



# *Making Food Donation Programs Work for You*

March 12, 2004



— *working together to feed more* —

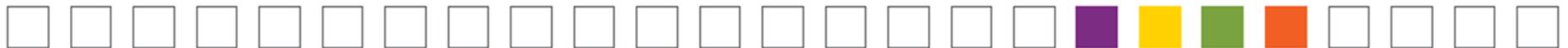
# Who we are...

- **FeedMore** is the umbrella organization that brings together the Central Virginia Food Bank, Meals on Wheels Serving Central Virginia and the Community Kitchen, helping to deliver operational efficiencies and increase feeding capacity and meal quality to more effectively and efficiently fight hunger in our region.
- With the help of over 350 network partners, the **Central Virginia Food Bank** distributed 21 million pounds of food last fiscal year.
- **FeedMore** is a member of both Feeding America and Meal on Wheels Association of America.



# What we do...

- Last year, FeedMore provided:
  - 468,482 meals and snacks through our KidsCafe and Healthy Snack programs
  - 454,758 meals to children through our BackPack program
  - 84,000 pounds of food per day to our Partner Agencies through our distribution network
  - 323,097 meals to area seniors through our Meals on Wheels program
  - 1,098,383 pounds of food directly into “food deserts” through our Mobile Pantry program



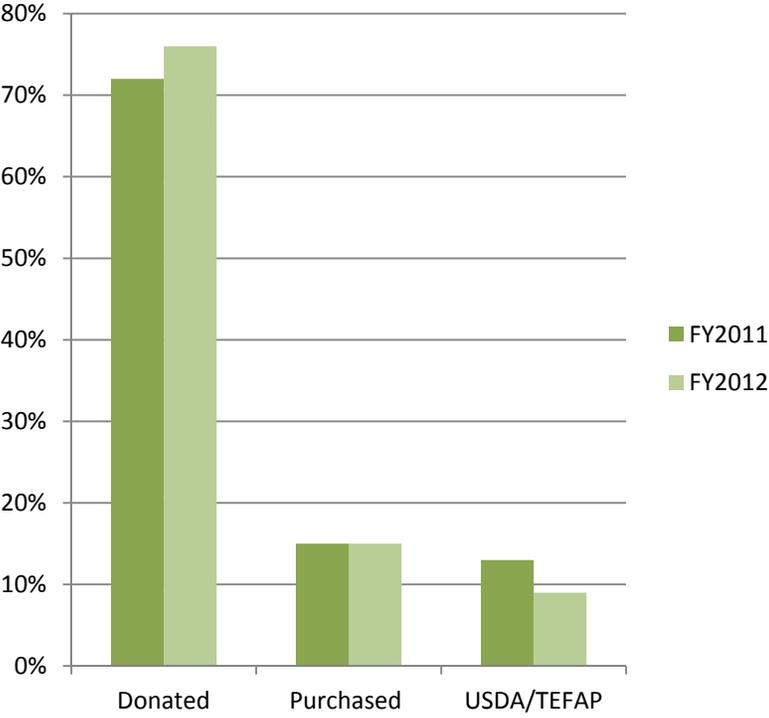
## Who we serve...

- 206,770 food-insecure individuals in our service area; 13.5 percent of the population
- 50,960 food-insecure children in our service area; 14.6 percent of the child population
- 1 in 7 Central Virginians is food-insecure, and 1 in 7 Central Virginian children is food-insecure.

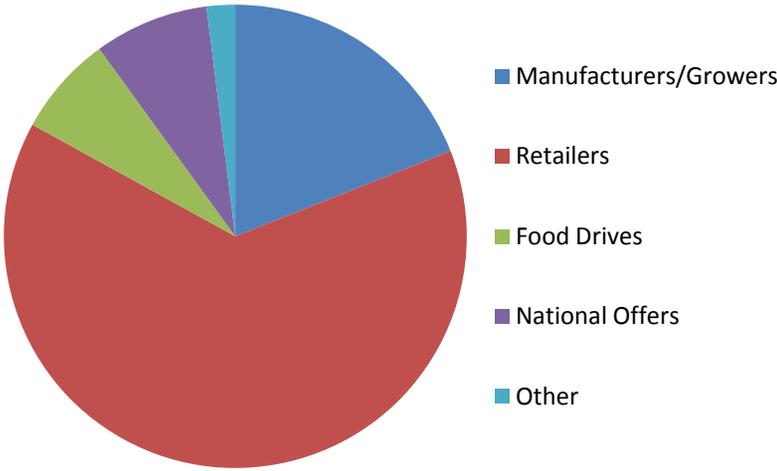


# Where does all of this food come from?

## All Inventory



## Donated Inventory



# Grocery Recovery Program

- There are currently 165 Retail Partners participating in our Grocery Recover Program.
- 125 stores participate in our Direct Store Program, where a Partner Agency recovers the donations.
- 115 Partner Agencies have been trained to safely transport, inspect, store, & distribute store donations.
- Over 6 million pounds of food were distributed directly into the surrounding communities through the Direct Store Program last fiscal year.



# Donor Benefits

- Protected by the Bill Emerson Good Samaritan Act
- An investment in community outreach & support
- Generates team-building & employee approval
- All donations are tax deductible.
- NAP credits are available for qualifying donations.
- Reduction in disposal costs.
- Supports 'Green' initiatives.



# Bill Emerson Good Samaritan Act

## What does the law do?

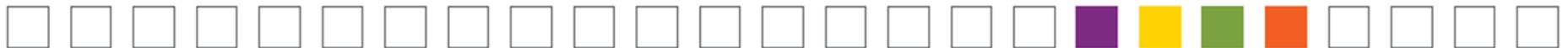
The Good Samaritan Act encourages the donation of food and grocery products to 501(c)3 non-profit organizations for distribution to needy individuals. The law protects all food and grocery donors who donate apparently wholesome food in good-faith from civil and criminal liability. The Emerson Act also provides uniform federal protection and replaces all state laws, including those in the District of Columbia, Puerto Rico and all U.S. territories and possessions. Under the national law, food donors need only seek protection under one law.

## Who is protected?

The law protects all food and grocery donors, including individuals, corporations, partnerships, associations, governmental entities, wholesalers, manufacturers, retailers, farmers, gleaners and non-profit feeding program administrators who donate food and grocery products in good faith. While exceptions are noted for gross negligence, the law states that these groups will not be subject to civil or criminal liability arising from the nature, age, packaging or condition of apparently wholesome food or an apparently fit grocery product.

## What sorts of donation are protected?

The Emerson Act provides protection for food and grocery products that meet all quality labeling standards imposed by federal, state and local laws and regulations. This includes products that may not be readily marketable due to age, appearance, freshness, grade, size, surplus or other conditions. Grocery products can include nonfood products, such as disposable paper or plastic products, household cleaning products, laundry detergent, personal care items, or miscellaneous household items.



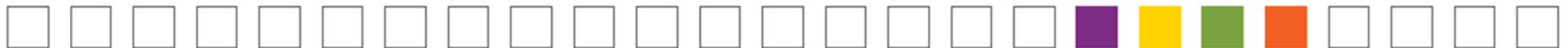
# Donation Details

## What can be donated?

- Close-to-code
- Out-of-code with extended shelf-life
- Mislabeled and unlabeled
- Off-spec items
- Bulk
- Test product inventory
- Seasonal items
- Promotional items
- Prepared and perishable goods
- Discontinued products
- Salvage
- Customer returns and refusals
- Produce
- Over-the-counter items
- Foodservice items
- Health and beauty aids
- Frozen and refrigerated goods
- Household cleaning items
- Reformulations
- Private-Label product
- Production overruns
- Ingredients and raw materials
- Paper products
- Boxes, bags, totes, pallets
- Equipment

## How is product integrity assured?

Brand integrity is protected through strict standards of food safety, product handling and inventory control through annual monitoring and inspection of network members. FeedMore distributes donated product only to certified partner agencies, which are registered and inspected 501(c)3 charities or verified religious organizations.



# Tax Benefits

## Allowable deductions

### Allowable Deductions for Charitable Donations of Ordinary Income Property: Current Tax Law

Enhanced tax deduction available for donations of fit and wholesome food inventory to qualified 501(c)3 nonprofit organizations serving the poor and needy (Internal Revenue Code 170e3).

Qualified business taxpayers can deduct cost to produce the food and half the difference between the cost and full fair market value of food donated

Deductions apply to C corporations permanently and non c corporations (like sole proprietors, S corps & LLCs) through the end of 2013.

## Example

Your company may take the sum of one-half of the unrealized appreciation (market value minus cost = appreciation) plus the taxpayer's cost, but not in excess of twice the cost of the contributed property.

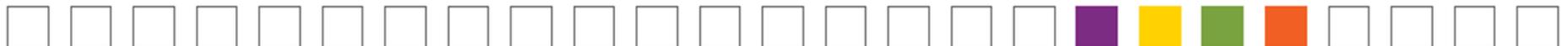
### Example:

Selling Price	\$4.00
-Cost	\$1.00
<hr/>	
Gross Profit equals	\$3.00

One-half of \$3.00 equals \$1.50

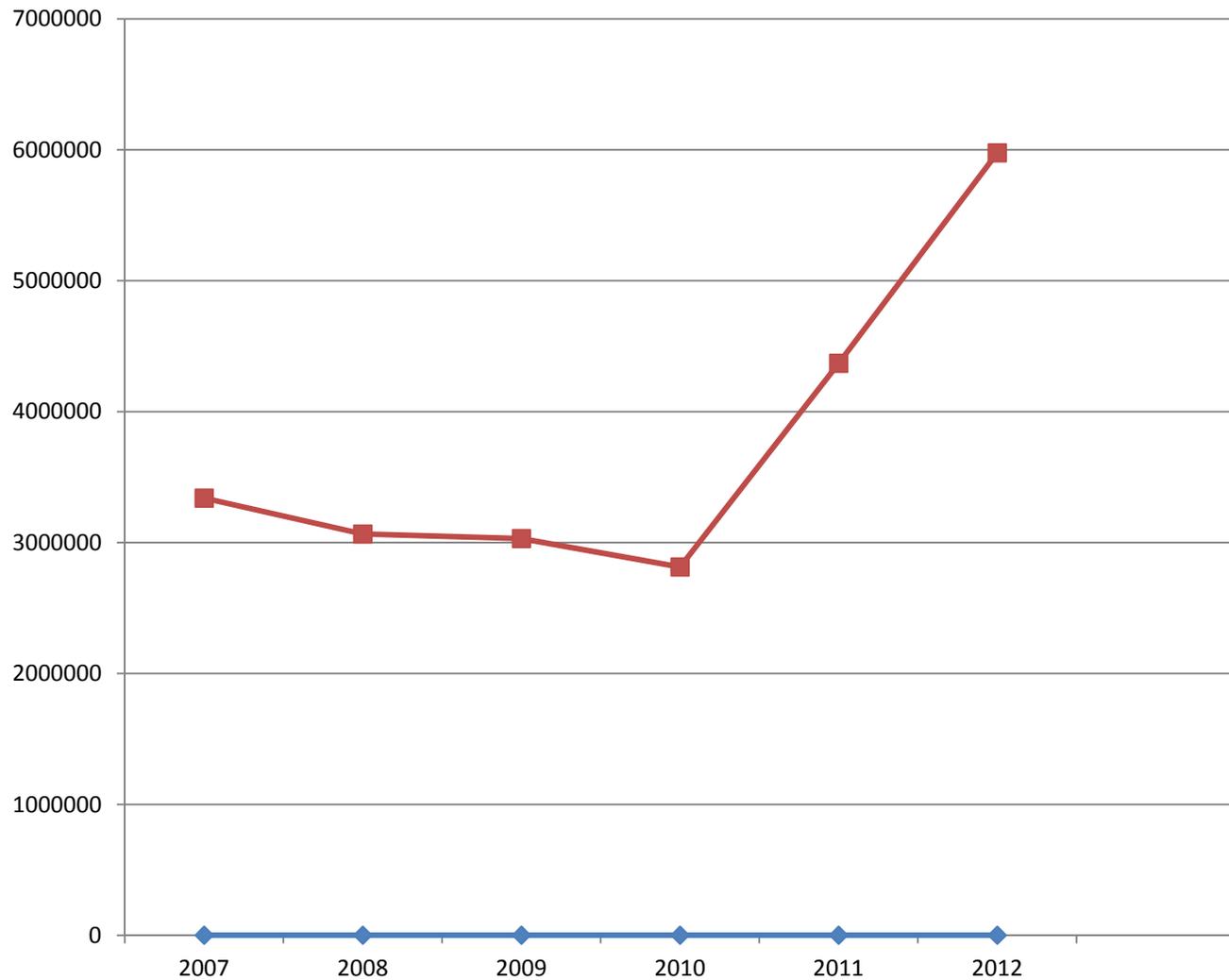
The maximum deduction can never exceed two times the cost (\$2.00). Therefore, gross profit is limited to \$1.00

Total charitable deductions: \$2.00



Poundage Increases resulting from a number of factors:

1. Timely & accurate reporting by Agencies
2. Identifying stores with additional pick-up availability
3. Targeting stores not donation all product categories
4. Follow up & communication of opportunities & successes.



## FeedMore's Direct Store Program Growth



# GETTING STARTED

Interested in starting a donation program?

National

[www.feedingamerica.org](http://www.feedingamerica.org)

Statewide

[www.vafoodbanks.org](http://www.vafoodbanks.org)

Local

[www.feedmore.org](http://www.feedmore.org)



FeedMore  
 Families  
 Central Virginia Food Bank  
 Children  
 Meals on Wheels  
 Seniors  
 Community Kitchen

rural comprehensive network hunger-relief targeted far-reaching partnership opportunity concerned working together community dignity efficient synergy  
 sustainable partnership opportunity visionary friend quality trust  
 healthy mission-driven positive caring rural comprehensive network hunger-relief targeted far-reaching partnership opportunity concerned working together community dignity efficient synergy  
 help feed vital urban security useful mobile grassroots progressive nutritious collaborative sustenance comfort  
 reliable Meals on Wheels innovative passionate safety volunteer expansion support holistic diverse  
 effective unique cooperation regional results strategic essential connected vibrant service homebound well-being  
 dedicated compassion homebound support holistic diverse coalition healing

