



## Board Packet & Meeting Agenda

Board of Directors Meeting

October 22, 2020 | 8am-10am

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OUR VISION

**We all live in a healthy community, where everyone has the food they need to thrive.**

OUR MISSION

**Bring people together to end hunger and its root causes.**

**Increase access to healthy food**  
for all individuals  
in Marion and  
Polk counties.



**Engage local communities**  
in leading the work to  
end hunger and  
poverty.



**Address the systems and environments**  
that lead to  
hunger, poverty,  
and inequity.



**Strengthen organizational capacity**  
to eliminate hunger in our communities.

OUR VISION  
**We all live in a healthy community, where everyone has the food they need to thrive.**

OUR MISSION  
**Bring people together to end hunger and its root causes.**

**Strategic Direction**  
 Vision & Mission  
 Areas of Focus

Strategic Plan

- 10-Year Plan
- 3-Year Initiatives

Annual Plan & Budget

**Timeline**

- Completed
- January Board Retreat
- April Board Meeting
- May Board Meeting



## Meeting Agenda

Board of Directors Meeting

October 22, 2020 | 8am-9:30am

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8:00	Join meeting via WebEx, get coffee, chat with board members
8:15 – 8:20	Call to Order – <b>Courtney</b> Guest Introductions – <b>Rick</b>
8:20 – 8:25	Consent Agenda: <ul style="list-style-type: none"><li>• Board Meeting Minutes, September 2020</li><li>• September Financial statements</li></ul> 
8:25 – 8:40	Updates from Board Committees and Departments <ul style="list-style-type: none"><li>• Finance Committee -audit</li><li>• Programs - Wildfire Response</li><li>• Development</li></ul>
8:40 – 9:30	10 - Year Plan - <b>Rick</b> <ul style="list-style-type: none"><li>• From Strategic Direction to Strategic Plan: Setting 10-year goals</li></ul>
9:30	Adjournment – <b>Courtney</b>

## Dates to Remember

- December Board meeting - December 3
- January Board retreat - January 30

Marion Polk Food Share  
Board of Directors Meeting Minutes  
Sept. 24, 2020 — Held virtually via WebEx

**Board Members Attending:** Frances Alvarado, Alex Beamer, Warren Bednarz, John Burt, Courtney Knox Busch, Mike Garrison, Jim Green, Holly Nelson, Linda Norris, Debbie Sailer, Bahaa Wanly, Mark Wilk

**Staff Members Attending:** Kendra Alexander, Eileen DiCicco, Ian Dixon-McDonald, Sayla Elsbree-Kraft, Rick Gaupo, Jim Green, Julie Hambuchen, Corrina Hawkins, Sam Tenney

**Call to Order**

Courtney Knox Busch called the meeting to order at 8:15 a.m.

**Guest Introductions**

Sayla Elsbree-Kraft, former food resource developer, now Executive Support Coordinator & Special Projects Manager. Background in sustainable food systems.

Sam Tenney, newly hired communications manager, in charge of website, social media, printed materials.

**Consent Agenda**

- Board Meeting Minutes, June 2020
- August Financial statements

**ACTION:** Warren Bednarz moved and Bahaa Wanly seconded a motion to approve the consent agenda. Motion carried.

**COVID (and Wildfire) reflection**

Board Chair Courtney Knox Busch said she wanted to allow some time for board members to reconnect during this first meeting of the fiscal year. She posed the questions: How have you been during COVID? How does this affect the way you think about the work of the Food Share?

Several members, including Linda Norris, Mark Wilt, and Warren Bednarz expressed they now believe COVID will have long-term impacts. That on top of wildfire losses will require the Food Share's intervention. Several, including Courtney, Holly Nelson and Bahaa expressed gratitude for the outpouring of community help and support.

Rick Gaupo expressed concerns for how COVID will impact youth whose educational experience has changed due to COVID, and those who have lost their jobs.

Mark wanted to recognize Frances Alvarado's heroic efforts, going above and beyond, to serve the farmworker community.

Debbie Sailler noted the challenges both COVID and the wildfires have caused for the healthcare systems. She also said she's proud of how nimble the Food Share has been in responding to needs.

John Burt expressed gratitude to the farming community and food processors who have continued to work during these crises to keep food flowing to the hunger-relief network.

Courtney closed with an expression of gratefulness for "all you are doing personally and the work you're doing together."

### **Food Share Programs**

VP of Programs Ian Dixon-McDonald presented program updates, COVID-19 response and milestones for FY20.

- Program Updates

Ian recognized the amazing work of the programs and ops teams in handling the increased needs and food supply challenges associated with COVID-19, and the immediate response to the wildfires. He mentioned several staff were evacuated during the wildfires, and working in the smoky environment was hard, but staff stepped up to respond to the need. He predicted the lasting economic impacts and need for resources from both crises will be long-lasting.

Wildfire response – The Food Share coordinated response with the Marion County Office of Emergency Management, Salvation Army and the Red Cross. We provided 20,000 pounds of food to people accessing the Oregon State Fairgrounds evacuation center and 4,000 pounds to the Salvation Army for meal preparation.

The buildings of our Santiam Canyon partners - Mehama, Mill City, Idanha/Detroit, Scotts Mills – remained standing. Now we are focusing on doing what we can to make sure they have everything they need to serve their communities.

- Community Impact of COVID

Food distribution spiked during the Farmers to Families Food Box Program but is trending down. September is not expected to be a million-pound month (April-August were). The school site distributions have ended. Pantry visits and individuals served remain higher than last year at this time. The food supply is declining, but the need is not.

Linda Norris and Alex Beamer asked what we are doing to deal with food supply issues. Ian said we're talking about purchasing more food; we're expecting more shelf-stable food from Feeding America; retail food recovery has resumed; we expect harvest season donations. However, USDA deliveries have been disrupted and it's hard to even get food purchases fulfilled. We will not be able to maintain former high distribution levels.

Meals on Wheels saw big increases in spring and early summer in home delivered meals. We're pushing 700 clients per day, up from about 600 pre-COVID. Dining rooms are still closed. MOW has held steady, but at elevated service levels.

Ian noted that there is a direct correlation between increased service numbers and geographic areas that are hardest hit by the coronavirus impacts including NE Salem and the Woodburn. Those areas are the most racially diverse — Latinx, Pacific Islander, Black — and agencies serving them saw the biggest spikes.

There was discussion about how we reach out to the most vulnerable populations. Ian noted AWARE and Iskam are doing amazing work. AWARE is providing mobile pantry services to farmworker families and home delivered food boxes to housebound families. Iskam has added home delivery services and remote distributions.

It was noted that coordinators at both pantries are building relationships with trusted community partners to let food-insecure people know the pantry is a safe place to go for food. Frances Alvarado lauded AWARE for its work in building relationships and trust, especially within the farmworker community.

Rick noted that AWARE, Iskam, Ella Curran and Silverton Area Community Aid are examples of pantries that are seen as community partners.

We will be looking more deeply into where we have partners; what their geographical reach is, who remains underserved, and how to best reach them.

- Major Milestones

Food Distributed, Pantry Visits, MOW Meals Served

	FY19	FY20
<b>Pounds Distributed</b>	8.8 million lbs.	11.1 million lbs.
<b>Pantry Visits</b>	120,000	145,000
<b>MOW Meals</b>	178,000	211,000
<b>COVID-19 Relief Visits</b>		20,000



Alex Beamer asked about using some of our FY20 \$3 million surplus to buy more food, noting unemployment rates are still high and need may outweigh food availability. Rick said the Ops team has been authorized to spend \$300,000 on food purchase. Ian added that it would take hundreds of thousands of dollars to make up the difference in food availability. To illustrate, Kendra noted we can spend \$25,000-\$50,000 on one truckload of food depending upon the type (i.e. corn vs peanut butter or tuna) and it may only last 7-8 weeks. She also noted there are

disruptions in the food supply nationally and internationally. Ian said we are trying to be strategic about purchases.

### **Preview of October & December Meetings**

President Rick Gaupo outlined upcoming meetings. Given the crises, it's been hard to have those longer-term conversations.

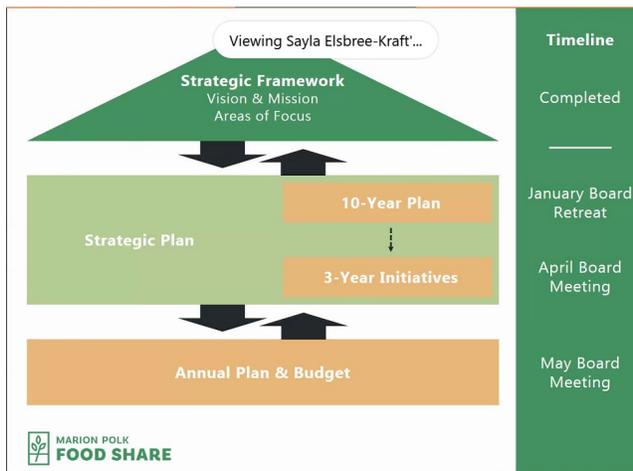
Oct. 22 — fiscal update; learnings from CV19; focus on rest of FY; finalized by the audit

Rick wants to plan for the remainder of FY21, identifying 1-2 big targets.

Dec. 3 — revised budget; hopefully focus on 2-3 highest priorities for FY21.

Jan. 30 — board retreat (probably virtual) – dig in with focus on 10-yr plan – start talking long-term.

Rick said the process outlined below is solid, however, the timeline is more tentative.



### **Adjournment**

Courtney adjourned the meeting at 9:34 a.m.

### **Dates to Remember**

**October Board meeting — Oct. 22**

**December Board meeting — Dec. 3**

**January Retreat – Jan. 30**

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*Warren Bednarz*  
Board Secretary



MARION POLK  
**FOOD  
 SHARE**

**Marion Polk Food  
 Share  
 Financial Reports for  
 Board Packet  
 September 2020**

**Financial Reports**

<u>Documents</u>	<u>Page</u>
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Date: October 9, 2020  
To: Marion Polk Food Share Board of Directors  
From: Jim E. Green  
Re: September 2020 Year-to-Date Financials

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### **Summary**

Food Share's year-to-date operating surplus improved again in September against a budgeted deficit. The year-to-date operating surplus was \$701 thousand on a budgeted deficit of \$372 thousand, a \$1.1 million favorable variance. Donations exceeded budget by \$840 thousand. The net surplus was \$1.1 million on a budgeted deficit of \$384 thousand. Cash and investments totaled \$5.6 million, \$3.0 million higher than last year.

### **Highlights:**

#### **Statement of Financial Position – Year-over-Year (Report 1):**

- Investments have increased \$2.8 million over last year with the strong operating surplus.
- Bank certificates of deposit totaled \$4.2 million, yielding 0.7% interest per annum, all with maturities of 1 year or less.
- Net assets were \$10.4 million, \$3.9 million higher than last year.

#### **Statement of Cash Flows – Year-to-date (Report 2):**

- Investments increased by \$359 thousand, in line with the operating surplus
- Additions to fixed assets of \$241 thousand included:
  - upper warehouse door
  - upgrades to the conference room audio
  - sprinter van
  - cooler box for AWARE
  - mobile cold storage

#### **Statement of Activities – Actual to Budget/Year-over-Year Variance (Report 3):**

**Operating revenue was \$1.0 million (78%) over budget and \$1.1 million (89%) over last year.**

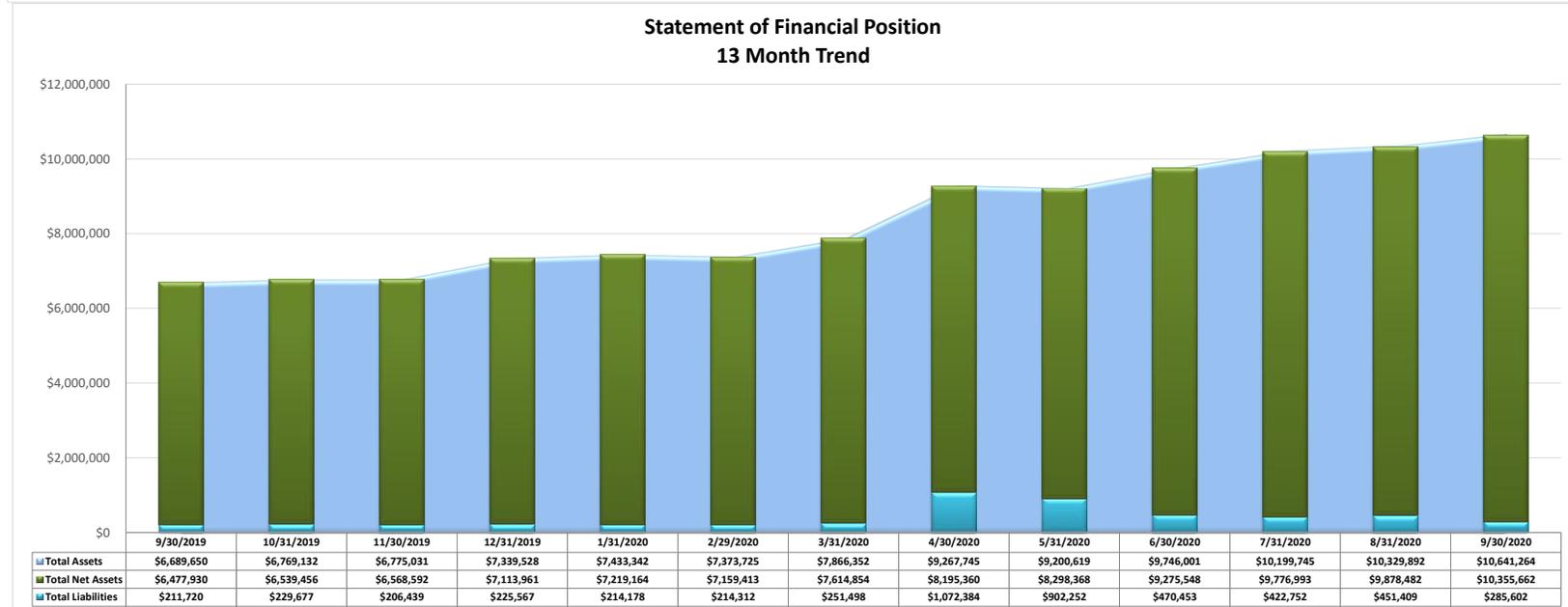
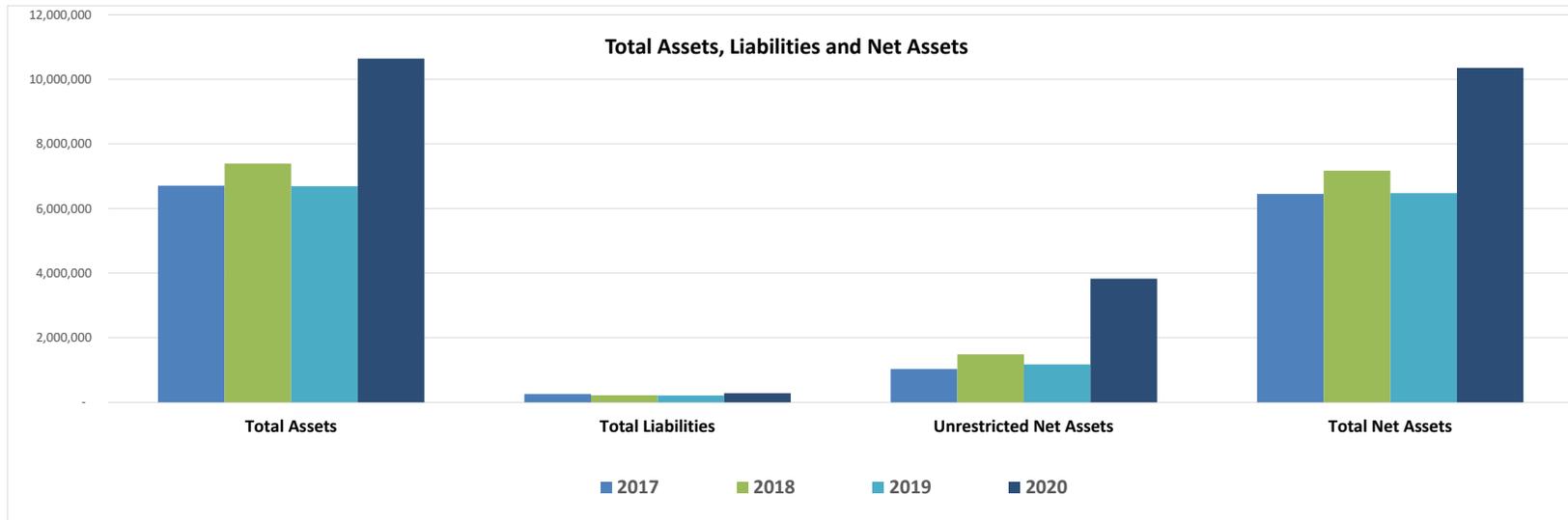
- Donations were \$840 thousand (113%) over budget and \$774 thousand (96%) over last year. Support from donors during the pandemic and wild fires was very strong.
- Government support was \$106 thousand (48%) higher than plan and \$184 thousand (128%) higher than last year driven by supplemental TEFAP.

- Program revenue was \$49 thousand (16%) under budget and \$14 thousand (6%) over last year. Home delivered meals, Vocational Training, and SNAP were lower than plan.

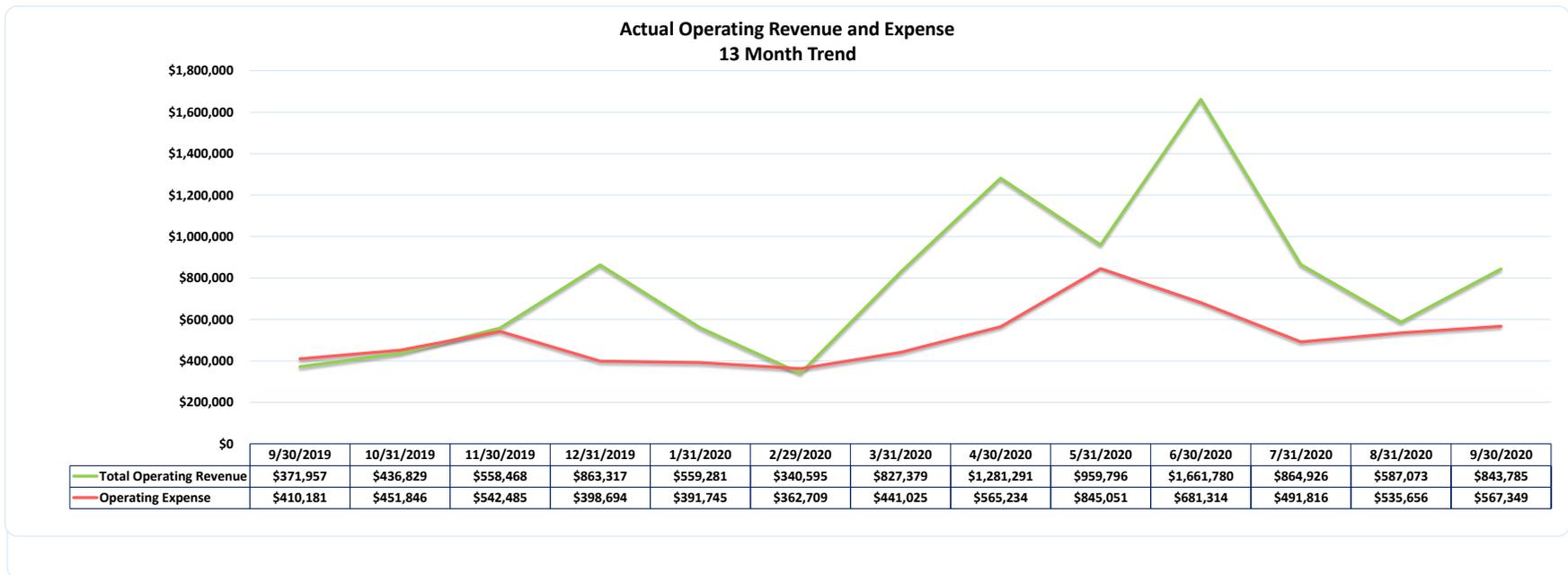
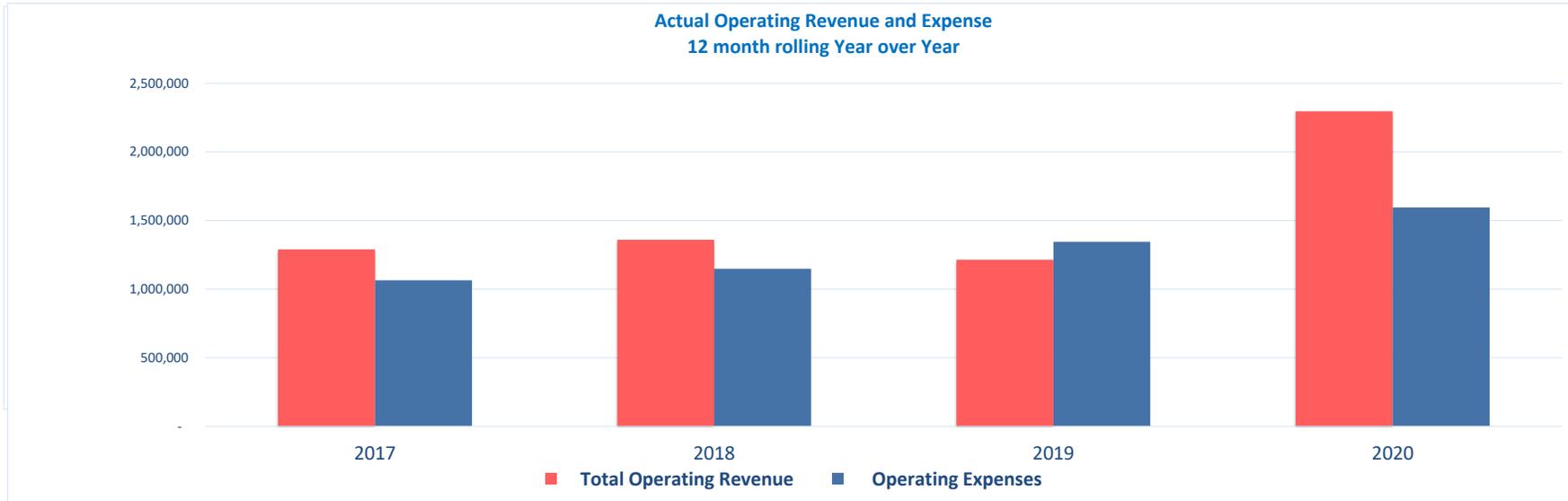
**Operating expenses were \$64 thousand (4%) under budget and \$250 thousand (19%) over last year.**

- Salaries and related were \$253 thousand (22%) under budget and \$61 thousand (7%) over last year. New budgeted spending is not yet in place or is spent in temp positions. New undesignated spending is also not in place.
- Contract and professional services were \$35 thousand (66%) over budget and \$52 thousand (140%) over last year. This additional spending was budgeted in salaries.
- Equipment and vehicle expense was \$67 thousand (201%) over budget and \$52 thousand (109%) over last year due to rented trucks and the purchase of two pallet jacks.
- Advertising, marketing and event expenses were \$22 thousand (43%) under budget and \$49 thousand (63%) under last year with the cancellation of Farm to Table and prior year branding costs.
- Other expenses were \$25 thousand under plan since this is the placeholder budget for program expansion (\$100 thousand for the year) that is not yet spent.

**Marion Polk Food Share  
September 2020**



Marion Polk Food Share  
September 2020



**Marion-Polk Food Share**  
**Statement of Financial Position - Year over Year Review**  
September 30, 2020

	<u>Current year</u>	<u>Prior year</u>	<u>\$</u>
	<u>Actual 9/30/2020</u>	<u>Actual 9/30/2019</u>	<u>Variance</u>
<b>ASSETS</b>			
Cash and other assets			
Liquid cash, cash equivalents	\$485,409	\$325,786	\$159,623
Accounts & grants receivable, net	\$438,767	\$121,211	\$317,557
Prepaid expenses and deferred charges	\$154,348	\$116,991	\$37,357
Total cash and other assets	<u>\$1,078,524</u>	<u>\$563,988</u>	<u>\$514,536</u>
Inventory			
Food inventory	\$1,164,511	\$752,402	\$412,109
Total Inventory	<u>\$1,164,511</u>	<u>\$752,402</u>	<u>\$412,109</u>
Investments			
Investments	\$4,884,754	\$2,031,993	\$2,852,761
Investments - OCF True Endowment	\$248,507	\$261,581	(\$13,074)
Total Investments	<u>\$5,133,261</u>	<u>\$2,293,574</u>	<u>\$2,839,687</u>
Land, buildings and equipment, net			
Land, buildings, and equipment, net	\$3,264,968	\$3,079,686	\$185,282
Total Land, buildings and equipment, net	<u>\$3,264,968</u>	<u>\$3,079,686</u>	<u>\$185,282</u>
Total ASSETS	<u><u>\$10,641,264</u></u>	<u><u>\$6,689,650</u></u>	<u><u>\$3,951,614</u></u>
<b>LIABILITIES &amp; NET ASSETS</b>			
Liabilities			
Notes payable	\$0	\$0	\$0
Accounts payable and accrued expenses	\$119,020	\$67,078	\$51,942
Interest payable	\$0	\$0	\$0
Deferred revenue	\$1,000	\$18,000	(\$17,000)
Accrued payroll liabilities	\$165,582	\$126,642	\$38,940
Total Liabilities	<u>\$285,602</u>	<u>\$211,720</u>	<u>\$73,882</u>
Net assets			
Unrestricted, Undesignated - avail for general activities	\$3,826,335	\$1,175,502	\$2,650,833
Designated by the governing board for Investment	\$663,925	\$701,215	(\$37,290)
Designated by the governing board for AWARE	\$38,831	\$0	\$38,831
Designated by Mgmt	\$346,907	\$346,907	\$0
Land, buildings and equipment, net	\$3,264,968	\$3,079,686	\$185,282
Inventory	\$1,164,511	\$752,402	\$412,109
Temporarily restricted	\$809,404	\$181,678	\$627,727
Permanently restricted	\$240,780	\$240,540	\$240
Total Net assets	<u>\$10,355,662</u>	<u>\$6,477,930</u>	<u>\$3,877,732</u>
Total LIABILITIES & NET ASSETS	<u><u>\$10,641,264</u></u>	<u><u>\$6,689,650</u></u>	<u><u>\$3,951,614</u></u>

\* Inventory value is updated at the end of the fiscal year. Donated inventory is valued at \$1.25 per pound.

**Marion-Polk Food Share**  
**Statement of Cash Flows**  
YTD ending September 30, 2020

**CASH FLOWS FROM OPERATING ACTIVITIES**

NET SURPLUS/(DEFICIT) FOR PERIOD	\$ 1,080,114
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(418,922)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	661,192

**CASH FLOWS FROM INVESTING ACTIVITIES**

**CASH FLOWS FROM INVESTING (CAPITAL) ACTIVITIES**

Increase in Investments-Wells Fargo Advisors	(358,522)
Buildings	(21,351)
Furniture, fixtures, & equip	(56,873)
Vehicles	(162,347)
<b>TOTAL CASH FLOWS FROM INVESTING (CAPITAL) ACTIVITIES</b>	<b>(599,094)</b>

<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>62,098</b>
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<b>CASH AND CASH EQUIVALENTS AS OF 7/1/2020</b>	<b>423,311</b>
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<b>CASH AND CASH EQUIVALENTS AS OF 9/30/2020</b>	<b>\$ 485,409</b>
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**Marion-Polk Food Share**  
**Statement of Activities - Consolidated Organization**  
 Actual to Budget & Year-Over-Year Variance Report

	Year-to-Date	Budget		Year-over-Year			
	Current Year FY21 Actual 7/1 - 9/30/2020	Budget (Approved March 2020) 7/1 - 9/30/2020	\$ Variance	% Variance	Last Year FY20 Actual 7/1 - 9/30/2019	\$ Variance	% Variance
Operating							
Operating Revenue							
Donations	\$1,583,930	\$744,244	\$839,686	113 %	\$809,862	\$774,068	96 %
Government grants and contracts	\$328,159	\$222,108	\$106,051	48 %	\$143,711	\$184,449	128 %
Program Service Revenue	\$258,439	\$307,884	(\$49,444)	(16)%	\$244,268	\$14,172	6 %
Interest and investments	\$4,256	\$12,125	(\$7,869)	(65)%	\$15,885	(\$11,629)	(73)%
Loan forgiveness	\$121,000	\$0	\$121,000	0 %	\$0	\$121,000	0 %
Total Operating Revenue	<u>\$2,295,784</u>	<u>\$1,286,361</u>	<u>\$1,009,423</u>	<u>78 %</u>	<u>\$1,213,726</u>	<u>\$1,082,059</u>	<u>89 %</u>
Operating Expenses	\$1,594,822	\$1,658,708	(\$63,887)	(4)%	\$1,344,980	\$249,841	19 %
<b>Net surplus/(deficit) - Operating</b>	<u><b>\$700,962</b></u>	<u><b>(\$372,347)</b></u>	<u><b>\$1,073,310</b></u>	<u><b>(288)%</b></u>	<u><b>(\$131,255)</b></u>	<u><b>\$832,217</b></u>	<u><b>(634)%</b></u>

**Marion-Polk Food Share**  
**Statement of Activities - Consolidated Organization**  
 Actual to Budget & Year-Over-Year Variance Report

	Year-to-Date	Budget		Year-over-Year			
	Current Year FY21 Actual 7/1 - 9/30/2020	Budget (Approved March 2020) 7/1 - 9/30/2020	\$ Variance	% Variance	Last Year FY20 Actual 7/1 - 9/30/2019	\$ Variance	% Variance
Food							
Donated food	\$3,895,055	\$2,290,625	\$1,604,430	70 %	\$2,650,389	\$1,244,666	47 %
Distributed food	(\$3,589,237)	(\$2,290,625)	(\$1,298,612)	57 %	(\$2,519,670)	(\$1,069,567)	42 %
<b>Total Food</b>	<b>\$305,818</b>	<b>\$0</b>	<b>\$305,818</b>	<b>0 %</b>	<b>\$130,719</b>	<b>\$175,099</b>	<b>134 %</b>
Capital							
Capital Revenue	\$135,000	\$70,000	\$65,000	93 %	\$15,000	\$120,000	800 %
Less: depreciation	\$62,746	\$81,441	(\$18,695)	(23)%	\$58,566	\$4,180	7 %
Loss on replacement of asset	\$0	\$0	\$0	0 %	\$0	\$0	0 %
<b>Net Surplus/(Deficit) - Capital</b>	<b>\$72,254</b>	<b>(\$11,441)</b>	<b>\$83,695</b>	<b>(732)%</b>	<b>(\$43,566)</b>	<b>\$115,820</b>	<b>(266)%</b>
Endowment							
Endowment Revenue	\$1,080	\$150	\$930	620 %	\$0	\$1,080	0 %
<b>Net Surplus/(Deficit) - Endowment</b>	<b>\$1,080</b>	<b>\$150</b>	<b>\$930</b>	<b>620 %</b>	<b>\$0</b>	<b>\$1,080</b>	<b>0 %</b>
In-kind							
Contributions	\$6,101	\$0	\$6,101	0 %	\$36,165	(\$30,064)	(83)%
Less: In-kind expense	\$6,101	\$0	\$6,101	0 %	\$36,165	(\$30,064)	(83)%
<b>Net surplus/(deficit) - In-Kind</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0 %</b>	<b>\$0</b>	<b>\$0</b>	<b>0 %</b>
<b>BEGINNING NET ASSETS</b>	<b>\$9,275,548</b>	<b>\$9,275,548</b>	<b>\$0</b>	<b>0 %</b>	<b>\$6,522,032</b>	<b>\$2,753,516</b>	<b>42 %</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$1,080,114</b>	<b>(\$383,638)</b>	<b>\$1,463,752</b>	<b>(382)%</b>	<b>(\$44,102)</b>	<b>\$1,124,216</b>	<b>(2,549)%</b>
<b>ENDING NET ASSETS</b>	<b>\$10,355,662</b>	<b>\$8,891,910</b>	<b>\$1,463,752</b>	<b>16 %</b>	<b>\$6,477,930</b>	<b>\$3,877,732</b>	<b>60 %</b>

## Marion Polk Food Share

Account Category Description	Definition
Operating	
Operating Revenue	
Donations	Donation revenue from Raisers Edge, federal , state and local grant revenue, foundation grants
Program Service Revenue	
MOW Home Delivered Meal Revenue	Revenue for providing home delivered meals to private pay clients, as well as Medicare, Oregon Project Independence (OPI) and Older American Act (OAA) programs
Contract Revenue (Grand Ronde)	Revenue from Confederated Tribes of Grand Ronde contract
Food Service Revenue	Revenue from operation of MOW café, restaurant, and catering
Vocational Training Contract Revenue	Revenue to reimburse costs associated with JOBS + vocational training program
Farm Revenue	Revenue from crop sales, CSA sales, Saturday market sales, and land lease
Food Product Sales	Sales of Better Burger
SNAP Outreach	Reimbursement of costs related to SNAP outreach efforts
Miscellaneous Revenue	Sales of broken pallets, cardboard, etc. Plot rentals for community gardens. Other miscellaneous usually one-time items
Total Program Service Revenue	
Interest and investments	Revenue related to investment gains/losses and interest earnings
Total Operating Revenue	
Operating Expense	
Operating Expenses	
Emergency Food Purchase (for distribution)	Food purchases for distribution through agency networks or programs
Production Food Purchases	Food purchases for value-added food items (MOW meals and food service, ingredients for Better Burger production)
Salaries & Related Expenses	Salary costs, benefits and taxes
Contracts & Professional Fees	Legal fees, audit fees, consultant and independent contractor fees
Supplies, Printing, Postage	Office supplies, small equipment, postage and shipping, printing, books and subscriptions
Program Supplies	Supplies related to running programs (such as gardens, Youth Farm, MOW, VAC)
Network Development	Costs for equipment or monetary support of agencies in MPFS network
Occupancy Expenses	Building maintenance, utilities, telephones, rent (MOW facility and off-site food storage)

## Marion Polk Food Share

Account Category Description	Definition
Equipment and Vehicle Expenses	costs to maintain and insure vehicles and equipment
Meetings & Professional Development	Costs for staff professional development and trainings, meetings, conferences, mileage reimbursement and other travel related costs. Also includes meetings/conferences MPFS staff hosts for agency network and other audiences.
Volunteer & Donor Development	Costs associated with stewarding donors, volunteers and board
Advertising, Marketing & Event Expenses	Costs to promote MPFS, including website, media advertisement, and events
Computer Expenses	Costs to maintain technology: software, hardware and network. This includes outsourced IT professional support.
Membership Dues	Dues for various organizations MPFS is members of (Rotary, Chamber, etc.)
Bank Fees	Fees for banking services, including credit card merchant fees
Liability Insurance Expense	Liability and Directors and Officers annual insurance premium fees
Other Expenses	Miscellaneous expenses, licenses and fees, penalty and late fees, bad debt expense
Total Operating Expenses	
<b>Net surplus/(deficit) - Operating</b>	Operating revenue less operating expenses
Capital	
Capital Revenue	
Less: depreciation	
<b>Net Surplus/(Deficit) - Capital</b>	
Endowment	
Endowment Revenue	
<b>Net Surplus/(Deficit) - Endowment</b>	
In-kind	
Contributions	
Less: In-kind expense	
<b>Net surplus/(deficit) - In-Kind</b>	
<b>BEGINNING NET ASSETS</b>	
<b>NET SURPLUS/(DEFICIT)</b>	
<b>ENDING NET ASSETS</b>	

**Donation Revenue by Fund Category and Activity**

	Past Year	Current Year	Variance
	Fiscal Year to Date	Fiscal Year to Date	Fiscal Year to Date
	Actual	Actual	Variance
	7/1/2019 -	7/1/2020 -	
	9/30/2019	9/30/2020	
<b>Operating Revenue</b>			
Donor Communications	\$76,032	\$365,960	\$289,928
Events	\$129,760	\$0	(\$129,760)
Food and Food Drives	\$107,915	\$90,657	(\$17,258)
Fundraisers	\$5,195	\$6,587	\$1,392
Grant Proposals	\$48,846	\$391,281	\$342,435
Mission and Brand Awareness	\$64,358	\$407,682	\$343,324
Monthly Sustainer Circle	\$190,603	\$212,942	\$22,340
Online Solicitations	\$1,120	\$34,426	\$33,306
Personal Solicitations	\$42,300	\$26,600	(\$15,700)
Annual Trust Distributions	\$48,285	\$49,140	\$855
Bequests	\$53,568	\$0	(\$53,568)
<b>Total Operating Revenue</b>	<b>\$767,981</b>	<b>\$1,585,275</b>	<b>\$817,294</b>
<b>Capital Revenue</b>			
Grant Proposals	\$47,200	\$105,000	\$57,800
Personal Solicitations	\$0	\$0	\$0
<b>Total Capital Revenue</b>	<b>\$47,200</b>	<b>\$105,000</b>	<b>\$57,800</b>
<b>Endowment Revenue</b>			
Donor Communications	\$0	\$50	\$50
Mission and Brand Awareness	\$0	\$1,030	\$1,030
<b>Total Endowment Revenue</b>	<b>\$0</b>	<b>\$1,080</b>	<b>\$1,080</b>
<b>Total Revenue</b>	<b>\$815,181</b>	<b>\$1,691,355</b>	<b>\$876,174</b>

*Note: Government grants have been omitted from the current and past fiscal periods on this report. Also, donations in this report are recorded on a cash basis (when the donation arrives at the Food Share). These numbers will vary from other financial reports, which record revenue on an accrual basis. Event revenue is the most likely category to have different cash and accrual dates.*

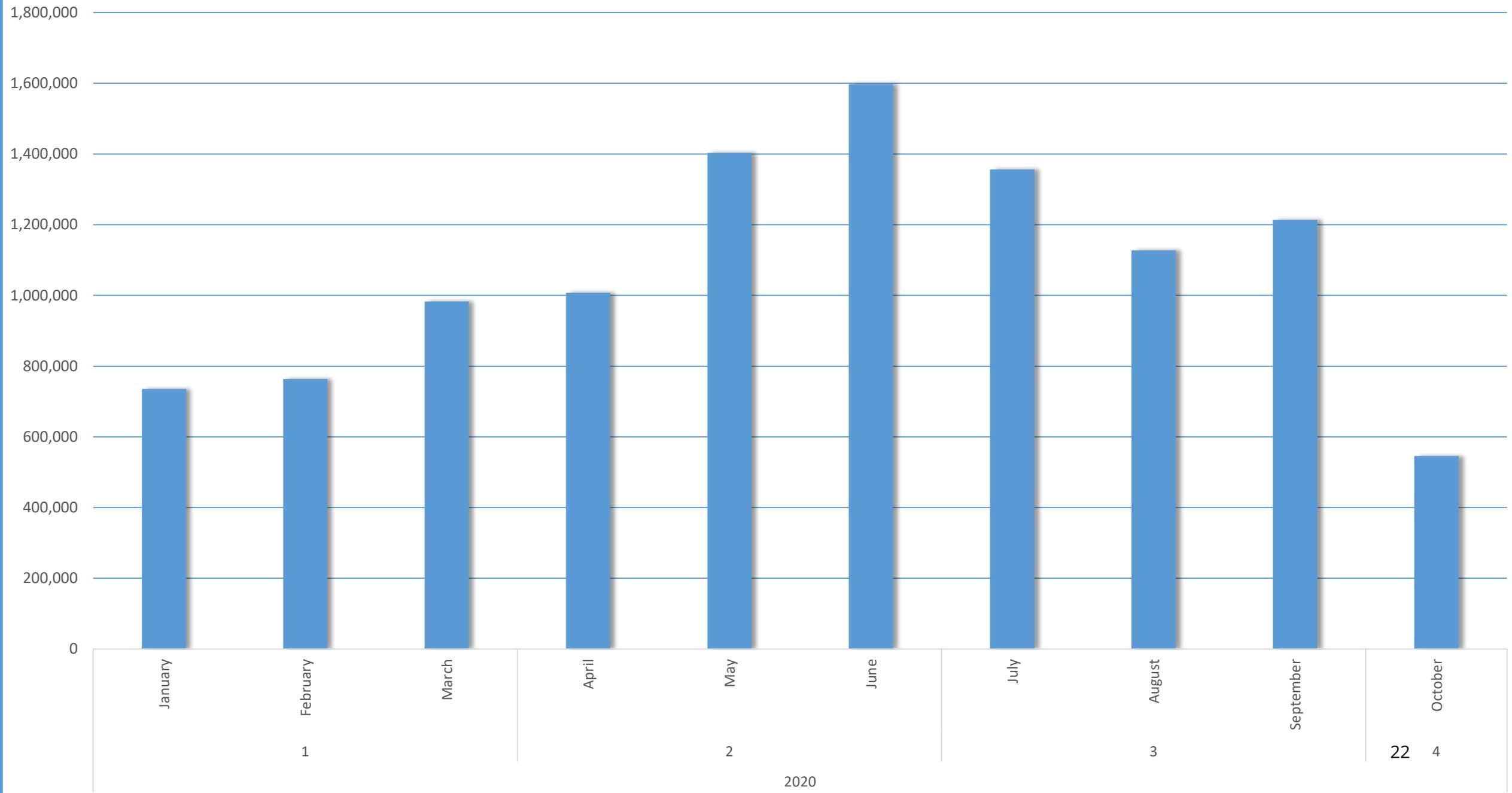
## Marion-Polk Food Share

### Donation Revenue by Fund Category and Activity

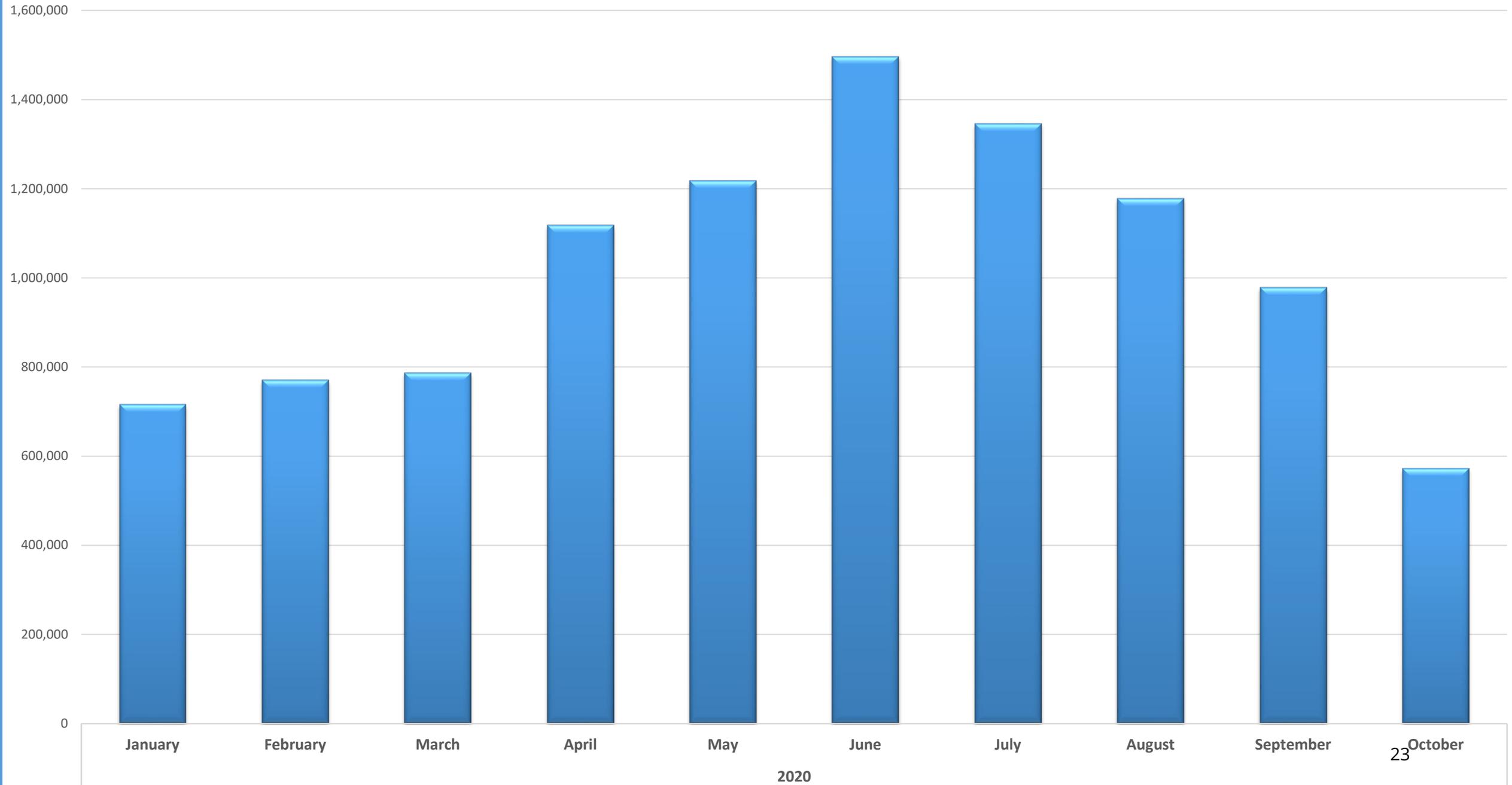
The definitions below indicate the activity which generated the donation. They do not indicate the type of donor. For example, an unsolicited foundation grant is included in Mission and Brand Awareness. A donation from a Monthly Sustainer in response to a direct mail solicitation is included in Direct Mail.

Activity	Definition
Donor Communications	Mass mailings for communicating with donors and/or soliciting donations
Events	Events with ticket sales, includes revenue from sponsorships, auctions, donations during the event
Food and Food Drives	Food and Fund drives of all sizes
Fundraisers	Events without ticket sales
Grant Proposals	Grants received in response to a proposal
Mission and Brand Awareness	Donations which cannot be tracked to a specific activity, including unsolicited grants, general online donations, general mailed donations
Monthly Sustainer Circle	Donations made as part of a monthly sustainer commitment
Online Solicitations	Donations which can be tracked to a specific online activity, including email, social media links, etc.
Personal Solicitations	Face to face solicitation, including individuals and small groups
Annual Trust Distributions	Annual distributions on trust funds held outside the Food Share's endowment
Bequests	Bequests and other legacy gifts

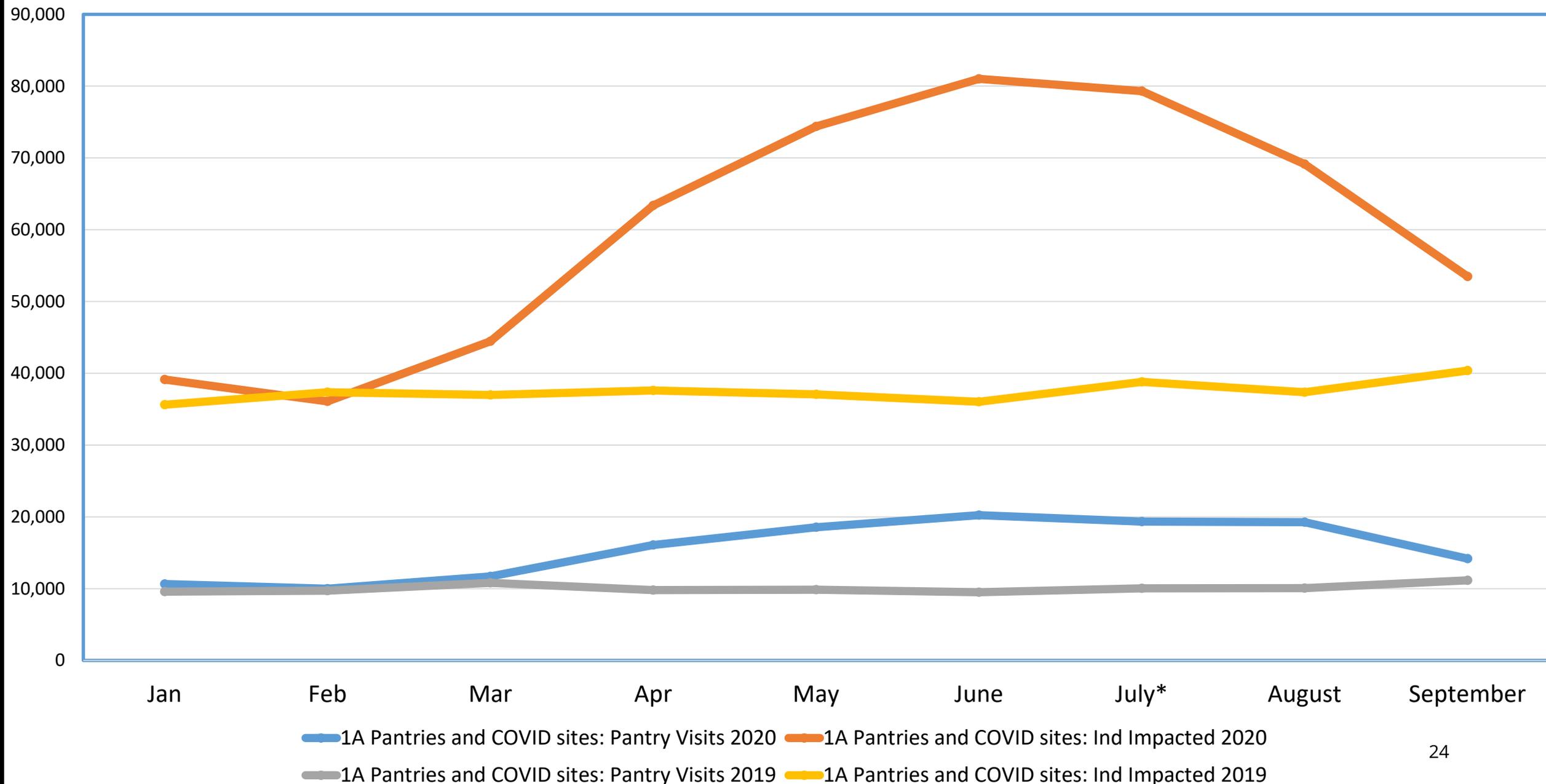
# Total Pounds Received, Jan 1-Oct 16, 2020



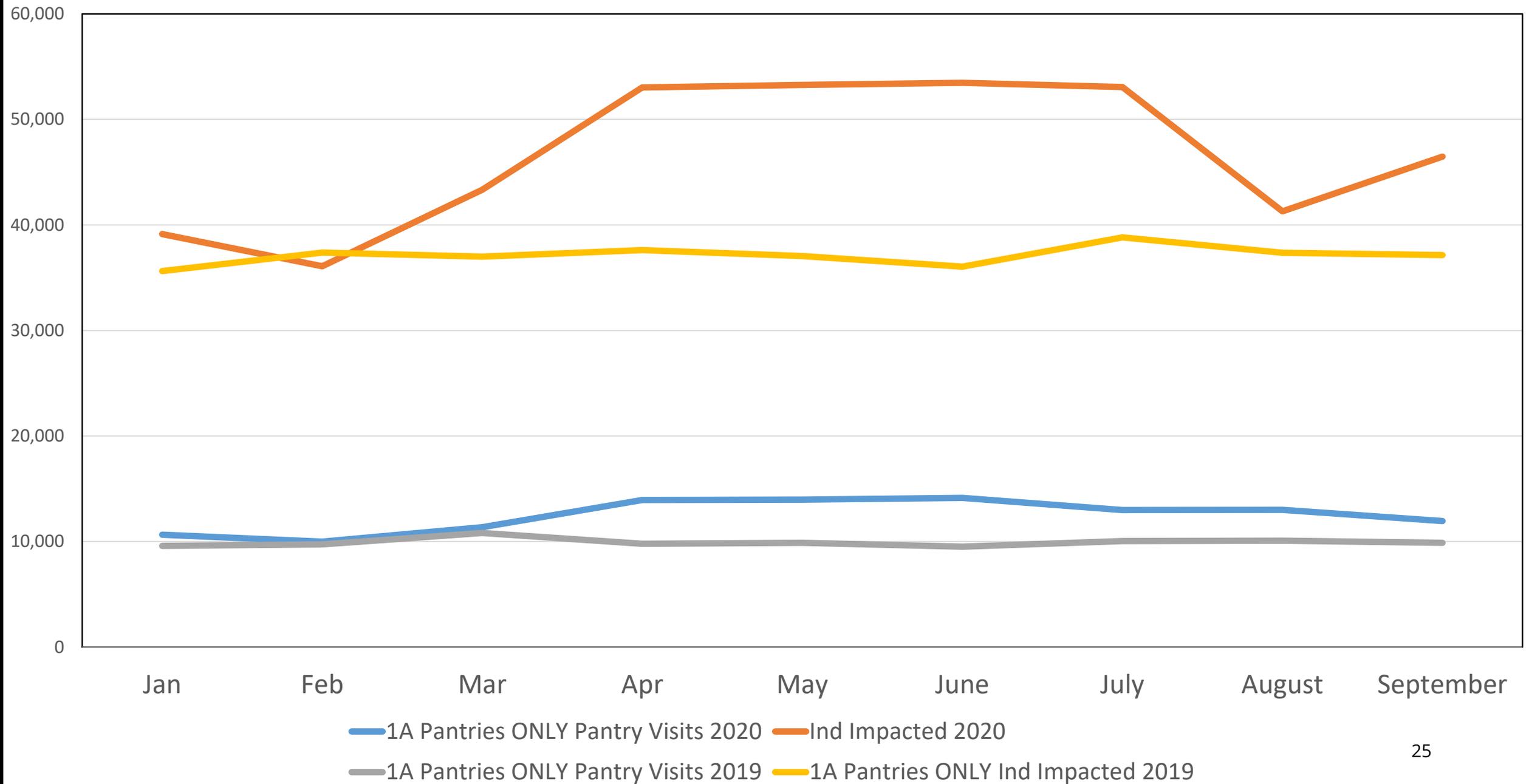
# Total Pounds Distributed, Jan 1-Oct 16, 2020



# 1A Food Pantries & COVID Relief Sites, Pantry Visits, 2019-2020 comparision

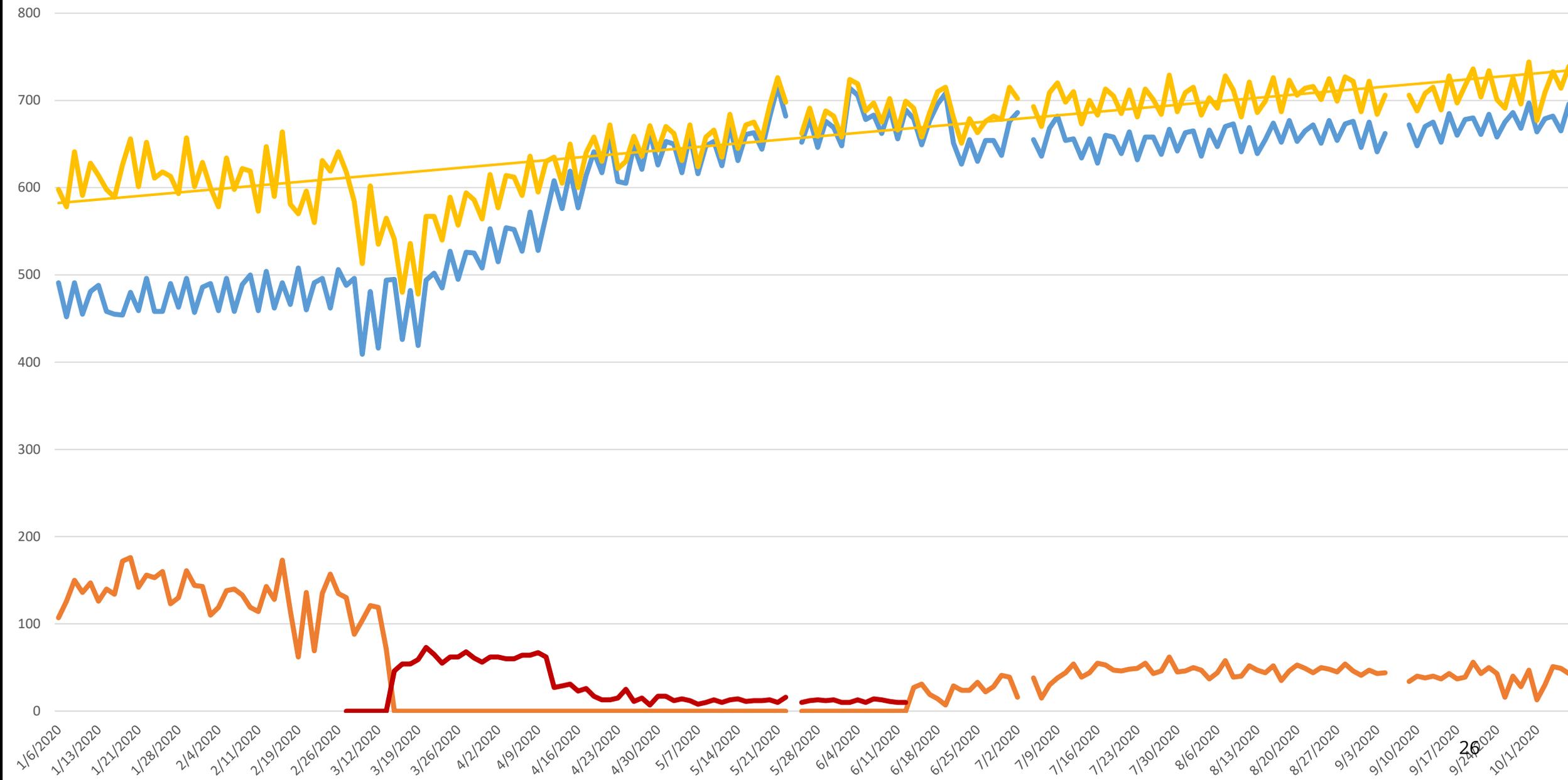


# 1A Food Pantries Only, Pantry Visits, 2019-2020 comparision



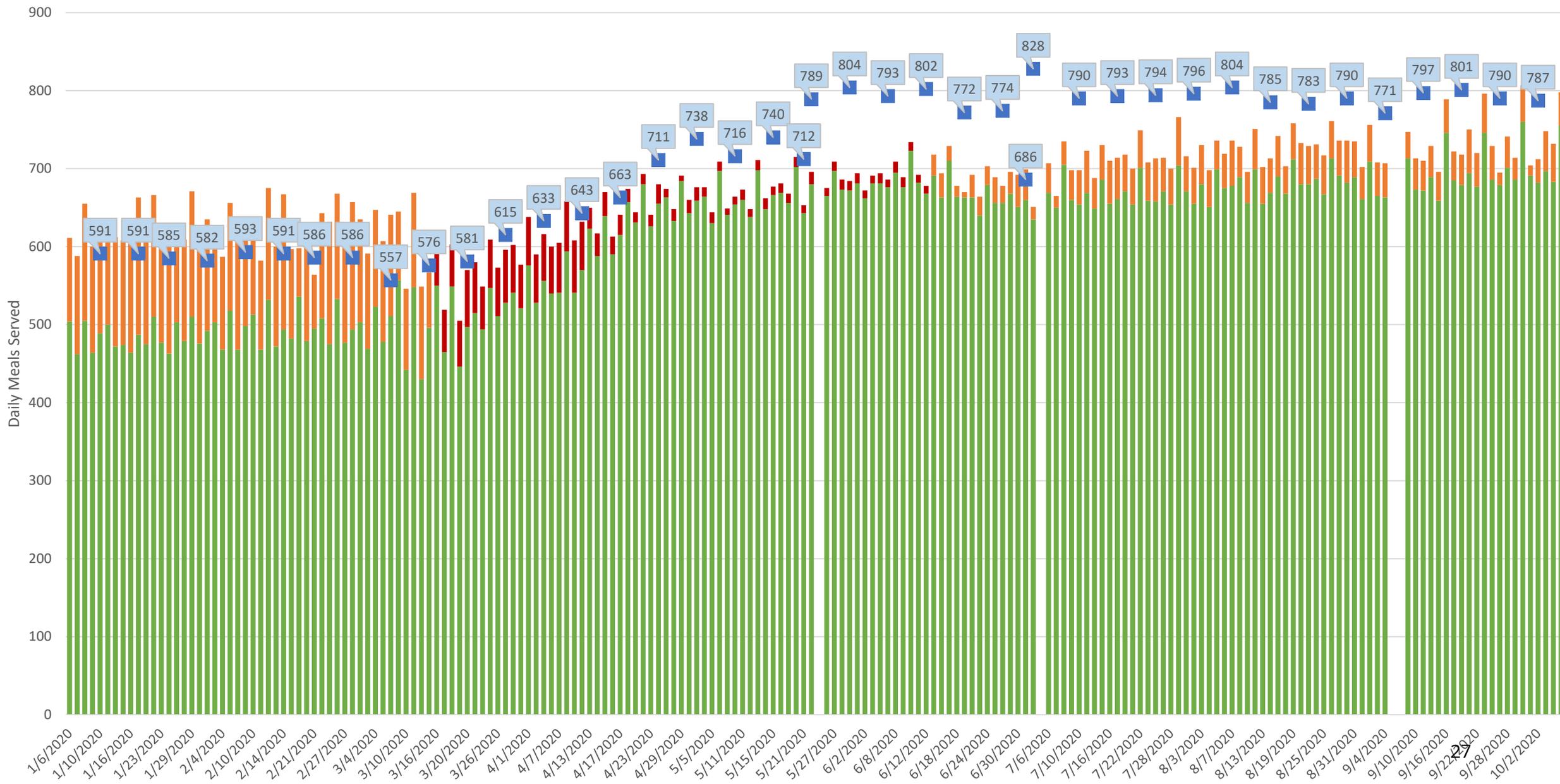
# Meals on Wheels Individuals Served, Daily, Jan-Oct 2020

HDM Individuals Meal Site Individuals Served Curbside Individuals Served Total Individuals Served



# MOW Meals Served, Daily, Jan-Oct 2020

Fresh HDM Meal Site Meals Curbside Meals Frozen HDM





Date: October 13, 2020  
To: Food Share Board of Directors  
From: Julie Hambuchen  
Re: Development Update

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### **Wildfire Response Fund**

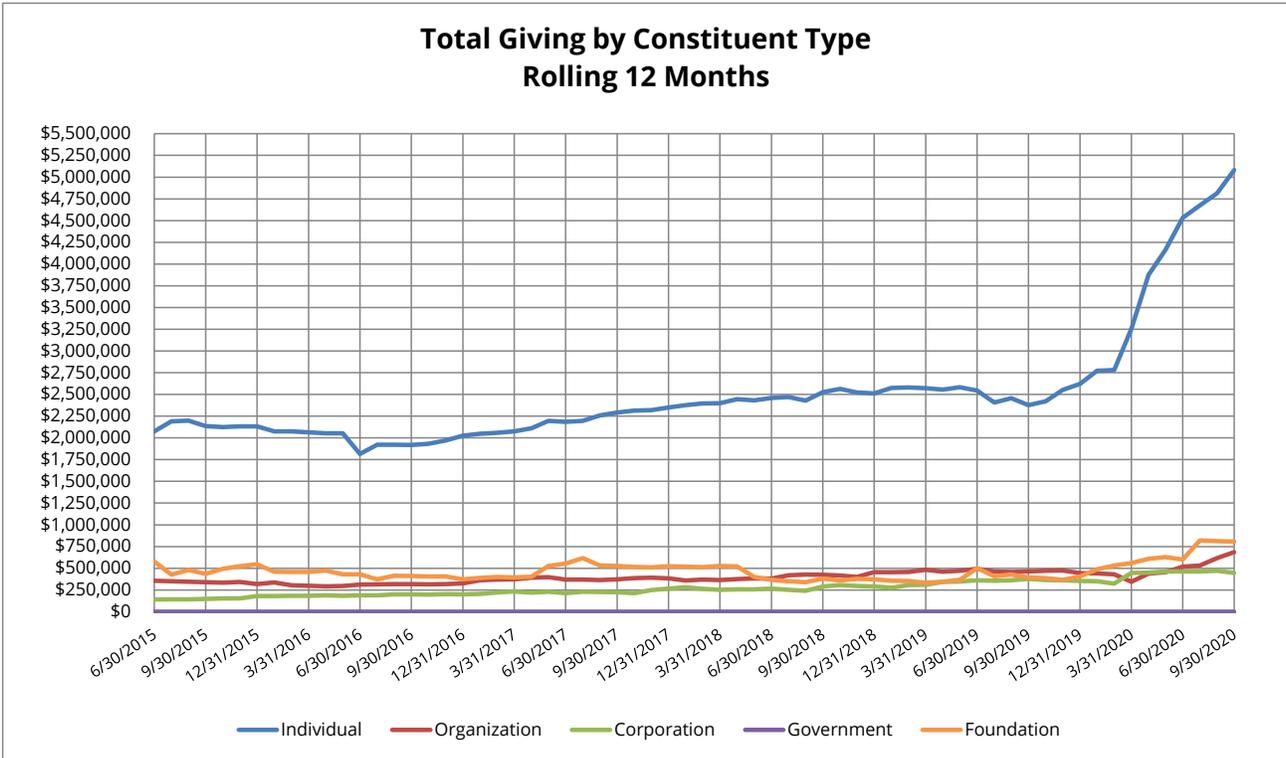
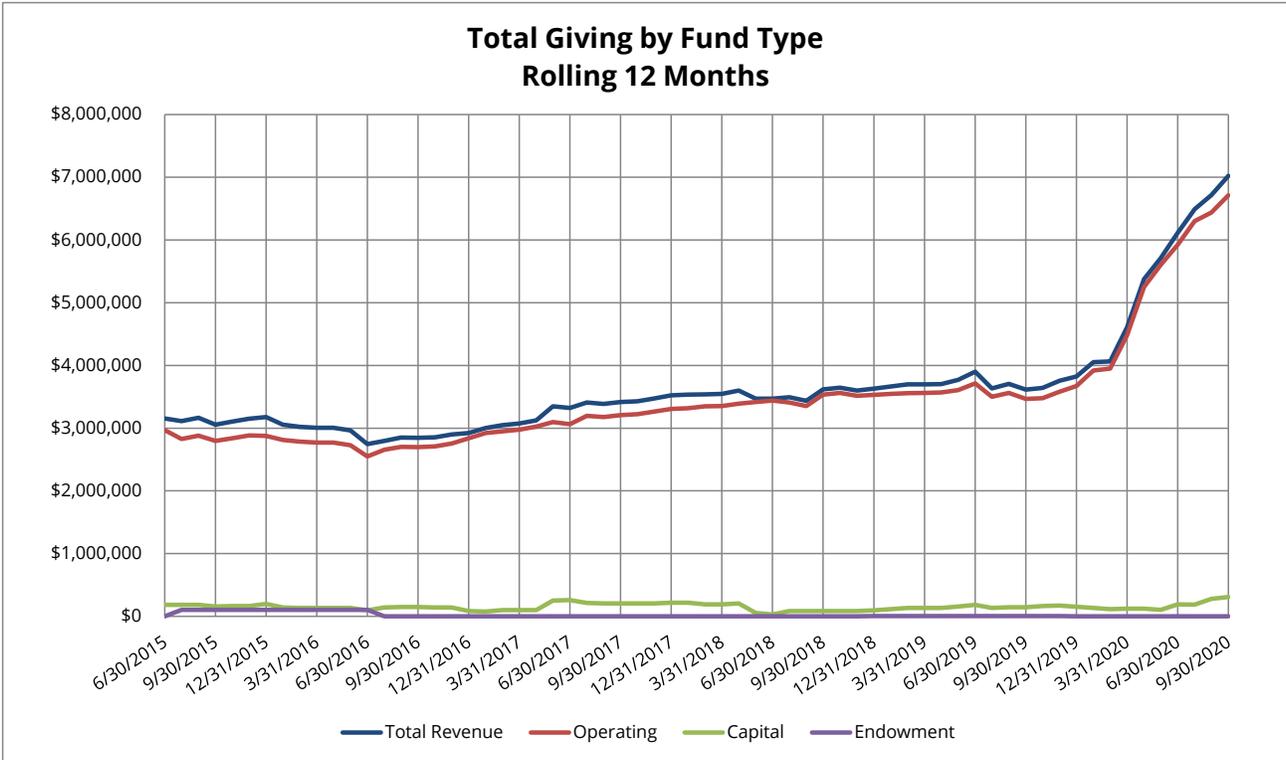
Through October 6, more than 1,100 donors have contributed \$202,000 to support the Food Share's wildfire response. After months of giving generously during the pandemic, people continue to reach out to make sure their neighbors have enough to eat.

### **Major Gifts Officer Positions Open**

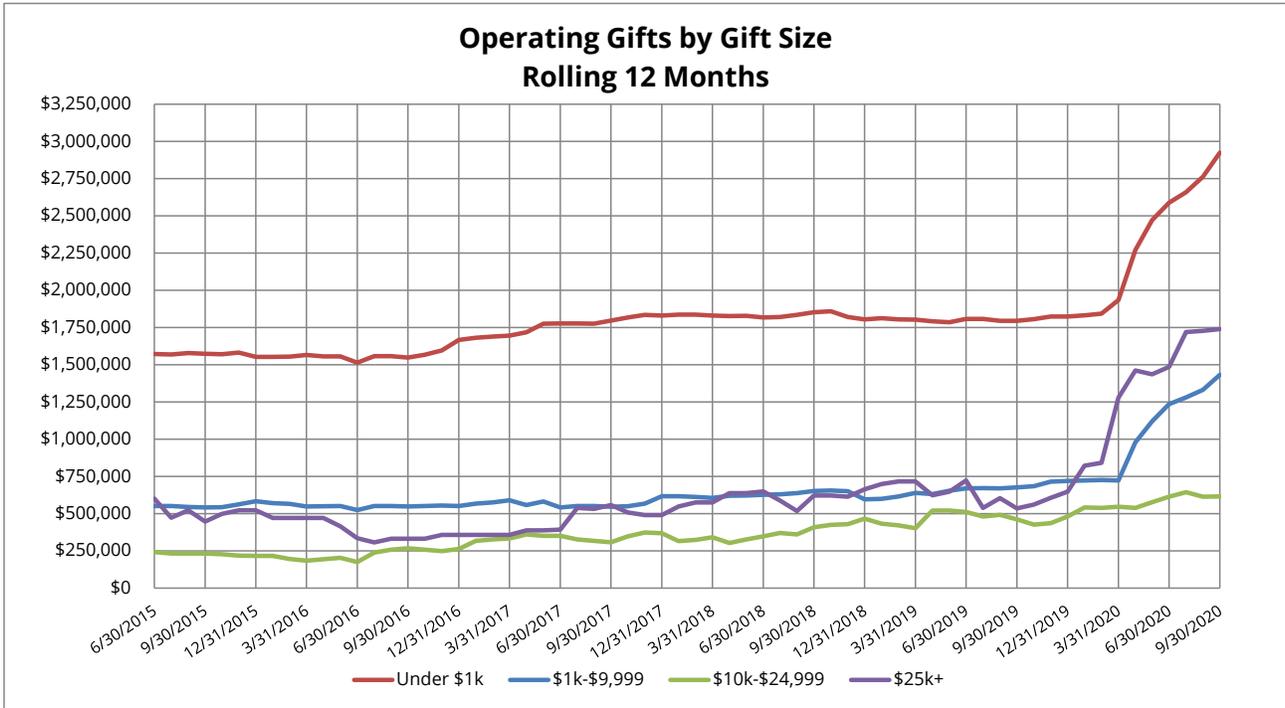
We have two Major Gifts Officer positions open. If you know anyone who might be a good fit for this role, please encourage them to check out the Careers section of our website.

### **Empty Bowls**

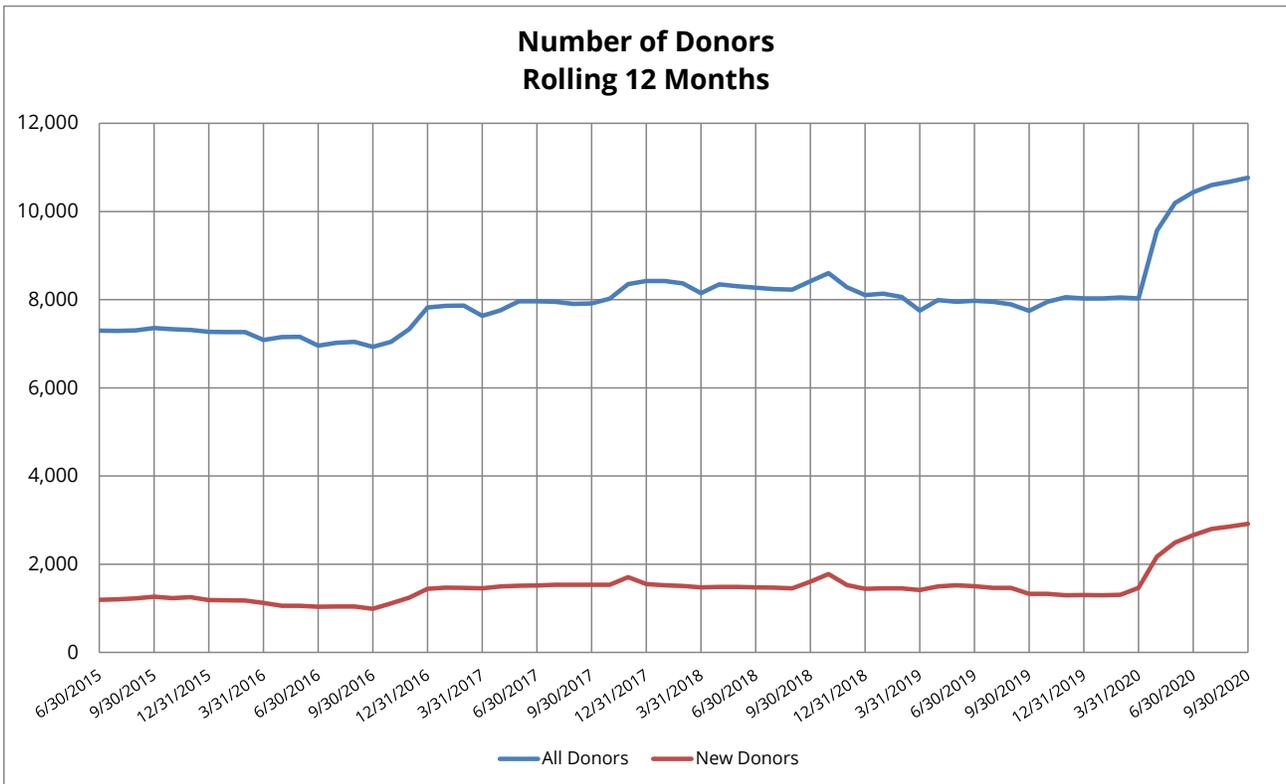
The dedicated artists at the Willamette Art Center are moving ahead with their annual Empty Bowls benefit. It will be moved to Columbia Hall at the fairgrounds so that people can follow social distancing guidelines while shopping. There will be a pre-sale on the evening of Friday, Nov. 20, but there won't be a reception or refreshments this year. The public sale will be one day only, on Saturday, Nov. 21. If you would like to purchase some beautiful bowls for yourself or as gifts, you are welcome to attend the pre-sale or public sale.



\*Government funds have been omitted from the above charts



\*Government funds have been omitted from the above chart





## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

September 25, 2020

Board of Directors  
Marion-Polk Food Share  
1660 Salem Industrial Dr NE  
Salem, Oregon 97301

We have audited the financial statements of Marion-Polk Food Share, Inc. (the Food Share) as of and for the year ended June 30, 2020, and have issued our report thereon dated September 25, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 8, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Food Share's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Food Share solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Food Share is included in the notes to the financial statements. As described in the notes to the financial statements, during the year, the Food Share implemented FASB Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers. There was no effect on net assets resulting from the implementation of this standard. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management's estimate of the allowance for bad debt, which is based on the actual collection rate of all receivables.
- Management's estimate of fair market value of the investments held by Wells Fargo and the Oregon Community Foundation, which is based on their quarterly statements and audited financial statements.
- Management's estimate of the valuation of donated food, which is based on data provided by Oregon Food Bank.
- Management's estimate of the carrying value of property and equipment, which is based on historical cost and their estimated remaining useful lives.

We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Food Share's financial statements relate to the Paycheck Protection Program advance and investments. The financial statement disclosures are neutral, consistent, and clear.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no misstatements noted as a result of our audit procedures.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Food Share's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated September 25, 2020.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings or Issues**

In the normal course of our professional association with the Food Share, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the Food Share, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Food Share's auditors.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This report is intended solely for the information and use of the Board of Directors and management of Marion-Polk Food Share, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

  
CERTIFIED PUBLIC ACCOUNTANTS



September 25, 2020

Grove, Mueller & Swank, P.C.  
475 Cottage Street NE, Suite 200  
Salem, Oregon 97301

This representation letter is provided in connection with your audits of the consolidated financial statements of Marion-Polk Food Share, Inc., which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, for the purpose of expressing an opinion on whether the consolidated financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of September 25, 2020:

**Consolidated financial statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 8, 2020, for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the consolidated financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We have complied with all contractual agreements, grants, and donor restrictions.
- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- We have accurately presented the Food Share's position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.



- We have included in the consolidated financial statements all assets and liabilities under the Food Share's control.
- We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- Reclassifications between net asset classes are proper.
- The governing board's interpretations concerning whether laws place restrictions on net appreciation of donor-restricted endowments are reasonable and have been disclosed to you.
- Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.
- With respect to the preparation of the consolidated financial statements and related notes and schedule of expenditures of federal awards, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained internal controls, including monitoring ongoing activities.

#### **Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the consolidated financial statements, such as records, documentation, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the Food Share from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the consolidated financial statements.
- We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the Food Share and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others when the fraud could have a material effect on the consolidated financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Food Share's consolidated financial statements communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing consolidated financial statements.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the consolidated financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- We have disclosed to you the identity of the Food Share's related parties and all the related party relationships and transactions of which we are aware.



- The Food Share has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- The Food Share is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Food Share's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- We acknowledge our responsibility for presenting the schedule of expenditures of federal awards in accordance with U.S. GAAP, and we believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the schedule of expenditures of federal awards have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- With respect to federal award programs:
  - We are responsible for understanding and complying with, and have complied 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* (Uniform Guidance), relating to preparation of the schedule of expenditures of federal awards.
  - We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
  - If the SEFA is not presented with the audited consolidated financial statements, we will make the audited consolidated financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
  - We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
  - We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
  - We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.



- We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- We have received no requests from a federal agency to audit one or more specific programs as a major program.
- We have complied with the direct and material compliance requirements, including, when applicable, those set forth in the OMB Compliance Supplement, relating to federal awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) and OMB Circular A-122, Cost Principles for Nonprofit Organizations, and Subpart C, Cost Sharing and Matching, of OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations.
- We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.
- Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic consolidated financial statements have been prepared.
- The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- We have charged costs to federal awards in accordance with applicable cost principles.
- We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

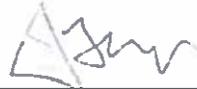


MARION POLK  
**FOOD SHARE**



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Rick Gaupe, President



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James E. Green, Director of Finance

## 2030 Strategic Plan

The strategic direction of the Food Share has been defined, and our next step is to begin working towards creating a strategic plan that includes specific 10-year goals aimed at advancing our mission and vision. We will spend some time brainstorming goals at the upcoming board meeting.

**Each goal should have the following characteristics:**

1. Connected to the Strategic Direction and within the Food Share's scope of work
2. SMART Goal - 3<sup>rd</sup>-party verifiable, measurable, able to track progress
3. Ambitious, but possible!

**Our focus will be on the following questions:**

- What does "engaging local communities in leading the work to end hunger and poverty" look like in 2030?
- What does "addressing the systems and environments that lead to hunger, poverty, and inequity" look like in 2030?