

History and Background

The mission of America's Second Harvest of the Big Bend (ASHBB) is to feed the hungry in the Big Bend through our network of partner agencies and to educate and engage the community in the fight against hunger.

We began as the Food Bank of Tallahassee in 1982 and in 1986 joined America's Second Harvest (now called Feeding America) - the nation's largest domestic hunger relief organization comprised of 200 member food banks across the country.

The majority of our operation is in the acquisition, storage and distribution of donated and purchased food and grocery items. Donated food comes from national manufacturers and other food banks through the Feeding America network, as well as regional farmers, local retailers and distributors, food drives, and individual donors. We also secure food from The Emergency Food Assistance Program administered by the Florida Department of Agriculture and Consumer Services.

In 2014, we distributed more than 6.7 million pounds of food in the Big Bend community, which equates to approximately 5.5 million meals for our neighbors struggling with hunger. All of the food and grocery products we acquire are shared with our partner agencies – these are more than 130 not-for-profit and faith-based organizations operating food pantries, soup kitchens, homeless shelters, senior grocery, child nutrition and other hunger relief programs.

Food Safety and Facility Integrity Issues

Ensuring the safety of the products we handle is critical to our mission. As a Feeding America member food bank, we are held to the same standards that grocery retailers, food manufacturers, and restaurants must follow. We must comply with the current Food Code, ensuring that we protect the establishment from the weather and the entry of insects, rodents, and other animals and that our facility is free of insects, rodents, and other pests. To this end, we contract with a licensed pest control operator (PCO) to service our facility on a regular basis.

We purchased the Four Point Way property in December 2010. Since that time we have maintained contracted pest control services with at least four vendors. Our building is constructed in such a way that it has been permeable to rodents and pests. However, through 2014, our PCO was able to satisfactorily manage the issue, protecting our food and human resources at the food bank. In 2015, rodent control activity at the food bank escalated to a level that was no longer manageable.

The increased rodent activity can be attributed to four factors.

- 1) The natural environment surrounding the facility is attractive to rodents: low-lying, wooded, and damp with other unoccupied structures;
- 2) The building exterior is permeable to rodents and the PCO could not adequately block all entry points;
- 3) Building renovations to prevent entry were neglected and required retrofit is currently cost prohibitive to the nonprofit food bank due to operating fund shortfalls;
- 4) Food bank staff and volunteers were not following the principles of first-in, first-out, and therefore, some food products remained boxed and untouched for months, creating a breeding ground for rodents.

Feeding America Probation Status

In mid-February 2015, the ASHBB Chief Executive Officer contacted Feeding America to notify them of the rodent control issue and ask for assistance. The ASHBB Board of Directors was not notified prior to this action.

On February 25, 2015, a Director from the Feeding America Compliance and Capability Department visited ASHBB. As a result of the visit, ASHBB was placed on probation effective February 27, 2015. The food bank was directed to immediately vacate the facility located at 110 Four Points Way, Tallahassee, and look to secure temporary office, distribution, and storage space. The food bank was permitted to distribute food products from the facility at that time, contingent upon thorough, careful food safety inspections.

The food bank fully complied with initial directives of the February 27 probation notification. However, as a result of this visit, it was also determined that ASHBB was non-compliant with a Feeding America contractual requirement to maintain unrestricted cash reserves equal to or greater than an average quarter's cash operating expenses. Failure of the previous CEO to meet CHSP deadline for 2014-15 and several other grants, has caused a serious shortage of operating funds.

The food bank is not in a position to afford repairs to the facility at Four Points Way, or absorb relocation expenses related to the move to another facility. Between February 27 and March 19, 2015, the ASHBB staff and members of the Board of Directors sought to determine what options might be most financially viable.

On March 20, 2015, the Chief Executive Officer's employment separated from the food bank. Following this separation, the staff and Board of Directors developed a plan to move the food bank to a place of sustainability.

On April 3, 2015, Feeding America visited ASHBB again and indicated that the food bank must operate out of another facility by April 17, 2015. On this same date, Jim Croteau, an accomplished, well respected community leader, agreed to serve as Interim Chief Executive Officer for ASHBB.

On April 7, ASHBB secured and leased a warehouse facility located at 4446 Entrepot Blvd., Tallahassee. A subsequent review by the Feeding America Compliance Officer found the facility to be satisfactory, pending Department of Agriculture and Consumer Services and Health Department approvals. Probationary status will remain due to fiscal concerns until August 2015.

Impact to the Community

ASHBB is seeking the support of the City of Tallahassee, Leon County, and our citizens to move our food bank operations, and to continue our hunger relief services in the community. Failure to relocate our food distribution operation by the deadline would have resulted in the removal of ASHBB from the national Feeding America network. This would have resulted in the loss of upwards of \$225,000 in annual grant funding and millions of pounds of food.

Furthermore, we would no longer be authorized to partner with major retail donors such as Walmart, Sam's Club, Publix, Winn-Dixie, and Target, to pick-up and distribute surplus grocery items currently provided to individuals and families struggling with hunger in our community. We would no longer secure truck loads of donated dairy and cereal products from national donors like Dannon or Kellogg's to distribute within our local community. **The loss of this food industry support equates to 3.7 million pounds of food annually or the equivalent of more than 3 million meals for our neighbors struggling with hunger. Also at risk was an additional 3.5 million pounds of food from The Emergency Food Assistance Program as well as nearly one million pounds of other donated products.**

Currently more than 130 agencies, organizations, churches, schools and community centers rely on ASHBB for food in the eleven county Big Bend region. Of those, 68 organizations are located in Tallahassee/Leon County. In partnership with the Tallahassee based organizations, more than 34,000 individuals, or 5,700 households, are fed each month in Leon County. These are families who are food insecure, questioning from where their next meal will come. Without ASHBB, their next meal may not come at all.

Future Action Steps for America's Second Harvest of the Big Bend

Action steps are being taken by ASHBB's Board and management team to restore the agency to a sound footing. Issues that are being addressed include:

PERMANENT LOCATION

Our parent organization, Feeding America, management and staff have determined that the Four Points Way location cannot be rehabilitated as a food processing facility without prohibitive expense. The only other facility in the area with the dry, cooler and freezer storage space the program requires is the Entrepot building we are now leasing. We anticipate negotiations with our current mortgage holder and the owner of the airport facility that will allow us to remain in the Entrepot location for the foreseeable (5-10years) future.

FEEDING AMERICA CONTRACT REQUIREMENTS

The completed move will bring us into compliance with the facility requirements of our contract with the parent organization. Financial requirements will be met with a combination of grants, loans, donations and gifts over the next 12 to 18 months.

SUSTAINABILITY OF SECOND HARVEST FOOD BANK

The attached development plan reflects a realistic approach to sustainability of the organization over the short term. Bridging the capital cost with City and County assistance allows grants and fundraising to concentrate on restoring operational dollars. The effect of failing to obtain last year's CHSP allocation has contributed significantly to the current fiscal problems. The agency is committed to covering any gap between the next several CHSP allocations until previous level of funding is restored.

RESTORED CREDIBILITY

The leadership of the agency and Board are committed to bring back the high regard that Second Harvest once enjoyed in the community. With an experienced manager as the Interim

CEO, increased media exposure, expanded community volunteer involvement and an increase in quality products delivered to agencies – much will be gained. The Department of Agriculture and Consumer Services has demonstrated its confidence in the agency by award of a no-bid contract beginning in October that doubles to more than 3.5 million pounds of food and more than twice the administrative allocation (\$190-300K) for Second Harvest.

BOARD MONITORING

The Board of Directors of Second Harvest has accepted responsibility for management failures that resulted in the separation of the previous CEO and the current crisis situation. Board members have been active in renegotiating the current mortgage and obtaining the lease of the new facility and soliciting contributions. Expansion of responsibilities will include more frequent meetings, greater oversight of finance, facility and programs, and more effective staff-board communications. In addition, the agency's Advisory council will be revitalized to offer more professional advice and feedback from participating agencies on a regular basis.

COST MANAGEMENT

Grants will be sought to provide more unrestricted dollars to support the agency's ability to deliver seven million pounds of food to more than 130 non-profits and churches next year. All current programs will be analyzed for their actual cost of service and no new programs adopted without a dedicated funding source that covers all acquisition, quality control, delivery and administration costs.

LOAN REPAYMENT

This community must retain the leadership, volunteer opportunities, and food servicing of a capital city and county Florida food bank. The requested funds fully represent an investment in the future of a dependable food supply for thousands of children, seniors and families in need. As the Development Plan reflects, repayment of any loan can begin by the end of 2016, if not sooner.