



Massachusetts Emergency Food Assistance Program (MEFAP)

**Fiscal Year 2014
Core Food Summary Report
July 1, 2013 - June 30, 2014**

Developed by:

**Food Bank of Western Massachusetts
The Greater Boston Food Bank
Merrimack Valley Food Bank
Worcester County Food Bank**

Massachusetts Emergency Food Assistance Program (MEFAP) Highlights of Fiscal Year 2014

- Approximately 13% of the State's population received emergency food assistance in FY14.¹
- 845 emergency food programs across the state were supported with product purchased with MEFAP funds.
- Total MEFAP funding

Total MEFAP funding	\$14,000,000
Core Food Purchase Fund	\$11,960,000
Massachusetts Grown Initiative	\$780,000
DAR program Administrative fee	\$260,000
Operation Funding	\$1,000,000
- Vendors:
 - Reinhart Foodservice (formerly Agar Supply Co.)* – Retail dairy & grocery bids, utility (food-service) meat, dairy, and grocery bids – 53.8% of Core Food funds
 - Feeding America* – (tuna, mac & cheese, black beans, pink beans, kidney beans, corn flakes, rice crisp cereal, raisin bran cereal, quick oats, rice, diced tomatoes, spaghetti sauce) – 27.7% of Core Food funds
 - Feeding America Partner Whitlock Packaging / Juice Bowl* – Shelf-stable orange juice boxes and shelf-stable apple juice – 5.0% of Core Food funds
 - Broccoli Associates* – Retail meat & Thanksgiving turkey bids – 12.4% of Core Food funds
 - Garelick Farms (Dean Foods)* – Fresh milk bid – 1.0% of Core Food funds
- 60 different items or types of product purchased through Core Food funds
- Core Food items Produced in Massachusetts:
 - Teddie / Leavitt Corp. – Peanut Butter – 6.6% of Core Food
 - Garelick Farms – Fresh 1% Milk – 1.0% of Core Food
 - Mutual Beef Co. – Utility-sized Ground Beef – 0.7% of Core Food
- A total of 64,879,444 pounds of food were distributed through the four regional food banks.
- Of that, 19,307,308 pounds (29.8%) were MEFAP products – a 16.3% increase in pounds distributed over FY13.
- A total of 16,089,423 meals were provided through MEFAP.

¹ Number of SNAP Recipients: MA Dept. of Transitional Assistance: Facts and Figures, June 2014; MA Total Population: US Census Quick Facts: 2013 estimate.

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The Massachusetts Emergency Food Assistance Program (MEFAP) provides food products for citizens of the Commonwealth in need. Through the program, a consistent supply of quality, nutrient-rich foods and locally grown fresh produce has been provided through the statewide food bank network to 845 emergency food providers. MEFAP is administered by The Greater Boston Food Bank on behalf of the four Massachusetts Regional Food Banks detailed below. This report summarizes the Fiscal Year 2014 (FY14) MEFAP Core Food program.

Summary

The 2014 update to the Feeding America Map the Meal Gap shows that 11.9% of Massachusetts residents are food insecure, meaning that their access to adequate food is limited by a lack of money and other resources.² Of those in need in the Commonwealth, 37 percent do not qualify for government benefits because their income is too high; they cannot meet basic needs and therefore require emergency assistance. An additional 138.3 million meals are needed across the state to ensure that all residents are able to eat three meals a day.³ MEFAP plays a vital role in bridging the Meal Gap and providing those in need with a continual supply of quality, nutritious food staples, as well as fresh produce through the Massachusetts Grown Initiative. The food provided through this program is integral to the mission of the Commonwealth's emergency food providers to address food insecurity in their communities.

During FY14, the four Massachusetts Regional Food Banks collectively distributed over 64.9 million pounds of food, 29.8% (19.3 million pounds) of which was purchased through the MEFAP program. In part due to broader sourcing of product and in part due to greater stability in food pricing during the year, the Massachusetts Regional Food Banks were able to maximize program funding, turning a 7.7% increase in funding into a distribution increase of 16%. Increased funding to the MEFAP program is key to the Massachusetts Regional Food Banks' ability to fill the Meal Gap in the Commonwealth.

Program Funding

Funding for MEFAP increased by \$1,000,000 in FY14. Total funding for the fiscal year ending June 30, 2014 was \$14,000,000. (A breakdown of the funding is contained in Table 1, and a summary history of MEFAP funding and meals distributed is contained in Table 5 on page 8.) In FY14, the Department of Agricultural Resources managed both the food purchases funds, including funding for the Massachusetts Grown Initiative, and the operation funds.

In FY14, the four Massachusetts Regional Food Banks continued national product sourcing to stretch funding dollars. Beneficial pricing for items purchased through Feeding America and its partners as well as for items purchased from Reinhart Foodservice in full trailer quantities, direct from manufacturers, helped mitigate the impact of price increases throughout the year. The

² Gundersen, C., E. Engelhard, A. Satoh, & E. Waxman. Map the Meal Gap 2014: Food Insecurity and Child Food Insecurity Estimates at the County Level. Feeding America, 2014.

³ Ibid.

inclusion of two new vendors providing lower cost options on juice and meat items in FY14 – Broccoli Associates and Feeding America partner Whitlock Packaging / Juice Bowl - also helped limit the impact of price increases during the year.

Table 1: FY14 MEFAP Funding

Core Food Funding	\$11,960,000
Massachusetts Grown Initiative (FY13)	\$780,000
Operation Funding	\$1,000,000
DAR Administrative Fee (retained)	\$260,000
Total Funding	\$14,000,000

The Massachusetts Regional Food Banks

The Massachusetts Regional Food Bank system includes The Food Bank of Western Massachusetts (FBWM), The Greater Boston Food Bank (GBFB), Merrimack Valley Food Bank (MVFB), and Worcester County Food Bank (WCFB). Each is a private, nonprofit 501(c) 3 corporation that distributes surplus, reclaimed, and other donated foods, purchased food, and product provided through the federal TEFAP program. Of the 1,192 member hunger-relief programs using the statewide food bank system, 845 emergency providers received MEFAP products. These programs include pantries, soup kitchens, transitional houses, and shelters. U.S. Census Bureau service area population and poverty statistics are used to determine the allocation of MEFAP funds to the four food banks. The distribution formula for FY14 MEFAP funds is detailed in Table 2.

Table 2: Allocation of FY14 MEFAP Funds Among Massachusetts Regional Food Banks

Food Bank	Location	Percent*
Food Bank of Western Massachusetts	Hatfield	14.20% (+.23%)
The Greater Boston Food Bank	Boston	64.23% (-.73%)
Merrimack Valley Food Bank	Lowell	9.07% (+.21%)
Worcester County Food Bank	Shrewsbury	12.50% (+.021%)

*Percentages based on US Census and Feeding America statistics. Numbers in parentheses indicate change over FY2013.

The statewide emergency food distribution network reaches every location in the Commonwealth. All agencies must serve individuals and families most in need of emergency food resources. By reducing food costs for member feeding agencies and providing high-quality nutritious food, MEFAP plays a vital role in reducing hunger in the Commonwealth. As shown in table 3 below, MEFAP-distributed food represented 29.8% of the overall total pounds distributed by the four Massachusetts Regional Food Banks in FY14. This represents an 11.2% increase over FY13 and underscores the importance of MEFAP as a steady and reliable source of product for the Massachusetts Regional Food Banks. As other sources of food – donations from food retailers, manufacturers and processors as well as federal commodities received through the USDA via The Emergency Food Assistance Program (TEFAP) – are susceptible to potentially significant change from year to year, MEFAP acts as a buffer to this volatility. In years when other sources decline, as happened in FY14 with federal commodities, the Massachusetts Regional Food Banks and the agencies and clients they serve can depend on MEFAP as a continued source of high quality, nutritious food staples.

Table 3: FY14 Massachusetts Regional Food Banks Distribution Statistics*

<u>Food Bank</u>	<u>Agencies Served</u>	<u>Total Pounds Distributed</u>	<u>MEFAP Pounds Distributed</u>	<u>MEFAP Meals Distributed**</u>
Food Bank of Western Massachusetts	182 (+1%)	8,529,736 (+11.3%)	2,361,661 (+26.0%)	1,968,051
The Greater Boston Food Bank	514 (+.2%)	48,122,795 (+4.4%)	13,391,682 (+13.4%)	11,159,735
Merrimack Valley Food Bank	56 (-2%)	2,801,898 (-5.6%)	1,337,255 (+17.8%)	1,114,379
Worcester County Food Bank	93 (0%)	5,425,015 (+1.3%)	2,216,710 (+23.8%)	1,847,258
Totals	845 (+.36%)	64,879,444 (+4.5%)	19,307,308 (+16.3%)	16,089,423 (+16.3%)

*Table includes overall and MEFAP pounds distributed from July 1, 2013 to June 30, 2014. Numbers in parentheses indicate change over FY2013.

** 1.2 pounds of food provides 1 meal.

MEFAP Food Purchases

MEFAP consists of two food purchasing programs: Core Food and the Massachusetts Grown Initiative.

MEFAP Core Food Purchasing

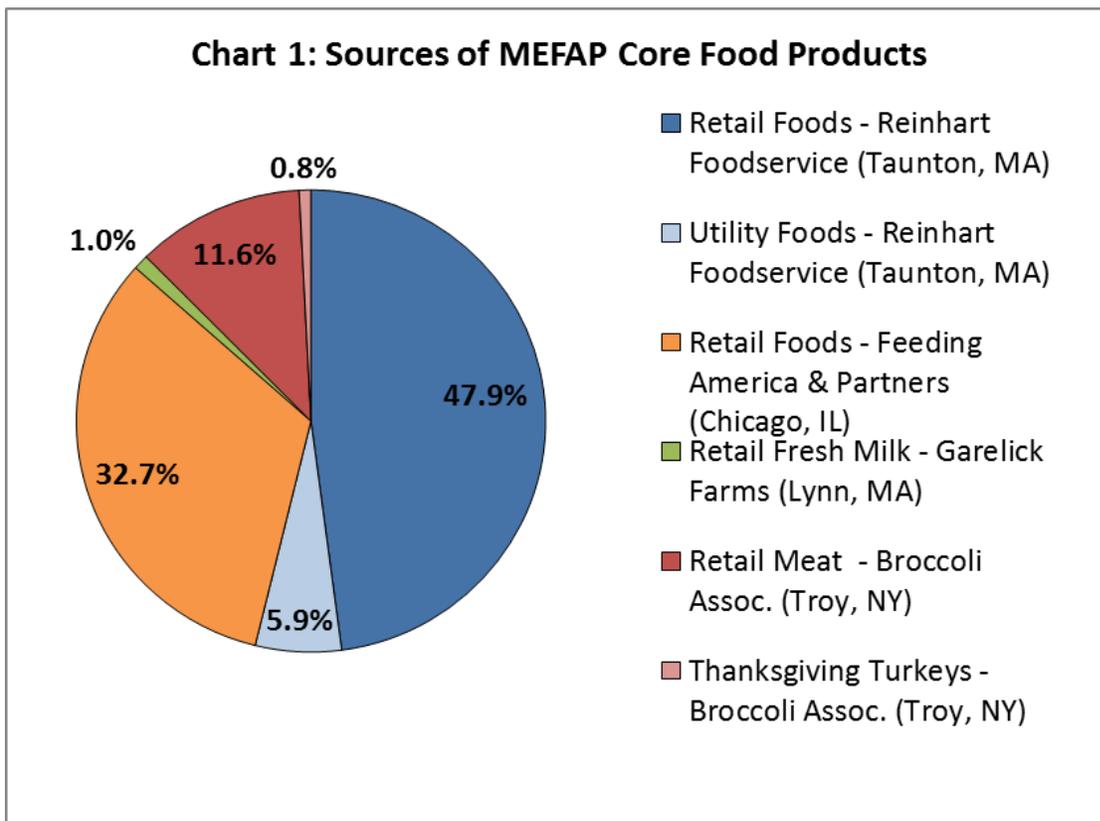
In FY14, The Greater Boston Food Bank purchased over 19.3 million pounds of food using MEFAP funds from vendors selected through a competitive bid process. There are seven separate category bids included in the Core Food Bid – retail fresh milk, retail dairy (non-milk), retail meat, retail dry grocery, utility (food-service) dairy, utility meat and utility dry grocery. Each category bid is awarded based on a combination of factors – product pricing, price timeframes, product nutritional value, product pack-size, country of origin of labels bid, company service record and past performance – with pricing being the primary consideration. Overall, Reinhart Foodservice provided the best overall value for five of the seven category bids and was awarded the contract for retail dairy and grocery products, as well as for all three utility bids; Garelick Farms of Lynn, MA was awarded the contract for fresh milk; and Broccoli Associates of Troy, NY was awarded the contract for retail-packaged meat products as well as Thanksgiving turkeys; the Thanksgiving turkey bid is issued separately in the early spring in order to lock in beneficial pricing early in the season.

Reinhart continued to provide the option of discounted pricing for full trailer-load, direct from manufacturer delivery for select items. GBFB, MVFB and WCFB opted to receive some items, such as peanut butter, pasta, rice and shelf-stable milk through this delivery method, resulting in a savings of just under \$90,000 against the standard delivery option.

The exceptions to the Core Food award to Reinhart were items that the Massachusetts Regional Food Banks were able to source at a better price through the Feeding America network. Feeding America, the nation's largest domestic hunger relief organization, partners with food manufacturers across the country to provide direct from manufacturer, full trailer-load, discounted pricing to food banks. The volume of product sourced through Feeding America and its partners with MEFAP Core Food funds decreased from 35.6% in FY13 to 32.7% in FY14. This decrease was largely due to Reinhart providing direct from manufacturer pricing on more items than the prior year in an effort to win back business lost to Feeding America in previous

years. Savings against the closest bid price for items sourced through Feeding America and Feeding America partner Juice Bowl was over \$530,500. In addition to these direct savings from purchases through the Feeding America network, the value provided by the Feeding America Grocery Program has led to savings from other MEFAP vendors.

Refer to Chart 1 for a breakdown of MEFAP Core Food purchasing by vendor. All four food banks were very satisfied by the customer service supplied by Reinhart, Feeding America, Garelick Farms, Broccoli Assoc. and all other MEFAP vendors.



Massachusetts Grown Initiative

The Massachusetts Grown Initiative was introduced into MEFAP to give low-income individuals access to fresh produce, while simultaneously opening a new market for local farmers. The program has been a success since it began and it is currently in its sixteenth year. The Massachusetts Grown Initiative is an important way to re-invest state funds into Massachusetts' agricultural industry.

The Massachusetts Grown Initiative funding was \$720,000 for the last full reporting period – January 1, 2013 through December 31, 2013; funding for the current period running from January 1, 2014 to December 31, 2014 is \$780,000. The primary vendor used for these funds continues to be the Pioneer Valley Growers' Association (PVGA) located in South Deerfield, MA. PVGA, a cooperative of local growers, provided high-quality fresh produce such as cabbage, carrots, beets, broccoli, onions, apples, corn, eggplant, spinach, potatoes, peppers, squash, collard greens, tomatoes, and turnips throughout the year. In addition, several other Massachusetts farms were used during the course of the Massachusetts Grown fiscal year including several newly added farms: Brox Farm of Dracut, MA; Lanni Orchards of Lunenburg, MA; Brookfield Orchards of North Brookfield, MA; The Country Hen of Hubbardston, MA; Ward's Berry Farm of Sharon, MA; Long Plain Farm of South Deerfield, MA; and Szawlowski Potato

Farms in Hatfield, MA. For a more detailed summary of the program, refer to the “Massachusetts Grown Fiscal Year 2013 Summary Report,” on file with the Massachusetts Department of Agricultural Resources.

Determining Core Food Purchasing

Table 4 below details all items purchased with Core Food funds in FY14. This list includes items purchased by all food banks as well as items purchased solely by individual food banks. Few changes were made to the item mix from the prior year; consolidation of similar items instituted in FY13 helped maximize purchasing volume and contributed to the increase in pounds realized in FY14.

- **Executive Order 509** – Executive Order 509 (EO 509), signed by Governor Patrick in April 2010, requires state agencies and sub-contractors to follow nutrition standards when purchasing food with state funds. The Executive Order is a part of Mass in Motion, a statewide effort to reduce and prevent obesity. MEFAP Core Food bidders are required to supply product nutritionals for all items bid and in order for an item to be accepted it must meet the product specification included in the bid, which are in compliance with EO 509. All items procured during FY14 met or exceeded these nutritional standards.
- **Retail and Utility packed items** – Retail-size items purchased for food pantries and programs that provide bags of food for clients to take home increased slightly from 92.7% of all Core Food spending in FY13 to 93.2% in FY14. Utility-sized items remained relatively flat at 6%.
- **Thanksgiving Turkeys** – In 2014, 7,200 turkeys, representing .8% of Core Food funding, were purchased with MEFAP Core Food funds and distributed over the Thanksgiving holiday season. This significant decrease from FY13 when 11,800 birds were distributed was largely due to the availability of turkeys through the USDA TEFAP program.
- **Country of Origin & Food Safety** – One change to the Core Food bid in FY14 was the requirement that bidders provide a domestic-produced label option on all items received by Worcester County Food Bank (WCFB). Over the past several years, MEFAP bidders have been increasing the number of imported labels bid. As WCFB had expressed a preference for domestic-produced product this requirement was added to the bid. In response to this shift in vendor bidding and in order to ensure the food safety of all product procured through the program – both domestic and imported – an additional requirement was added onto the FY15 Core Food Bid requiring bidders to provide letters of guarantee from all manufacturers represented and third party food safety audits for all food processing facilities. More info on this change to the Core Food bid will be included in the FY2015 Core Food Summary.

Table 4: List of Food Items Purchased through MEFAP in FY14

<u>Institutional Sized Food Items (Utility) – MVFB & GBFB Only</u>		
<u>Proteins</u> Ground Beef, 90% Lean Ground Turkey, 90% Lean Chicken Thighs Tuna in spring water Peanut Butter Canned Vegetarian Baked Beans	<u>Dairy</u> Sliced American Cheese Eggs <u>Grains</u> Rice Pasta Elbows Pasta, Spaghetti <u>Soups/Meals</u> Chicken Noodle Soup, low sodium	<u>Fruits</u> Orange Juice Concentrate Fruit Cocktail <u>Vegetables</u> Canned Vegetables: (Carrots, Corn) Spaghetti Sauce Frozen Vegetables: (Broccoli, Corn, Mixed Vegetables)
<u>Retail Sized Food Items</u>		
<u>Protein</u> Ground Beef, 90% Lean Ground Turkey, 90% Lean Chickens, Whole Canned Chicken Chunk Lite Tuna in Water Peanut Butter Canned Beans: (Black, Red Kidney, Vegetarian Baked Beans, Pink) <u>Dairy</u> Fresh Milk, 1% Shelf-Stable Milk, 1% American Cheese Slices Large White Eggs	<u>Fruit</u> Peaches in Natural Juice Fruit Cocktail in Natural Juice Applesauce 100% Orange Juice w/Calcium 100% Apple Juice w/Calcium 100% White Grape Juice <u>Vegetables</u> Low Sodium Canned Vegetables: (Peas, Corn, Carrots, Green Beans) Spaghetti Sauce Tomato Puree Diced Tomatoes <u>Holiday</u> 12-14 Lb. Turkeys	<u>Grains</u> Long Grain Rice Long Grain Brown Rice Pasta, Elbow Macaroni Pasta, Spaghetti Macaroni & Cheese <u>Cereal</u> Corn Flakes Rice Crisp Cereal Raisin Bran Cereal Toasted Oat Cereal Quick Oatmeal Instant Oatmeal Variety Pack <u>Soups/Meals</u> Chicken Noodle, Low Sodium Vegetarian Minestrone

Table 5: MEFAP Funding History

Fiscal Year	Total Funding	Operating Funding	Nutrition Education Funding	Mass Grown Initiative Funding	Core Food Funding	Meals Distributed through Core Food
		DOE 7051-0015	DFA 2511-0105	DFA 2511-0105	DFA 2511-0105	
1995 & 1996*	\$1,000,000.00	\$142,000.00	-	-	\$858,000.00	--
1997	\$1,000,000.00	\$142,000.00	-	-	\$858,000.00	1,176,128
1998	\$3,448,000.00	\$448,000.00	-	-	\$3,000,000.00	3,748,435
1999	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$260,000.00	\$6,020,000.00	5,176,882
2000	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$300,000.00	\$5,980,000.00	4,972,956
2001	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$300,000.00	\$5,950,000.00	6,261,695
2002	\$7,360,000.00	\$930,000.00	\$150,000.00	\$330,000.00	\$5,950,000.00	6,408,176
2003	\$7,185,600.00	\$830,600.00	\$75,000.00	\$330,000.00	\$5,950,000.00	6,038,672
2004	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$5,950,000.00	7,036,356
2005	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$5,950,000.00	6,927,565
2006	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$6,113,252.00	6,927,565
2007	\$13,250,000.00	\$1,250,000.00	\$0.00	\$600,000.00	\$11,400,000.00	12,770,887
2008	\$12,137,000.00	\$1,247,000.00	\$0.00	\$550,000.00	\$10,340,000.00	12,482,075
2009	\$13,127,000.00	\$1,247,000.00	\$0.00	\$600,000.00	\$11,280,000.00	11,535,297
2010	\$12,509,518.00	\$1,239,518.00	\$0.00	\$575,000.00	\$10,695,000.00	13,219,524
2011	\$12,500,000.00	\$1,230,000.00	\$0.00	\$690,000.00	\$10,580,000.00	14,122,817
2012	\$12,500,000.00	\$1,230,000.00	\$0.00	\$690,000.00	\$10,580,000.00	12,641,443
			DFA 2511-0105			
2013	\$13,000,000.00	\$1,240,000.00	\$0.00	\$720,000.00	\$11,040,000.00	13,838,476**
2014	\$14,000,000.00	\$1,260,000.00	\$0.00	\$780,000.00	\$11,960,000.00	16,089,423**

*Meals data not available for FY1995 and FY1996.

**The formula for calculating meals distributed was adjusted in FY13 from 1.3 pounds of food / a meal to 1.2 pounds.

Operation Funding Supports Distribution

The Massachusetts Department of Agricultural Resources managed operating funds to support the distribution of food. The food banks use the percentages in Table 2 to equitably allocate funds according to poverty statistics for the population served by each food bank. The operating funds are applied to the costs of labor associated with receiving, warehousing, transporting, and distributing MEFAP product; Table 5 above details the funding. The Massachusetts Regional Food Banks continue to raise additional private funds to cover the cost of distribution.

Conclusion

In FY14, the four Massachusetts Regional Food Banks distributed more than 19.3 million pounds of MEFAP food (representing over 16 million meals) to those in need throughout the Commonwealth, an increase of 16% over the prior year. From the close of FY13 to the close of FY14 overall MEFAP pricing increased only by 1%, compared with 3% the previous year. This was due both to less volatility in commodity pricing during the year as well as better pricing on some key items such as ground turkey at the start of the year through the inclusion of new vendors. While this stabilization in pricing was instrumental in the increase in pounds distributed, the USDA Economic Resource Service estimates that food prices are likely to again increase in the coming year with as high as a

3.0% increase possible in 2015.⁴ In order to absorb these potential price increases and still grow MEFAP distribution, The Massachusetts Regional Food Banks rely on increased MEFAP funding as they strive to provide all those in need in the Commonwealth with three meals a day.

The Massachusetts Regional Food Banks and their staff would like to acknowledge the support of the Massachusetts Department of Agricultural Resources. We would also like to thank the Governor's Office, the Lieutenant Governor's Office, and the Legislature for their commitment to help end hunger in Massachusetts. For more information on the specific programs and activities of the Massachusetts Regional Food Banks please note the following contact information.



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⁴ 'Changes in Food Price Indexes, 2012 through 2015'; USDA, Economic Research Service; 8/25/14