounted to $30,850,420 and $30,891,957, respectively. No amounts were recognized at a point of time in 2024 or 2023.

Membership dues revenue is recognized over the membership period as this revenue only has an exchange element based on the value of benefits provided. Board meeting revenue is recognized at the time the meeting occurs.

USMEF recognizes contributions when cash, securities or other assets, or an unconditional promise to give is received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at net present value if expected to be collected in more than one year. As of September 30, 2024 and 2023, USMEF had no promises to give. Conditional promises to give with a measurable performance or other barrier and a right of return/right of release are not recognized until the conditions on which they depend have been met. As of September 30, 2024 and 2023, USMEF had conditional contributions receivable of $1,762,000 and $1,752,000, respectively, that have not been recognized.

In addition, as of September 30, 2024 and 2023, USMEF received advances on conditional promises to give of $457,860 which are recorded as refundable advances on the Statements of Financial Position.

A portion of USMEF's revenue is derived from cost-reimbursable federal contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when USMEF has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. USMEF was awarded cost-reimbursable grants of $27,918,821 and $8,360,571 that have not been recognized as of September 30, 2024 and 2023, respectively, because qualifying expenditures have not yet been incurred.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a 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.

Methods Used for Allocation of Expenses from Management and General Activities

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Functional Expenses. Costs directly related to each functional activity have been classified accordingly. In addition, supporting costs, such as salaries and wages, rent, contract services, office supplies, travel expenses, staff education and other related expenses are allocated among programs and functional activities based on actual timekeeping records (i.e. time spent by USMEF staff and representatives in support of such programs and activities).

Evaluation of Subsequent Events

USMEF has evaluated subsequent events through November 5, 2024, the date which the financial statements were available to be issued.

(3) **Income Taxes**

USMEF has previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(6) and is exempt from federal and state income taxes except for amounts representing unrelated business income and proxy taxes as defined in the Internal Revenue Code and regulations. During the years ended September 30, 2024 and 2023, USMEF paid taxes of $3,783 and $2,435, respectively.

USMEF follows *Accounting for Uncertainty in Income Taxes*, which requires USMEF to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement, presuming that the tax position is examined by the appropriate taxing authority that has full knowledge of all relevant information. During the years ended September 30, 2024 and 2023, USMEF's management evaluated its tax position and determined that no uncertainties existed that would require recognition or that could negatively impact its tax-exempt status.

USMEF is no longer subject to U.S. federal tax audits on its Form 990 and 990-T by taxing authorities for the fiscal years ending prior to September 30, 2021. USMEF is no longer subject to state tax audits on its Form 112 state tax return by taxing authorities for fiscal years ending prior to September 30, 2021. The years subsequent to these years contain matters that could be subject to differing interpretation of applicable tax laws and regulations as it relates to the amount and/or timing of income, deductions and tax credits. Although the outcome of the tax audits is uncertain, USMEF believes no issues would arise.

(4) Accounts Receivable and Federal Grants Receivable

As of September 30, 2024, 2023 and 2022, accounts receivable and federal grants receivable consisted of billed and unbilled receivables as follows:

2024	Billed	Unbilled	Total
Private funding sources	$ 829,070	$ 8,401,882	$ 9,230,952
Other	336,579		336,579
Total Accounts Receivable	1,165,649	8,401,882	9,567,531
Federal grants receivable	1,139,561	748,051	1,887,612
Total	$ 2,305,210	$ 9,149,933	$ 11,455,143
2023			
Private funding sources	$ 1,939,214	$ 8,327,396	$ 10,266,610
Other	237,698		237,698
Total Accounts Receivable	2,176,912	8,327,396	10,504,308
Federal grants receivable	5,668	681,305	686,973
Total	$ 2,182,580	$ 9,008,701	$ 11,191,281
2022			
Private funding sources	$ 1,058,265	$ 7,952,513	$ 9,010,778
Other	350,142		350,142
Total Accounts Receivable	1,408,407	7,952,513	9,360,920
Federal grants receivable	1,012,132	2,326,998	3,339,130
Total	$ 2,420,539	$ 10,279,511	$ 12,700,050

(5) Deferred Revenue

Deferred revenue consisted of the following as of September 30, 2024 and 2023:

	2024	2023
Membership dues	$ 47,492	$ 54,815
Section 108	21,027	21,027
Private funding projects	901,509	924,339
	$ 970,028	$ 1,000,181

The following table provides information about significant changes in deferred revenue on contract fees for the year ended September 30:

	2024	2023
Deferred revenue, beginning of year	$ 1,000,181	$ 1,228,318
Revenue recognized that was included in deferred revenue at the beginning of the year	(849,734)	(1,038,913)
Increase in deferred revenue due to cash received during the year	819,581	810,776
Deferred revenue, end of year	$ 970,028	$ 1,000,181

(6) Profit Sharing/401(k) Plan and Trust

USMEF has adopted a defined contribution 401(k) plan covering all employees meeting length of service and age requirements. Those employees participating in the plan may contribute up to a maximum provided by law. USMEF provides bi-weekly safe harbor contributions equal to 3% of each eligible employee's gross compensation for the period, which vest immediately. In addition, USMEF provides for a discretionary annual profit-sharing contribution that is subject to a five-year incremental vesting period. Profit-sharing contributions made during the fiscal years ended September 30, 2024 and 2023 equaled 4% of each eligible employees' annual compensation. An additional 8% profit-sharing contribution is made on employee compensation amounts in excess of the annual Social Security wage base for the respective period. Employer contributions for the years ended September 30, 2024 and 2023, totaled $315,735 and $318,514, respectively.

(7) Leases

USMEF evaluated current contracts to determine which met the criteria of a lease. The ROU asset represents USMEF's right to use the underlying asset for the lease term, and the lease liability represents USMEF's obligation to make lease payments arising from the lease. The ROU asset and lease liability, all of which arise from operating leases, were calculated based on the present value of the future minimum lease payments over the lease terms. USMEF made an accounting policy election to use a risk-free rate in lieu of its current incremental borrowing rate to discount future lease payments. The discount rate applied to calculate lease liabilities as of September 30, 2024, was 4.6%.

USMEF rents office space at one domestic and nine international offices under non-cancelable leases expiring during various months between 2024 and 2028. Monthly rent payments required under the leases increase based on various indexes and terms specific to each lease. Rent payments totaled $1,143,778 and $1,152,903 during the years ended September 30, 2024 and 2023, respectively.

Future maturities of the lease liability under these leases for the years ended are as follows:

Years Ending September 30,	Total
2025	$ 1,054,883
2026	808,500
2027	505,585
2028	152,559
Total lease payments	$ 2,521,527
Less present value discount	(199,782)
Total lease obligation	$ 2,321,745

The weighted-average remaining lease term was 2.74 and 3.97 for the years ended September 30, 2024 and 2023, respectively. The weighted-average discount rate was 4.62% as of September 30, 2024 and 2023.

Government Contracts

USMEF receives revenues from governmental agencies. The disbursements of funds received under these contacts generally requires compliance with terms and conditions specified in the contracts and is subject to audit by the contracting agencies. The amount of charges to these contracts incurred during the current period that may be disallowed, if any, by such audits cannot presently be determined and no provision for any liability that may result has been made in the financial statements. However management believes USMEF is in compliance with its requirements, and no material liability has arisen in the past or is currently expected.

(8) Concentrations of Credit Risk

USMEF's cash demand deposits held at U.S. financial institutions are insured by the FDIC through the FDIC's Transaction Account Guarantee Program. As of September 30, 2024, cash deposits exceeded the FDIC limits by $4,596,033. USMEF also has demand deposit accounts held at financial institutions at various international countries. USMEF's management believes that the financial strength of such financial institutions mitigates the risk of excess exposure over the prescribed insurance limits.

USMEF enters into contracts with various segments of the meat industry to fund specific projects aimed at foreign market development. These contracts provide for a stated objective, such as product promotion or market research, and various approved activities designed to achieve those objectives. USMEF administers the activities and applies for reimbursement under the contracts. The contracts also generally provide for the reimbursement of USMEF's implementation costs associated with such activities.

The following summarizes revenue earned from significant funding sources under those contracts for the years ended September 30, 2024 and 2023:

	2024		2023	
Funding Source	Revenue Earned	Percent of Total Revenue	Revenue Earned	Percent of Total Revenue
United States Department of Agriculture	$ 16,783,901	40%	$ 22,679,939	40%
Cattlemen's Beef Board	$ 8,161,976	16%	$ 8,165,919	15%
National Pork Board	$ 7,464,398	15%	$ 8,227,357	15%

The following summarizes accounts receivable due from significant funding sources as of September 30, 2024 and 2023:

	2024		2023	
Funding Source	Accounts Receivable	Percent of Total Receivables	Accounts Receivable	Percent of of Total Receivables
Cattlemen's Beef Board	$ 3,115,941	27%	$ 2,929,169	26%
National Pork Board	$ 1,921,633	17%	$ 3,182,780	28%
United Soybean Board	$ 1,872,495	16%	$ 1,942,276	17%

(9) Foreign Currency

A significant portion of USMEF's expenses incurred are denominated in various foreign currencies. To meet these obligations, USMEF routinely purchases foreign currency. Some of these purchases are made through commitments to purchase foreign currency at an agreed-upon rate at a date or period in the future. Gains or losses attributed to each transaction are allocated directly to the specific expenses funded by the currency purchased in that transaction. As such, any gains or losses on transactions during 2024 and 2023 are included in each years' project expenses. During 2024 and 2023, USMEF recognized a net gain of $8,594 and $84,305, respectively, on purchases of foreign currencies.

(10) **Liquidity and Availability of Financial Assets**

The following reflects USMEF's financial assets as of September 30, 2024 and 2023:

	2024	2023
Financial assets	$ 18,165,277	$ 17,969,813
Less those unavailable for general expenditures within one year, due to:		
USDA advance program funding	(239,000)	(239,000)
Grain advance program funding	(218,860)	(218,860)
Financial assets available to meet cash needs for general expenditures within one year	$ 17,707,417	$ 17,511,953

USMEF's goal is to maintain sufficient financial assets on hand to meet at least three months of operating expenses. As part of its liquidity management program, USMEF has established a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

UNITED STATES MEAT EXPORT FEDERATION, INC.

Supplemental Schedule Of Revenue And Expenses By Source
For The Year Ended September 30, 2024

	Total	Multi-Species Funded by USDA	Checkoff Programs			Noncheckoff Program
			Beef	Pork	Lamb	Other
Revenue:						
MAP project revenue	15,032,677	$ 6,644,305	$ 4,946,648	$ 3,318,662	$ 123,062	
FMD project revenue	1,351,700	1,351,700				
RAPP project revenue	394,763		241,386	148,402	4,975	
Other FAS Project Revenue	4,761	4,761				
Private project revenue	23,324,540		10,640,768	11,847,107	26,263	810,402
Membership dues	1,710,170		347,268	277,866	11,267	1,073,769
Other program funding	2,547,151		1,561,989	975,248	3,914	6,000
Implementation fees	5,815,711		2,772,500	3,043,211		
Board meeting	301,900		148,802	128,060	2,562	22,476
Other	159,471		78,330	67,411	1,347	12,383
Total Revenue	50,642,844	8,000,766	20,737,691	19,805,967	173,390	1,925,030
Operating Expenses						
Project expenses	42,187,857	8,463,836	16,472,648	16,282,618	158,352	810,403
Implementation and overhead expenses -						
Salaries and benefits	6,137,067	4,504,185	837,103	586,276	23,989	185,514
Rent	342,312	342,312				
Travel	326,177	189,446	51,252	35,056		50,423
Contractual	231,211	226,785				4,426
Professional	61,598	60,726				872
Meetings and conferences	540,198	434,509	17,249	18,188		70,252
Other operating expenses -						
Telephone and Internet	69,929	68,021				1,908
Depreciation and amortization	338,868	338,868				
Equipment rental, maintenance, and repairs	32,761	29,423				3,338
Insurance	54,535	54,535				
Dues and subscriptions	173,666	136,851		100		36,715
Office supplies, postage, and shipping	38,570	28,992	680	1,054		7,844
Printing and publications	20,832	18,556		100		2,176
Trade shows, promotional items	46,095	18,581	9,289			18,225
Taxes, interest, bank fees	47,214	37,242				9,972
Allocation of indirect expenses		(6,489,032)	3,349,470	2,882,575	57,660	199,327
Total implementation and overhead expenses	8,461,033	-	4,265,043	3,523,349	81,649	590,992
Total Operating Expenses	50,648,890	8,463,836	20,737,691	19,805,967	240,001	1,401,395
Changes in Net Assets from Operations	$ (6,046)	$ (463,070)	$ -	$ -	$ (66,611)	$ 523,635

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS REPORT ON COMPLIANCE WITH LOBBYING REGULATIONS

To the Board of Directors of
United States Meat Export Federation, Inc.:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the compliance with lobbying regulations by United States Meat Export Federation, Inc. ("USMEF") during the year ended September 30, 2024, and have issued our report thereon dated November 5, 2024.

Management's Responsibility for Compliance

Management is responsible to ensure the compliance of all lobbying regulations.

Auditors' Responsibility

Our responsibility is to express an opinion on the compliance of lobbying regulations by USMEF based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether USMEF is compliant in accordance with lobbying regulations.

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

Opinion

In our opinion, during the course of the audit, nothing came to our attention that caused us to believe that USMEF had failed to comply with Section 1230.74 (a) of the Pork Promotion, Research and Consumer Promotion and Research Order; Final Rule, or Section 1260.169(e) of the Beef Promotion and Research Order; Final Rule relating to the use of "checkoff" funds for the purpose of influencing legislation, as that term is defined in Section 4911(d) and (e)(2) of Title 26 of the Internal Revenue Code, or for the purpose of influencing governmental policy or action. However, it should be noted that our audit was not directed primarily toward obtaining knowledge of such noncompliance.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of United States Meat Export Federation, Inc. as of and for the year ended September 30, 2024, and our report thereon November 5, 2024, expressed as an unmodified opinion on those financial statements.

Purpose of Report

This report is intended solely for the information and use of the Board of Directors, Audit/Budget Committee and management of United States Meat Export Federation, Inc., and for use of its various funding sources and is not intended to be and should not be used by anyone other than these specified parties.

JDS Professional Group

November 5, 2024

UNITED STATES MEAT EXPORT FEDERATION, INC.

Schedule Of Expenditures Of Federal Awards
For The Year Ended September 30, 2024

Federal Grantor and Program Title	Contract Number	Assistance Listing Number	Total Expended
U.S. Department of Agriculture - Direct Funding			
Foreign Market Development Cooperator Program	701901	10.600	$ 1,351,700
Market Access Program *	122	10.601	15,032,677
Regional Agricultural Program		10.618	394,763
Emerging Markets Program		10.603	4,761
TOTAL			$ 16,783,901

* Major program

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

(1) Method of Accounting and Summary of Significant Accounting Policies

The schedule of expenditures of federal awards has been prepared on an accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and also presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of USMEF, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of USMEF.

USMEF has elected not to use a de minimis indirect cost rate as allowed under the Uniform Guidance.

INDEPENDENT AUDITORS' 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 of
United States Meat Export Federation, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the 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 United States Meat Export Federation, Inc. ("USMEF"), which comprise the statements of financial position as of September 30, 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 November 5, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered USMEF's internal control over financial reporting (internal control) to determine the 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 USMEF's internal control. Accordingly, we do not express an opinion on the effectiveness of USMEF'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 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.

Report on Compliance And Other Matters

As part of obtaining reasonable assurance about whether USMEF's financial statements are free from 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 determination of financial statement amounts. 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 result of that testing, and not to provide an opinion on the effectiveness of USMEF's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering USMEF's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

JDS Professional Group

November 5, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
United States Meat Export Federation, Inc.:

Opinion on Each Major Federal Program

We have audited United States Meat Export Federation, Inc.'s ("USMEF") 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 USMEF's major federal programs for the year ended September 30, 2024. USMEF'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, USMEF complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of USMEF 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 USMEF's compliance with the compliance requirements referred to above.

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 USMEF's federal programs.

Auditors' 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 USMEF'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 generally accepted auditing standards, *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 USMEF's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 USMEF'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 USMEF'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 USMEF'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.

Independent Auditors' Report, Continued

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. 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 Auditors' 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.

JDS Professional Group

November 5, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report:	Unmodified	
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_ none reported
Noncompliance material to financial statements noted?	___ yes	_X_ no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	___ yes	_X_ no
Significant deficiency(s) identified that are not considered to be material weakness(es)?	___ yes	_X_ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR §200.516(a)?	___ yes	_X_ no

Identification of major program:

Assistance Listing Or Other Identifying Number	Name Of Federal Program
10.601	U.S. Department of Agriculture - Market Access Program

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

Auditee qualified as low-risk auditee? _X_ yes ___ no

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.

None.