

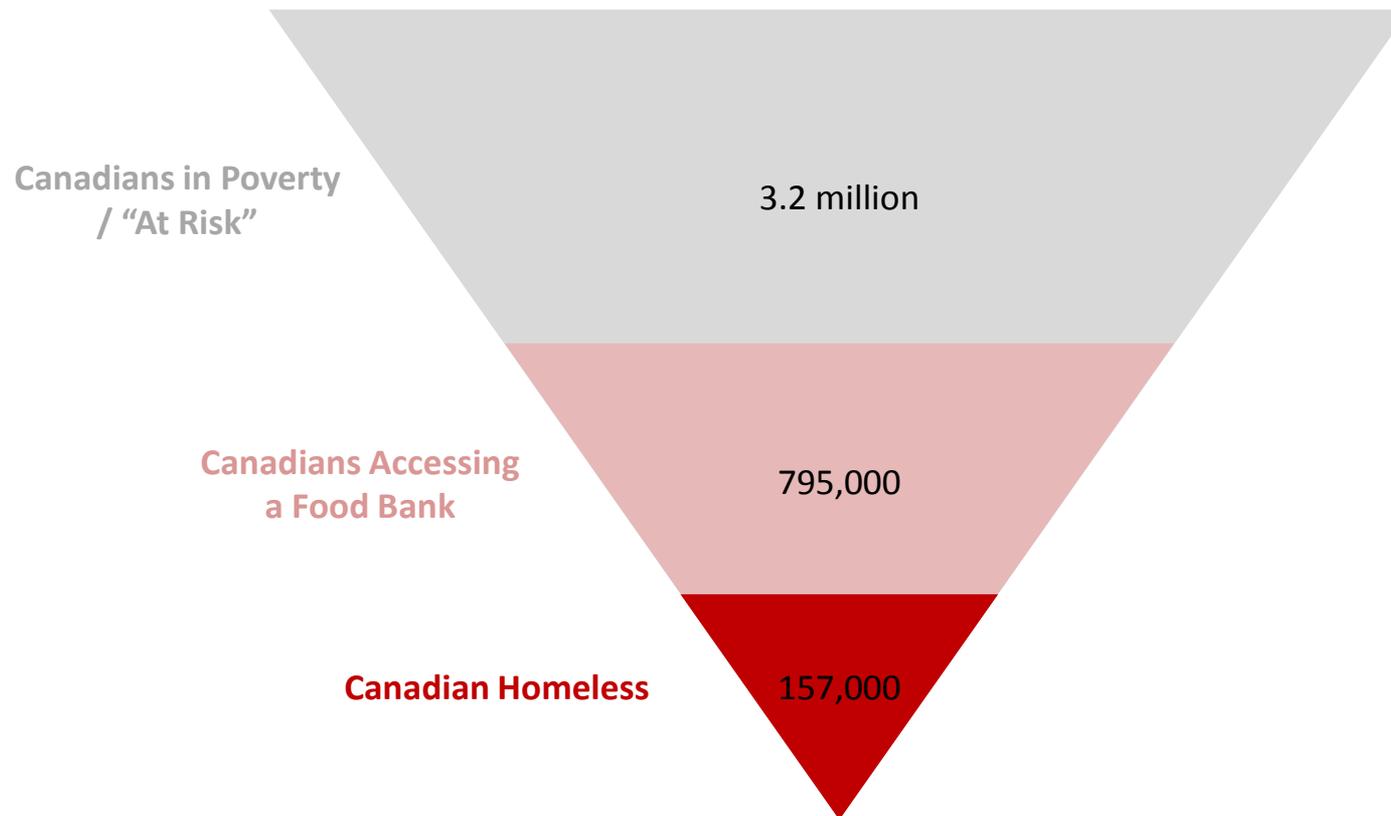
# A Donor's Introduction to Canadian Food Banks

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# Canadian Food Banks Serving a Vital Need

Food Banks are the first line of defense for those living pay check to pay check against falling into homelessness

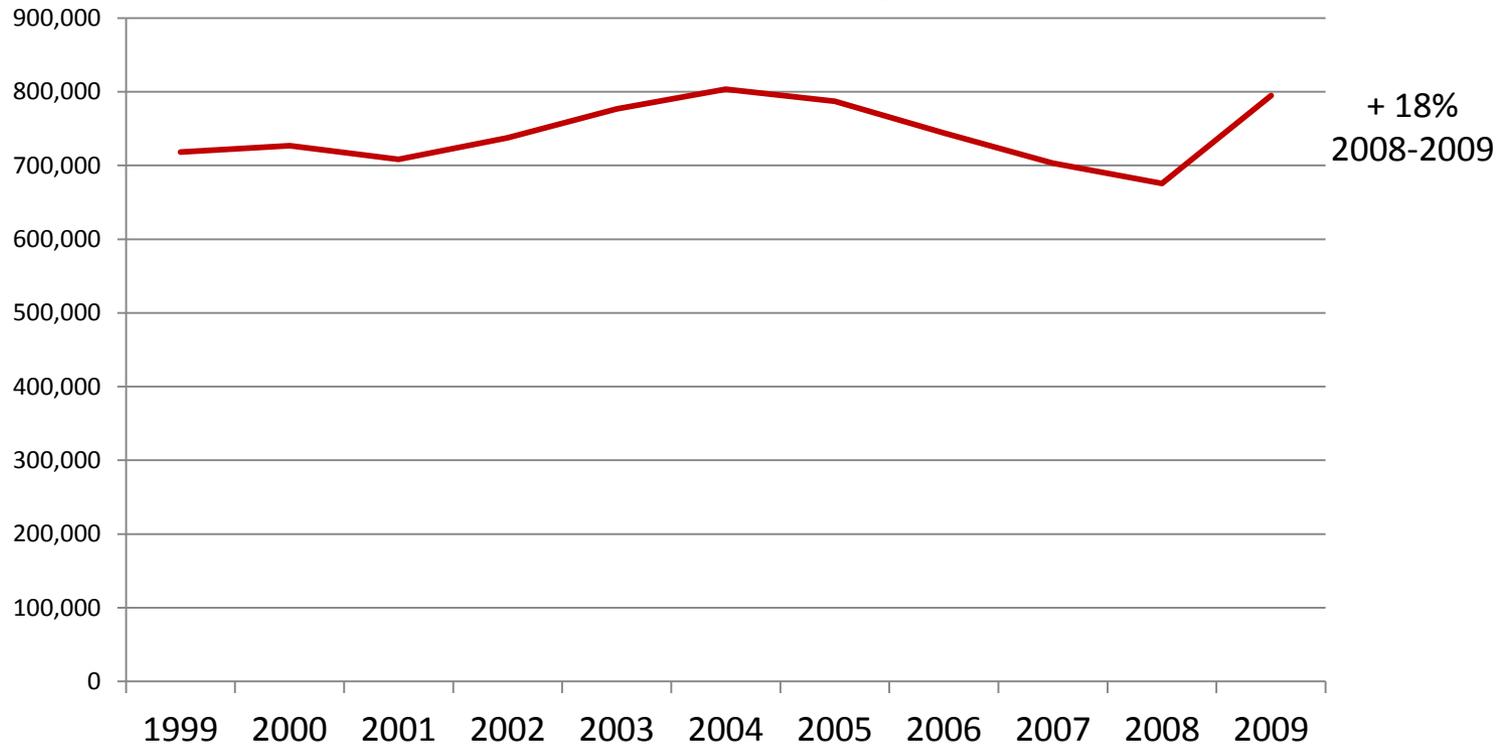


Source: Statistics Canada; Food Banks Canada, HungerCount 2009; Charity Intelligence Canada, Homeless in Canada, 2009

# Canadian Food Banks

## Number of Canadians Assisted

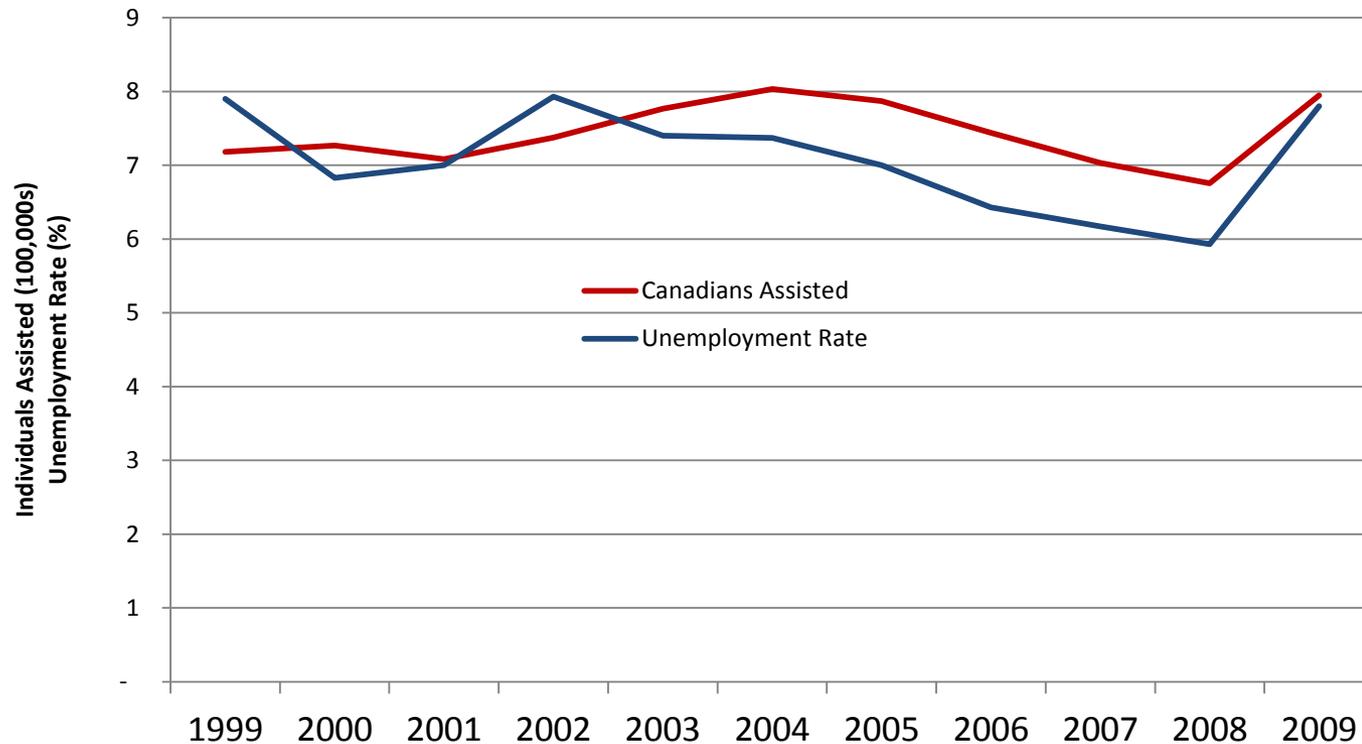
**Number of Canadians Assisted by Food Banks,  
1999-2009 (March of each year)**



Source: Food Banks Canada, HungerCount 2009

# Canadian Food Banks Economic Sensitivity

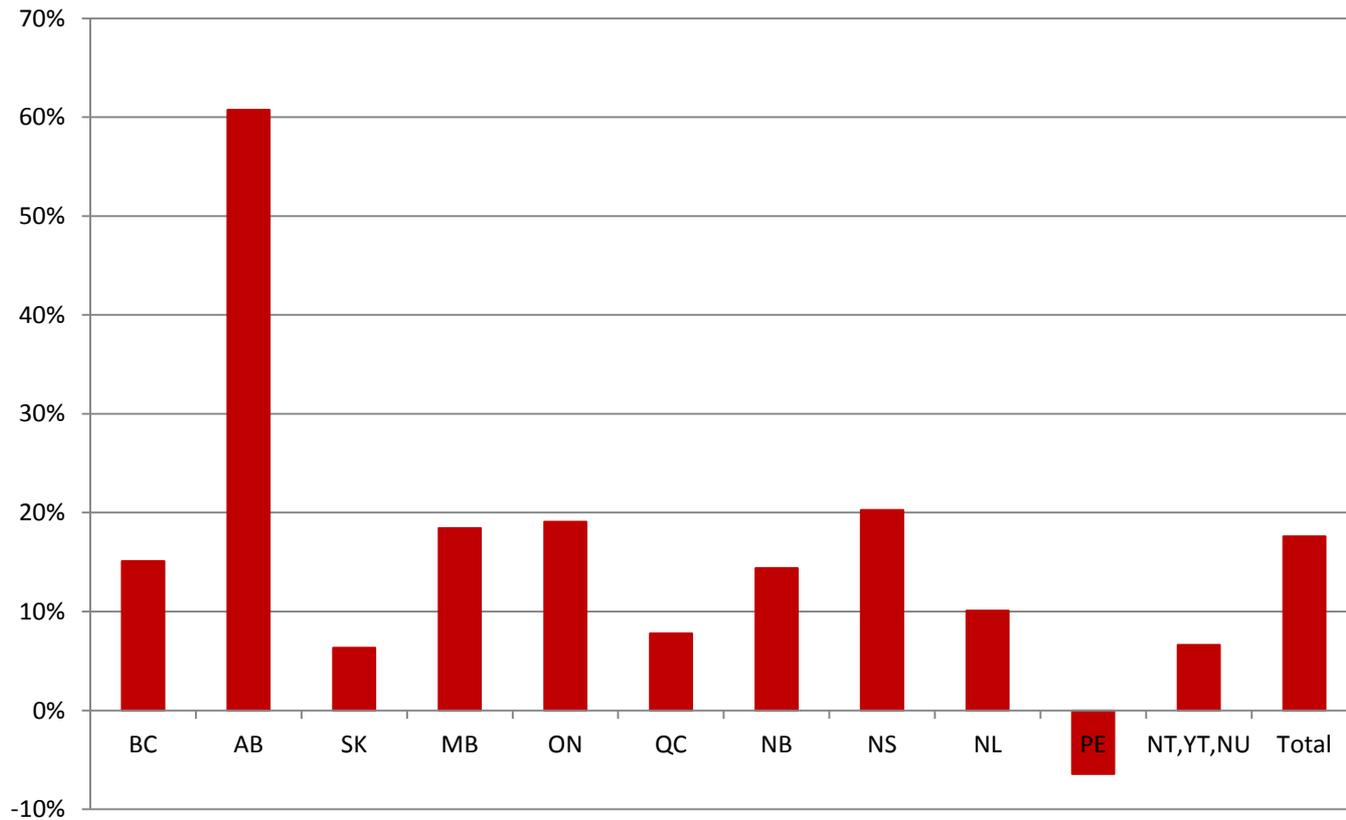
## Canadians Assisted by Food Banks vs. Unemployment Rate 1999-2009 (March of each year)



Source: Food Banks Canada, HungerCount 2009; Bloomberg

# Canadian Food Banks Usage by Province

**Growth in Canadian Food Bank Usage by Province, 2008-2009**



Source: Food Banks Canada, HungerCount 2009

# Canadian Food Banks Usage Statistics

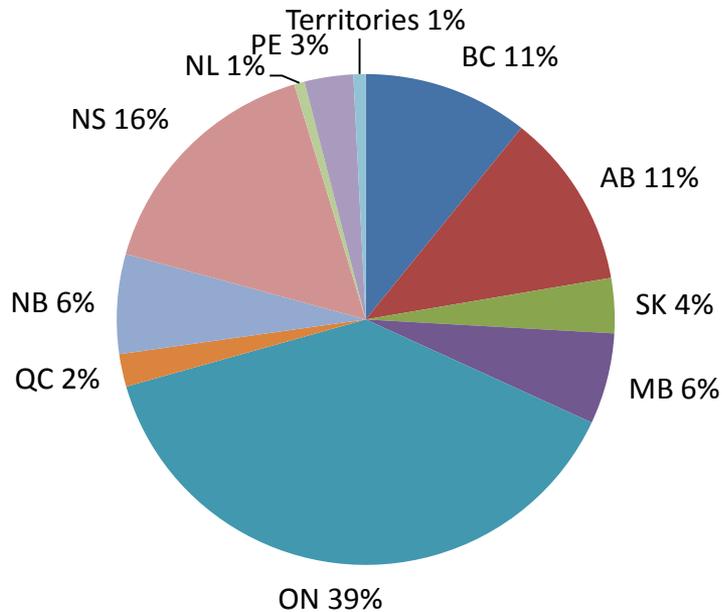
- **Working poor:** Account for up to 45% of the clients served by the food banks recommended by Charity Intelligence (19% nationally employed or recently employed\*)
- **Children:** Represent between 18% and 47% of the clients served by the food banks recommended by Charity Intelligence (37% nationally\*)
- **Usage:** “85% of clients only use the food bank 3 times.”- Calgary Food Bank
- **Abuse:** “We believe there has to be a certain level of trust that is built into the client support process .... The monthly data we collect from our member agencies suggests there is less than 5% abuse within the food bank system.” - Feed Nova Scotia
- **Level of poverty:** “We assist a diverse group of people who survive on an average of less than \$3 per day after paying their housing costs. The vast majority of our clients are recently unemployed or underemployed.”- Fort York Food Bank

\*Source: Food Banks Canada, HungerCount 2009

# Canadian Food Banks

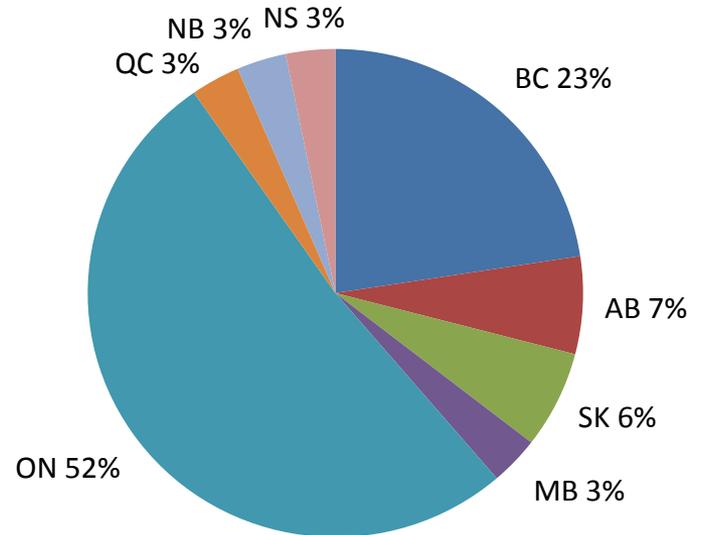
## Number of Food Banks

**Known Food Banks in Canada (884 Total)**



Source: Food Banks Canada, HungerCount 2009

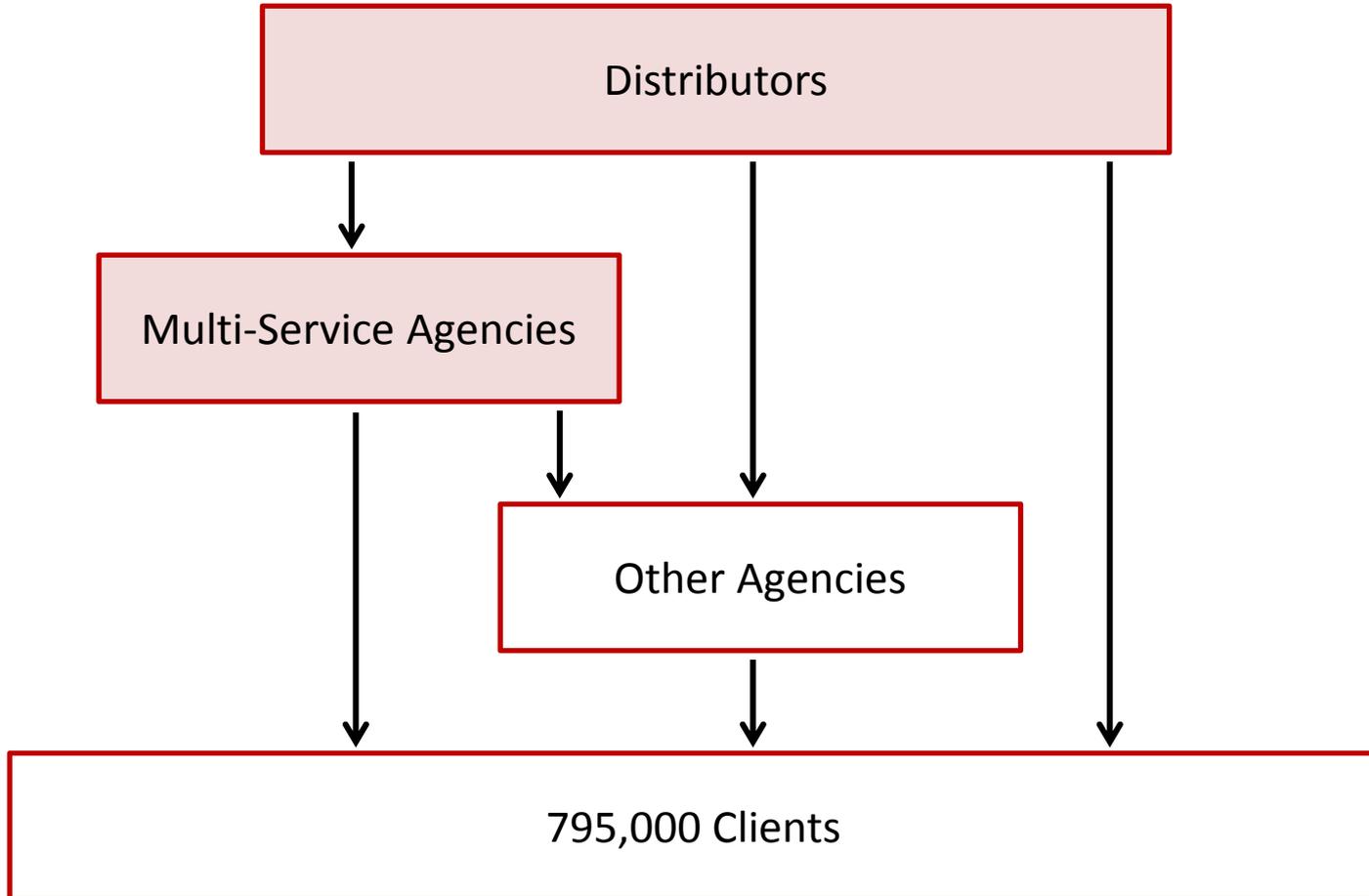
**Food Banks Invited to Participate (31 Total)**



Source: Charity Intelligence, 2010

# Canadian Food Banks

## Types of Food Banks



# Canadian Food Banks

## Food Distributors vs. Multi-Service Agencies (MSAs)

- Food Distributors are logistics operations focused on efficiently and effectively providing food to multi-service and other agencies, similar to wholesale distribution
  - Have difficulty tracking unique client use
  - Should have the ability to measure the value (\$) of food provided
- Multi-Service Agencies provide food directly to people in need and may also offer referral and counseling services
  - Should have the ability to track unique client use
  - Have difficulty measuring the value (\$) of food provided
- Conclusion – different metrics must be analyzed for each segment reflecting the focus of their work.

# Food Distributors

## Assessing Food Value

- Variety of calculations used by different organizations
  - Various “per pound” measures
  - Estimates based on sampling
  - Retail adjustments
- Impacts ability to compare charity value, value of donated goods, efficiency measures, and leverage factors
- Charity Intelligence found that each distributor tracks pounds
- Food Banks Canada uses \$2/pound as their standard

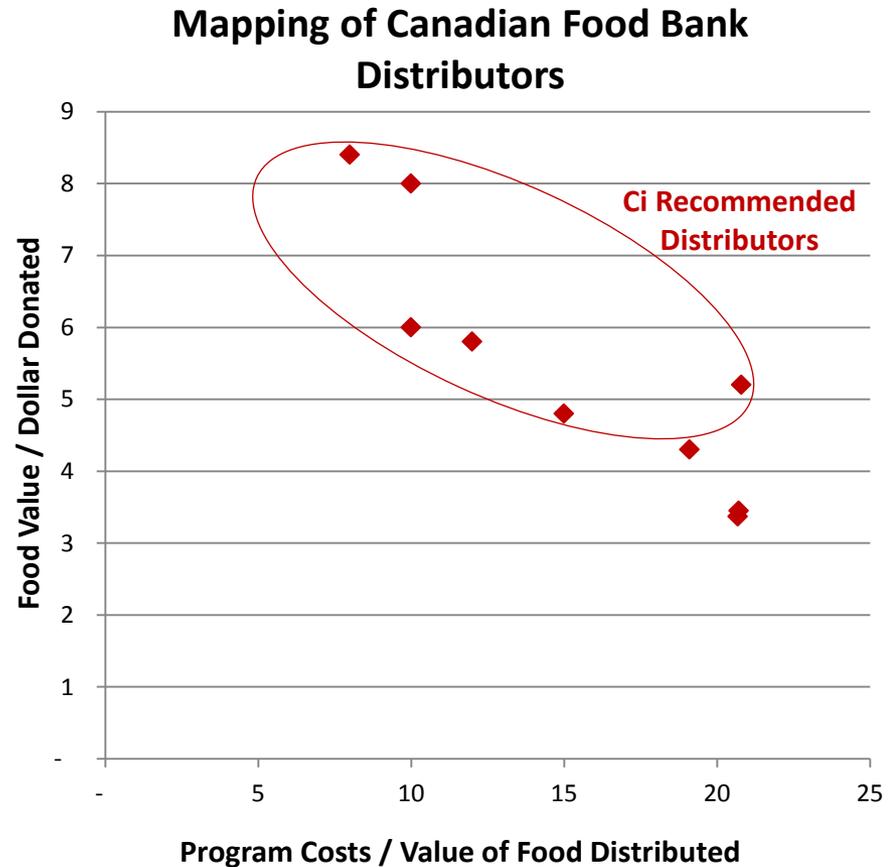


- Charity Intelligence has used \$2/pound consistently across all distributors

# Food Distributors

## Key Ratios

- Program Costs / Value of Food Distributed
  - How efficient is the food bank in their distribution business?
- Value of Food Distributed / Dollar Donated (Leverage Factor)
  - How effective is the organization in utilizing donor dollars?



# Multi-Service Agencies

## Key Ratios

- Program costs per client
  - Indicator of operational efficiency
  
- Annual change in number of clients served
  - Indicator of funding need
  
- Annual change in food value per client
  - Can an organization maintain or increase food value year over year with client growth?
  
- Percentage of clients referred or provided access to other services
  - Indicator of whether organization can address sources of food insecurity

# Evaluating Food Banks

## Other Metrics

- Other ratios examined and compared for outliers:
  - Program cost coverage
  - Community ownership
  - Administrative and fundraising costs
  - Waste
  
- Management assessment
  - Experience
  - Learning orientation
  - Performance measurement
  - Focus on expertise

# 2010 Recommended Canadian Food Banks

- Distributors
  - Calgary Food Bank
  - Edmonton's Food Bank
  - Feed Nova Scotia
  - The Mississauga Food Bank
  - Ottawa Food Bank
  - Second Harvest
  
- Multi-Service Agencies
  - Fort York Food Bank
  - Inner City Home of Sudbury

# Ci Recommended Food Banks Distributors

Food Bank	Food Value / Dollar Donated	Program Costs / Food Value (%)	Program Cost Coverage (%)	Community Ownership (\$/pop)	Admin. Costs as % of Charity Value	Fundraising Costs as % of Donations*
<b>Calgary Food Bank</b>	5.83	12	133	27.16	2.1	5.1
<b>Edmonton's Food Bank</b>	6.00	10	200	22.04	2.4	11.8
<b>Feed Nova Scotia</b>	5.17	21	46	9.40	6.5	11.3
<b>The Mississauga Food Bank</b>	8.41	8	73	7.58	2.2	6.0
<b>Ottawa Food Bank</b>	4.82	15	34	2.62	2.8	13.0
<b>Second Harvest</b>	8.00	10	49	6.07	3.5	32.3

\*Note: Fundraising ratio does not include the significant value of donated goods

# Recommended Food Banks Multi-Service Agencies

Food Bank	Program Costs / Client (\$)	Annual Change in Clients Served (%)	Annual Change in Food Value / Client (%)	Client Referrals (%)	Program Cost Coverage (%)	Admin. Costs as % of Charity Value	Fundraising Costs as % of Donations*	Community Support (\$)
<b>Fort York Food Bank</b>	23	10	2.6	47	17	0.3	3.4	11.56
<b>Inner City Home of Sudbury</b>	11	39	0.0	6	91	2.8	5.3	2.87

\*Note: Fundraising ratio does not include the significant value of donated goods

# Why Give to Food Banks?

- Recommended food banks offer significant leverage for donor dollars
  - For each dollar donated, an average of \$6 of food was distributed
- Typically very low-cost operations for recommended food banks
  - Admin. costs ranged from 0.3% to 6.5% of Charity Value
  - Fundraising costs ranged from 3.4% to 32% of donations (excluding the value of donated food)
- Significant funding need amongst food banks
  - Majority are under 50% program cost coverage, showing an urgent need for donations
- With the recent huge growth in food bank usage, Canadian food banks need help, so please consider donating
- To donate online or to download full reports on the Recommended Food Banks, please visit [www.charityintelligence.ca](http://www.charityintelligence.ca)