IVEY | Publishing

W14787

BRAZOS VALLEY FOOD BANK: FOSTERING PARTNERSHIPS, FEEDING HOPE

Evan Vestal, Manoj Vanajakumari and Subodha Kumar wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

Theresa Mangapora, executive director of Brazos Valley Food Bank, Incorporated (the Food Bank), sat at her desk on January 14, 2013 and reviewed the upcoming staff meeting scheduled for later that day. While she thought of the ancillary tasks at hand, she could not avoid the tantalizing scents of her environment: the aroma of coffee from the break room blended with the sweet smell of oranges, apples, grapes and even onions that were waiting delivery to partner agencies. It was a reminder that she and her organization served a larger purpose, that is, the people and community of the Brazos Valley in central Texas. In the winter months, she was able to serve these people well through numerous food drives and donations from private and public institutions. There had been no shortfall during the holidays and the outlook was promising for January and February and through the spring. She had prepared well, and the people of her community had benefitted from the hard work of her organization.

While happy that the Food Bank had fulfilled its winter commitments, Mangapora worried about the summer months. While others anticipated their vacations, she felt an urgency to address basic needs on a daily basis for those who struggled to make ends meet. The summer was a time when children did not receive consistent supplements at school; food supplies dwindled; and there were fewer volunteers, food drives and donations of money. The people of the Brazos Valley might need food, but there would be less of it and the variety would be limited. She was also concerned about the freshness and maximum nutritional value of summer produce, given the organization's limited space, efficiency of current design, number of staff and number of partner agencies (and their capacity).

Mangapora assembled her administrative staff. While they were few in number, they had big expectations for service delivery because the mission of the Food Bank was so needed and so critical. Keeping the children and seniors of the Brazos Valley in good health was serious work.

BRAZOS VALLEY FOOD BANK, INC.

The Food Bank was a central distribution facility that received donations of food and money and distributed these items to other charitable nonprofit entities that served those in need (see Exhibit 1). It was a partner distribution organization of the Houston Food Bank and served six counties in central Texas

contingent to and including the central and main county of Brazos, which was home to Texas A&M University, the largest employer in the area. The counties and their respective 2011 population figures were as follows: Brazos (197,000), Burleson (17,000), Grimes (27,000), Madison (14,000), Robertson (17,000) and Washington (34,000).[1] This area included both urban and rural populations. The rural population had little to no public transportation, unreliable access to cell and Internet service, reduced employment opportunities and few grocery outlets.

The Food Bank was a registered charitable organization with authority to determine hires and strategic goals and was responsible for its own fundraising and budgeting. It had a volunteer governing board of Directors. It received its U.S. Department of Agriculture (USDA) commodities through the Houston Food Bank, amounting to 6 per cent of all of the Houston Food Bank's allocation. In 2012, the Food Bank distributed approximately four million pounds of food. Exhibit 2 provides a list of its top donors.

The mission of the Food Bank was to reduce and alleviate hunger in the Brazos Valley by distributing food and providing educational resources through a broad network of nonprofit partner organizations that in turn fed individuals in need. The Food Bank's nonprofit partners, who depended on it for, on average, 82 per cent of the food they distributed, included faith-based food pantries usually affiliated with a house of worship, residential living facilities (such as homes for children or drug and alcohol rehabilitation centres) and recreation centres. Partner organizations went through a rigorous application process, site visits and board of director approval. Once approved, they were monitored annually by Food Bank staff and were required to fulfill annual agreement requirements, as well as monthly reports.

As well as the partner organizations, the Food Bank had other food distribution sites, referred to as "drops," such as in low-income housing units. Drops were used primarily as a last resort for perishable products (such as baked goods and fresh produce) or products that were in abundance. The Food Bank also developed and ran several programs to get food into the hands of especially vulnerable populations. These included the Children's BackPack Program (a partnership with public schools), Senior Outreach Program (a partnership with Meals on Wheels and other home-delivered meal programs), Mobile Food Pantry Program (partnerships with area churches to get food to underserved areas), school-based food pantries (on school campuses to reach older students in need) and sometimes the Food Bank itself (distribution of emergency food boxes when no partner agencies were open to provide assistance). Descriptions of these programs follow.

- Children's BackPack Program: Backpacks that contained shelf-stable, child-friendly food were provided to schools for children to take home on weekends when they had no access to school-based meals. The program operated in elementary schools in five of the six counties served by the Food Bank. Thirty bags were provided to each school every week throughout the school year and were placed discreetly in the backpacks of needy students on Friday afternoons so that other students did not know these children were receiving food to tide them over the weekend. The program continued in the summer months on a reduced level through local community centres.
- Mobile Food Pantries: Mobile food pantries allowed areas to receive needed food supplements when no existing food service agency was available or the ones that did exist could not meet existing needs. They were located in areas such as fairgrounds or a school parking lot. To ensure privacy, individuals could remain in their automobiles as they progressed through the drive-through line. Recipients received up to 75 pounds of groceries per vehicle. There were three mobile food pantry locations in the Brazos Valley.
- Senior Outreach Program: This program provided bags of food to homebound seniors in a delivery mechanism associated with Meals on Wheels and other home-delivered meal programs. The bags

[1] *Texas Association of Counties, www.txcip.org/tac/census/CountyProfiles.php, February 2013, accessed January 14, 2015.*

were considered to be supplemental to the recipients' normal dietary intake, as well as a way to tide seniors over on the weekend when hot meals were not delivered.

- Emergency Family Boxes: Provided when no other assistance could be found, the family boxes were provided on-site at the Food Bank distribution warehouse to those who could not access a mobile food pantry during its operating hours because of work schedule, disability or transportation issues. Emergency family boxes contained up to 40 pounds of nutritious food. This type of assistance was a one-time service that still required all of the same paperwork as the ongoing programs.

The Food Bank staff consisted of an executive director, distribution manager, programs manager, warehouse coordinator, food assembly coordinator, program and administrative support staff and warehouse workers. Mangapora handled general administrative duties and was responsible for financial donations, education, advocacy, policy generation, governance and speaker coordination. Rhonda Behrens, the distribution manager, assisted with food drive coordination, receipt of food items, outreach to food donors, donation pick-up schedules, oversight of program product creation, coordination of monthly inventory and oversight of the Retail Pick-Up Program. As program manager, Shannon Avila was in charge of agency relations, which included new agency recruitment and existing agency monitoring, as well as oversight of the Children's BackPack Program, Mobile Food Pantries and the Senior Outreach Program. She was also in charge of data collection on people served. Jason Galindo, the warehouse coordinator, handled coordination of deliveries, ensuring that partner agency orders were pulled and accurate. He also coordinated product unloading and organization and managed all warehouse workers and drivers. The food assembly coordinator, Gina Lane, oversaw volunteer and community service efforts, including food sorting, monitoring food safety issues and handling food recalls. She was also responsible for managing the assembly of food for backpacks, senior bags and family boxes. Miosha Sanders was the social services outreach coordinator who assisted low-income individuals with applying for various governmental safety net programs, such as the Supplemental Nutrition Assistance Program (SNAP). There were a few additional non-administrative positions that supported the efforts of the main staff.

The efforts of the Food Bank were supplemented by volunteer and community service workers. Annually, almost 15,000 volunteer hours were contributed to the Food Bank, the equivalent of seven full-time employees. The contributions of these individuals were significant to daily operations.

Mangapora was a strong and well-experienced leader for the Food Bank. She had worked in humanitarian organizations for 15 years. She had been with the Food Bank for eight years and brought to the table vast knowledge of regional assistance programs. Along with charity and humanitarian work in Georgia, upstate New York and Michigan, she had assisted with legislation that benefitted end-users during her tenure as a legislative aide for the Michigan State Senate.

STRATEGIC ISSUES ASSOCIATED WITH FOOD DISTRIBUTION IN THE BRAZOS VALLEY

The Food Bank was faced with several strategic issues. The supply of and demand for food and money were difficult to evaluate since the Food Bank dealt primarily with donations (see Exhibits 3 and 4). Resources, including funds, manpower and expertise to measure performance, were not readily available. Manual processes were used for many of the daily operations of food distribution (for instance, manual pallet jacks, manual conveyor belts in the sorting room and inventory not on a bar code system), although the Food Bank did use inventory software called Primarius (ECCA) and donor software from a company called Sage. The Food Bank lacked sufficient warehouse space, especially enough freezer and cooler units. Warehouse operations were far behind the modern distribution systems utilized in the distribution

industry (see Exhibit 5). Plans for warehouse expansion were well underway, but the new facility would not be ready for at least another year.

The Food Bank distributed food to many partner agencies within a defined geographic region. Thus, its inability to plan caused many distribution efficiency issues from receiving funds and food from donors to shipping to agencies. The absence of automation caused operational inefficiencies as outlined above.

Food close to expiration dates was occasionally shipped to the Food Bank. Donated produce always included a percentage that was decayed. The Food Bank expended a lot of money salvaging expired or unusable donations (see Exhibit 6). Time and effort were depleted by delineating which items were appropriate for distribution and which were to be discarded. Often, delineation was completed by volunteers or individuals who were meeting community service requirements. Inconsistency with this process allowed for erroneous evaluation, inefficient time usage and food waste.

Mangapora spent a significant amount of time raising money when there were other issues that needed her attention. However, monetary contributions were very much needed, so the focus of her tenure had been in this area.

FOOD ASSIMILATION AND DISSEMINATION

The Food Bank received a weekly supply truck from the Houston Food Bank. The truck typically carried items that had been provided by the USDA. There was generally no method to determine what may arrive as it varied with each delivery.

The Food Bank also received a monthly truck of reclamation products from HEB, a grocer and the largest privately held company in the state of Texas. This truck contained items that had been removed from the consumer shelves at HEB and not only included groceries but also household products, toys and electronics. Additional donations by Kroger, Wal-Mart, community food drives and individuals were received throughout the year. However, such donations were sporadic and not consistent.

In addition to food donations and receipts, the Food Bank had to generate operating funds via fundraising efforts. A large portion of the daily activities of the executive director was committed to raising funds for administrative needs as well as food purchases.

Partner agencies placed orders for the food they wanted to include in their food distribution bags and/or boxes. Some placed orders monthly and some weekly. The majority of orders were delivered by Food Bank staff in Food Bank vehicles. Some partner agencies travelled to the Food Bank to pick up their orders to avoid paying delivery fees and, while they were on-site, liked to “shop” for various items. Because of limited resources, partner agencies in rural counties struggled to provide daily access to food for those in need.

In Robertson County, there were four Food Bank partner agencies: two were affiliated with religious organizations and two were community supported. Food was available weekly on Monday and Saturday and every second Wednesday and Friday. However, individuals could only visit food pantries once a month in all counties. Madison County residents had access to food Tuesday through Thursday each week via a religious affiliated organization and once per month through the Food Bank’s Mobile Food Pantry Program.

Burleson and Washington Counties had five agencies each. Nine were religious affiliated and one was community related. Food was available Monday, Tuesday and Thursday each week, as well as every third Saturday, in Washington County and Monday, Tuesday, Wednesday and Friday each week and the second and third Saturday of each month in Burleson County.

The largest county within the Food Bank service area was Brazos. Of its nine agencies, four were affiliated with religious organizations and five were community supported. Food was available six days per week excluding Sunday. One of the agencies did not distribute food to be taken home and consumed but served as a food kitchen allowing one meal per day, Monday through Friday.

Agencies often chose to rely on their relationship with the Food Bank to serve their local populations since resources for food and monetary donations in their counties were limited. The synergism built between each agency and the Food Bank allowed for an increased awareness of the need that existed in each community. Periodic food orders from individual agencies allowed for the dissemination of valuable food supplies that ultimately nourished families and individuals in need. Methods to increase the efficiency of these operations between agencies and the Food Bank were desired and needed.

IMPENDING SUMMER DISTRIBUTION ISSUE

Historically, inventories were extremely low during the months of June, July and August when people went on vacation. Both USDA supplies and donations from food drives were consistently lower. Food drives tended to be better in the fall, winter and spring. College students returned in the fall and coordinated philanthropic activities that were beneficial to the organization. People tended to be more generous during the winter holiday season. While positive fundraisers occurred in June and August (a Capital Campaign Dinner in June and an annual fundraising event in August), fundraisers by others for the Food Bank were very limited during the summer months. Reclamation of donated food could also be lower and the food that existed could be bottlenecked due to the lack of knowledgeable volunteers for food sorting. At times, special needs volunteers participated in the summer.

The Food Bank anticipated increased demand in the summer of 2013 and in future years due to children being out of school. Breakfasts and lunches that had been provided during the week by schools were the responsibilities of families in summer. Food budgets were strained, even though fresh food could be hoarded for six months. While summer feeding programs existed, they were underutilized. The Food Bank's food purchase budget was a set amount each year, dictated by the budget approved by the board of directors as well as the success of fundraising efforts. Inventory stratification was required to manage the abundance of donations in the winter and spring and utilize this abundance to help meet the summer demand. However, there were more efficient mechanisms that could be utilized to make the best use of purchase dollars.

For all these reasons, there was a possibility that not all distribution entities could be served in summer 2013, leading to increased hunger in the Brazos Valley. Mangapora, Behrens and Avila needed viable solutions for the impending crisis.

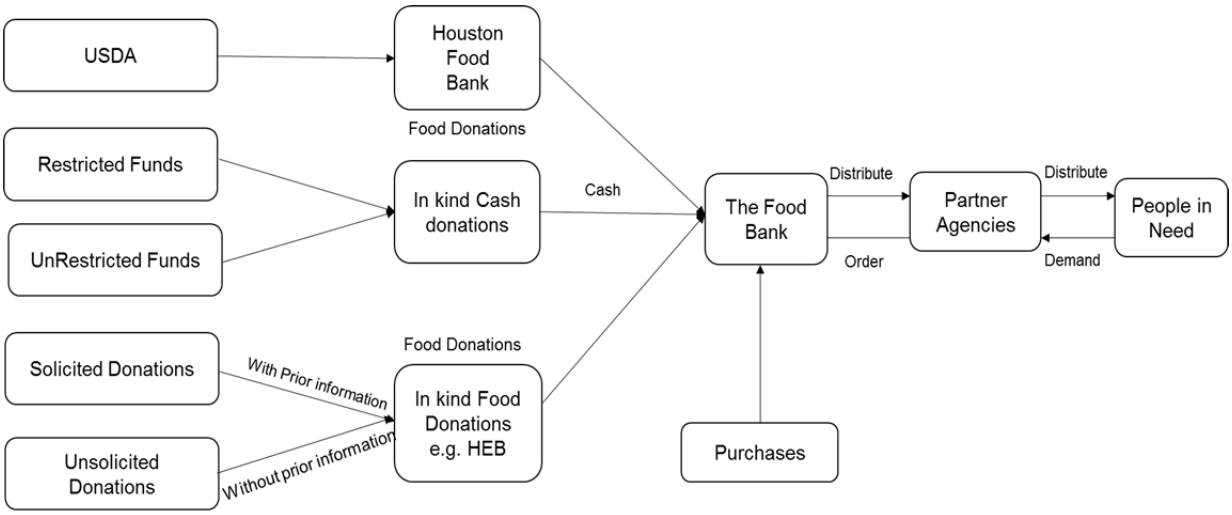
OPTIONS TO AVERT THE IMPENDING CRISIS

In the meeting, Behrens and Avila contributed their thoughts as well as their hesitations. They also promoted three timely, innovative ideas.

1. Education: The Food Bank would attempt to educate employees on how to provide a deliverable in a better manner and on how to better work with agencies in the distribution system. It would also educate agencies on how to identify need, how to supplement need and how to work within the Food Bank system to keep the distribution mechanism flowing in a manner that provided the appropriate variety of needed food. They should also find ways to educate the recipients so that the end user consumption can be regulated.
2. Raising additional money donations: This was much easier to control than raising food donations. The typical sources of funding were 42 per cent from donations, 27 per cent from special events, 21 per cent from shared maintenance, 9 per cent from foundations and trusts and 1 per cent from government grants. Often, Mangapora was the primary resource in this area, but she would recruit Behrens and Avila to help her identify new sources of revenue and visit potential donors. They would describe the needs of the community and request funds that could be used to purchase additional food supplies. This option would mean converting some of the restricted funding (see Exhibit 7) to unrestricted funds.
3. Cutting costs (see Exhibit 8): If costs were cut, more funds would be available for food purchases. Electricity usage, supplies, auto fuel and other ancillary costs could be reduced. Due to the method the Food Bank used to purchase food, such as purchasing in bulk and purchases from other food banks or wholesalers, one dollar cut allowed for several additional dollars of food purchases.

Mangapora's hard work and endless hours of effort to generate monetary donations and financial support had manifested themselves in the planning of a wonderful new warehouse that would meet the needs of the Brazos Valley in the foreseeable future. However, a pressing question lurked. Of what benefit was a state-of-the-art warehouse and much-needed additional space if burdensome operational inefficiencies were present and unresolved?

EXHIBIT 1: THE FOOD BANK'S SUPPLY CHAIN



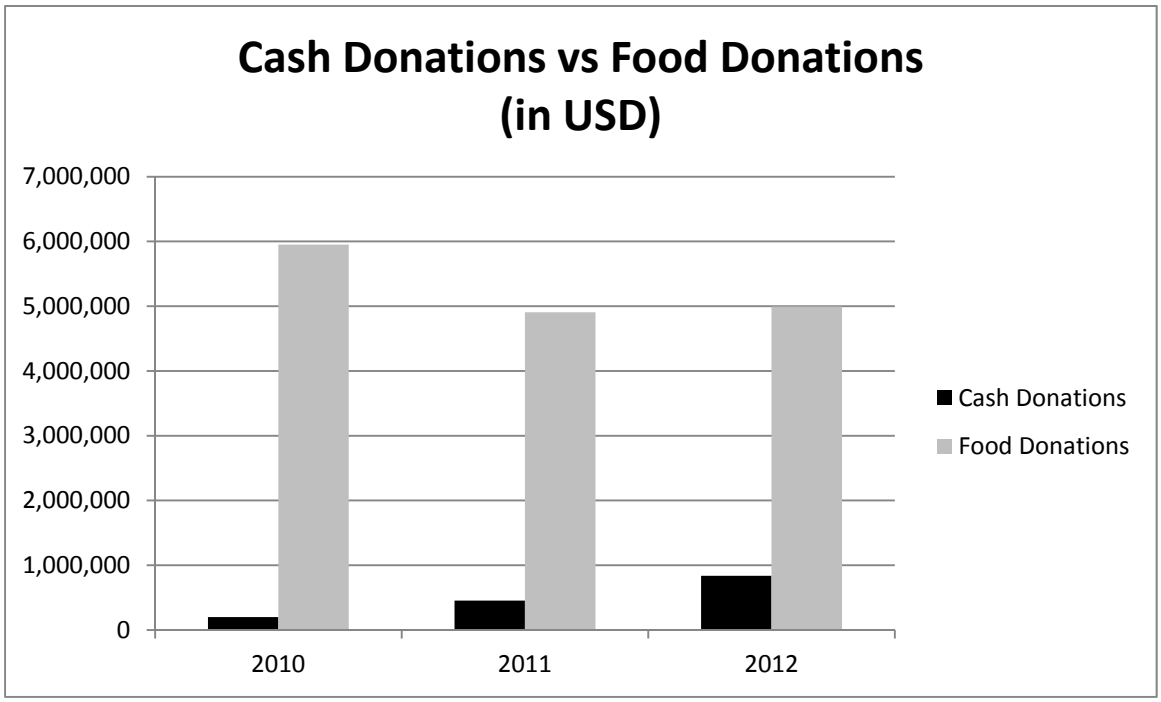
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 2: TOP DONORS

	Total Pounds January 1, 2012 to December 30,2012	**Number of Donations in period**
Houston Food Bank	2,072,899	245
HEB Choice	486,412	17
Various Individual Donors	97,234	500
Food Drive by Local TV Station	91,709	1
Brenham Wholesale	72,232	12
HEB Tower Point #619	71,106	242
Houston Retail Sams Club	68,185	61
Pepsi Bottling Group, Brenham	67,546	10
HEB College Station #543	66,686	268
Pepsi Bottling Group	65,690	12
Feathercrest	57,988	22
Houston WalMart #1150	33,435	84
HEB Bryan #544	30,277	237
Monterey Mushrooms	26,392	3
Sam's Club	17,356	9
Kroger FFF	16,940	1
WalMart Sams FFF	16,037	1
Houston WalMart #321	15,688	9

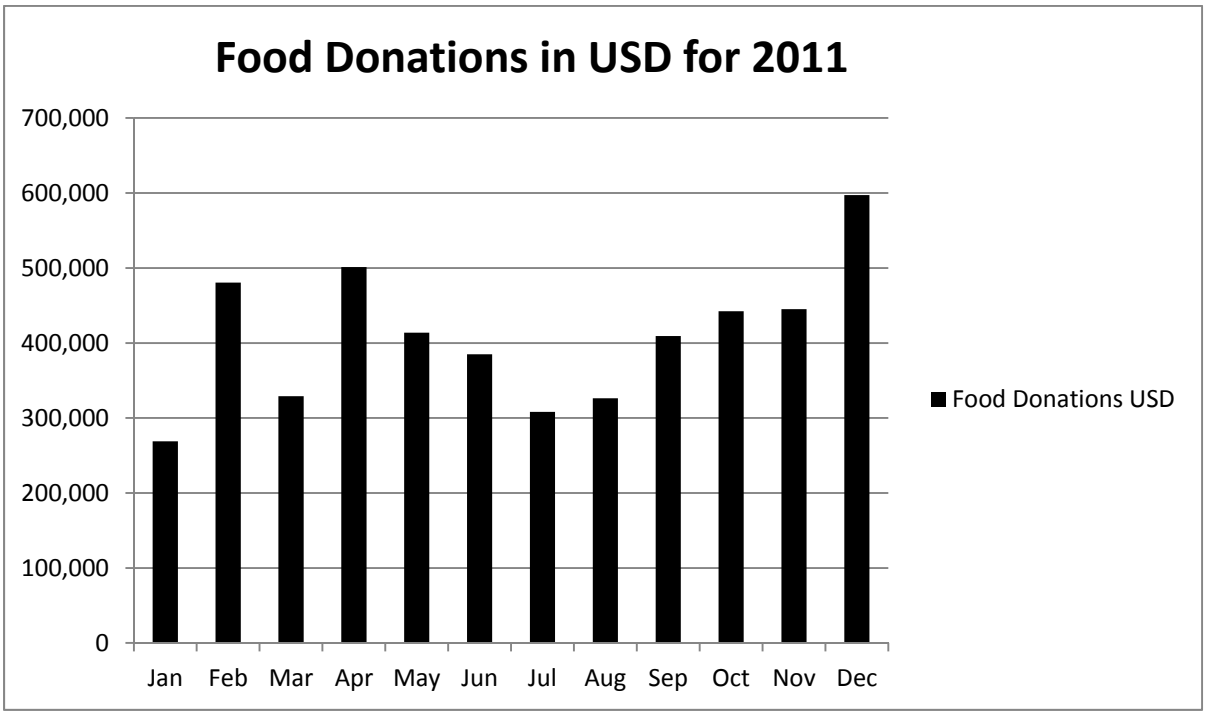
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 3: CASH AND FOOD DONATIONS



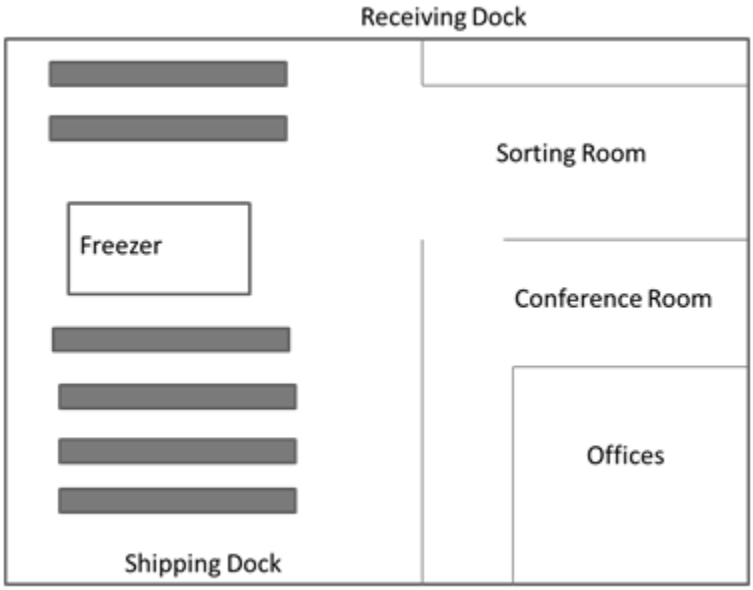
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 4: FOOD DONATIONS BY MONTH



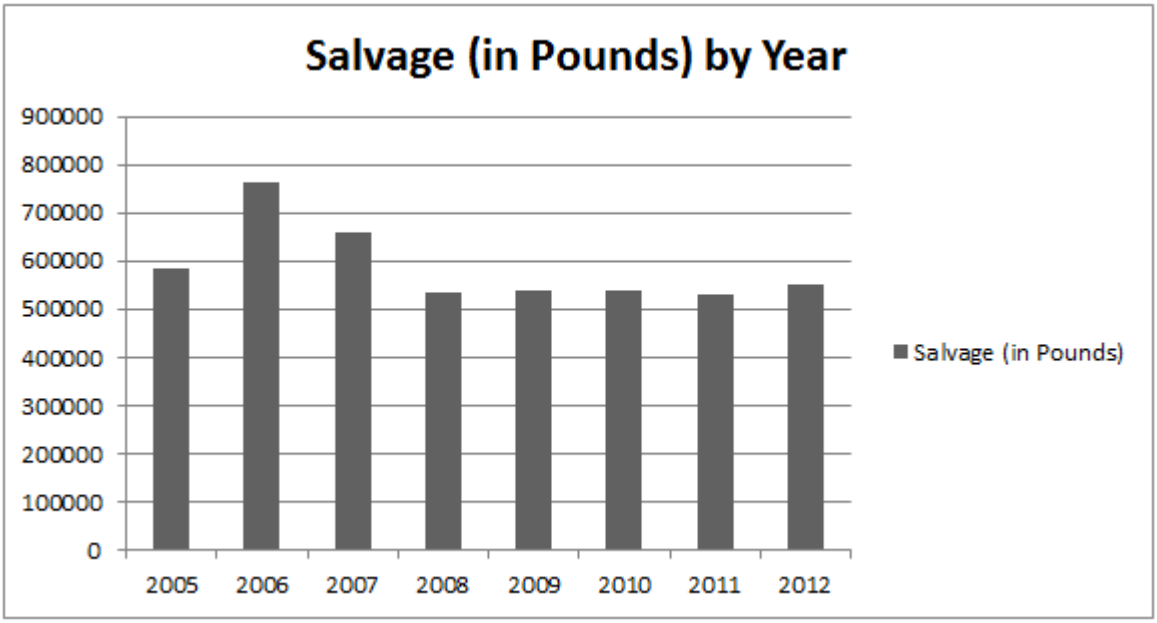
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 5: WAREHOUSE LAYOUT



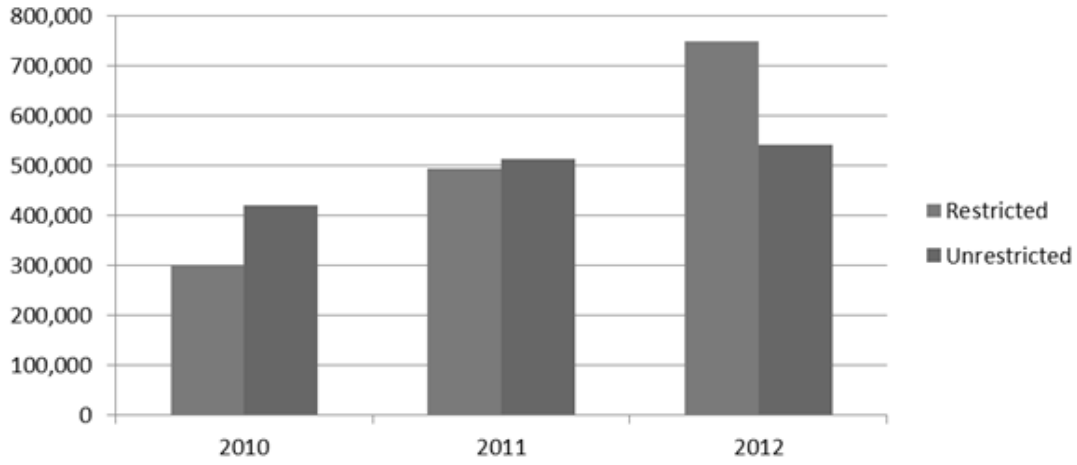
Notes: The USDA items are directly stored on the shelves while the other food donations are received and stored temporarily in the warehouse, then moved to the sorting room and from there to the warehouse shelves.
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 6: IN-KIND DONATIONS SALVAGED IN POUNDS, 2005 TO 2012 (FROM A DONOR)



Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 7: RESTRICTED AND UNRESTRICTED CASH DONATIONS IN USD



Note: The restricted funds in 2012 include the funds raised for the new warehouse
Source: Created by case authors from data from the Brazos Valley Food Bank, February 2013.

EXHIBIT 8: EXPENSES 2010 TO 2012 IN USD

	2010	2011	2012
Food — Donated	5,867,020	4,943,255	4,947,650
Food — Purchased	387,436	469,366	470,050
Personnel	378,074	414,576	432,958
Professional fees	33,634	52,957	31,057
Supplies	40,451	34,315	42,666
Communications	3,937	3,285	4,118
Postage and delivery	5,500	4,892	7,553
Occupancy	29,904	30,623	27,332
Rental and maintenance	10,333	26,594	35,343
Printing and publications	38,618	37,865	20,533
Travel	39,022	37,443	33,524
Agency training	21	3,623	3,130
Appreciation	10,210	6,781	5,876
Dues	6,632	6,690	9,209
Professional development	10,742	6,961	7,219
Insurance	19,004	28,709	28,081
Other	13,392	18,085	9,655
Total	6,893,930	6,126,020	6,115,954

Note: Travel represents the transportation cost involved in distribution of goods. Cost of packaging boxes is included in the Supplies.
Source: Created by case authors from data supplied by T. Mangapora, Brazos Valley Food Bank, February 2013.