



## Rural Remote Food Bank Module 3: Fund Development

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## Government Grants: Federal, State, and pass through to local

### Federal:

**RBDG (USDA):** Rural Business Development Grant – will grant up to \$30,000 for freezers, trucks, facilities.

**EFAP (USDA):** Emergency Food Assistance Program – provides commodity foods and some funding for administration.

**EFSP (FEMA):** Emergency Food and Shelter Program – dedicated to counties with populations below certain threshold level, also small cities. Most rural and remote food banks receive funds for emergency service, food and admin. Counties are eligible if they have a certain poverty level. If the entire county is not eligible, it may become eligible if a city in that county meets the poverty level. The state also has set-aside funding for high-need areas that do not meet those standards.

**CDBG (HUD)** – competitive, public service arm funds shelters and food banks; approved at county/municipality, goes into state competition, extensive reporting requirements -- \$ for facilities and operations. Has to be linked to direct services for families.

**USDA National Rural Child Poverty Nutrition Center:** Sub-grants to rural areas with high poverty in up to 15 states.

### State of CA:

#### State Tax Set Aside

**SEFAP:** State Emergency Food Assistance Program – provides funding for food in small amounts (often not in budget).

**CalFood** – state funding for food banks to acquire, purchase and store California grown foods.

**Infrastructure and Climate Resiliency Funding** – one time state funding for food banks to invest in infrastructure and increase capacity and better serve their communities.

**COVID-19 Relief Funding** – State monies distributed by CDSS to provide additional food and funds in response to pandemic.

**State Disaster Funding** – allows the state to quickly respond to food needs in response to an emergency or disaster situation. State holds a food reserve which will be made available to TEFAP in event of a disaster. Food reimbursement account is also available for food banks to purchase

and distribute food locally.

## Pass through federal/state funds to counties

### Local food safety net programs to link to and coordinate with:

**Cal Fresh:** (Supplemental Nutrition Assistance Program - SNAP) issues monthly electronic benefits to eligible individuals that can be used to buy most foods at many markets and food stores. A corollary program is **SNAP - Ed**, a nutrition education program.

**WIC:** Women, Infants & Children – provides supplemental foods, health care referrals and nutrition education for low-income pregnant, breastfeeding and non-breastfeeding postpartum women and to infants and children up to age five who are found to be at nutritional risk.

**USDA School Food Service Program** (breakfast, lunch, and summer) – provides meals at school sites for income eligible children. Corollary programs to enhance nutrition are also available to some areas.

**Child and Adult Care Food Program:** CACFP provides for nutritious foods at child and adult care institutions and family or group day care homes. Nutritional focus is on serving young children, older adults and chronically impaired disabled persons.

**Senior Meals:** Meals on Wheels and Congregate Meals for seniors – federal funding (Older American's Act), passed through to state organizations, usually Area Agencies on Aging, who then subcontract with local providers.

### Unique Remote Rural Challenges:

#### Federal Grant Programs:

- Counties need to know that federal funds are never enough to support a full program, but provide key core funding for some operational pieces. Additional funds are necessary. Different levels of funding for RRFB counties can be under \$10,000.
- Finding grant-writers is difficult in RRFB counties. Most come in from out-of-county.
- Tracking and reporting for federal grants and programs are onerous and time consuming.

#### State of CA programs:

- There may be a stronger stigma in applying for government assistance programs (CalFresh) in remote rural communities.
- The CalFresh program is administered by counties. Although the state tries to assure consistent standards, it is a training challenge.
- It can be especially challenging to raise funds to cover operational needs, including staff, in rural areas in which donors prefer to fund equipment or other tangible items.

### Suggested Standards and Best Practices:

- Government programs provide a food safety net through Cal Fresh (SNAP), WIC, school breakfasts and lunches, and senior meals. It is critical for food bank leaders to work with local partners who administer these programs. The Cal Fresh model is the most flexible model, provides client privacy, and can be very effective in rural remote counties, if people are comfortable signing up and if there is reasonable access to grocery stores.

- Negative cultural views toward government assistance may reduce enrollment. Education and strong community partnerships may help to reduce stigma. A strong message may be that government programs have the power to give access to healthier foods than can be accessed by donations alone. There is also a fear for immigrant communities that using government assistance will affect their ability to gain citizenship (public charge).
- Implementation issues are local: (1) connect with local government partners; (2) communicate about the broader perspective of social issues and effective shared community response; (3) identify a grant writer to prepare the application.
- For new leaders, it is important to touch bases with those who helped establish the current funding sources, including community partners.
- Look for ways to invest in grant writers as a pooled investment.

### **Resources and Contacts:**

Food Bank staff to connect with:

- EFAP (existing): [Anne Holcomb](#), Executive Director Food For People (Humboldt), (707) 445-3166 x302 or contact Don Williams CA Dept Social Services, in charge of EFAP program: (916) 229-3336
- CSFP: [Mark Lowry](#) of Community Action Partnership of Orange County (714) 897-6670
- USDA has new focus for rurals; stay informed. For example, the USDA RBEG rural business enterprise grant funds rural business development in rural communities with high poverty rates, and there is interest in food banks. This funding can support infrastructure and equipment linked to job training.
- [Federal grant search engine](#)

## **Fund Development Plans**

### **Unique Remote Rural Challenges:**

- RRFB must make sure that the workload effort of acquiring and managing grant funding is balanced by the benefit. For example, for rural remotes, a summer congregate food program may not be a good fit due to transportation issues. Or SNAP applications for seniors may be too onerous.
- Fund raising events take a lot of staff time, it may be better to focus on mail campaigns, newsletters and strategies that can have a broad reach with fewer staff hours.
- For RRFB, small gifts are critical for the FB survival. Without dedicated staff for fund development, moving to focus on major gifting is very difficult.
- Direct mail is often effective, especially with pictures and volunteer spotlight pieces. Direct mail can be managed by a 3rd party; but you need a monitoring system for people who want it discontinued.

- New audit standards for non-profits pay attention to profitability of fund raising -- standards are to make a net profit.

### **Suggested Standards and Best Practices:**

- A Fund Development Plan is important: where will the funds come from, how will you retain them, and what are your strategies to increase commitments?
- A fundraising budget is important to ensure that more money is brought in than spent in the effort of fundraising. This is an IRS regulation, and non-profits are being audited more frequently.
- It is also important to have a plan on how to use any funds raised effectively, to ensure that fundraising aligns with the organization's strategic plan, and that quality services result.
- Developing a board that is comfortable in participating in fund raising is important.
- Focus fund raising on where to most effectively put energy and resources. Key staff needs to identify where the fundraising effort is most effective, and how to cultivate and sustain donors. Possibilities:
  - Events, large and small
  - Direct mail, newsletters
  - Donations as gifts (religious observations and holidays)
  - Major donor cultivation, retention
  - Wills, Bequests
  - Cultivate community partner donors, such as hospitals, medical community
  - Engage community members to fundraise for the food bank, e.g. service clubs, professional groups.
  - Electronic fund transfer for ongoing giving
  - Social media
- A fund development calendar is helpful.
- Coordinate media releases/events with mail campaigns to capitalize on public awareness.

### **Resources and Contacts:**

- [Anne Holcomb](#), Executive Director Food For People (Humboldt), (707) 445-3166 x302 for information on: Fund Development Director; fund development calendar; local development director roundtable meets quarterly to share information; holiday gift cards to donate to Food Bank
- Resources on development plans: (1) Non-profit resource centers have workshops; (2) Kim Klein, author: <http://www.grassrootsfundraising.org/tag/kim-klein/> or contact other food banks.

## **Private Funders**

Foundations or local sources: Mazon, California Endowment, Sierra Health Foundation, Walmart, Salvation Army, United Way, Wells Fargo (limited) local community foundations.

Donations & Fundraising: Individuals, Service Clubs, Faith Groups, Events, casinos, corporate, Capital Campaigns, Miscellaneous Program Income

See also: Module on partnerships for non-cash donations and leverage.

### **Unique Remote Rural Challenges:**

- The service area for RRFBs may seem too small or to have too little cultural diversity to match some funder's priorities. Some funders focus on certain communities, or on certain target funding issues.
- Local businesses often must follow corporate policies on giving. Corporate headquarters are often geographically distant; while local vendors are willing to engage, they are limited in what they can do.
- Small communities are often generous to local food banks. However, local businesses get approached continually for donations, and may get donor fatigue.
  - If a RRFB food bank is integrated into a larger organization, fundraising is more difficult, as efforts must be coordinated.
  - Many of the larger corporations (WalMart, Wells Fargo) only give to national anti-hunger orgs like Feeding America. Food banks who are not members of these orgs do not receive those opportunities, and the resources are usually not dispersed equitably to the RR food banks who are members.
  - Foundations tend to operate through word of mouth and networking. RR food banks are usually not within the geographic areas that would gain the attention of foundations.
  - Funders and donors need to develop a level of trust with RRFBs in order to reduce the amount of reporting and administration costs that usually come with grants.
  - Rural counties may have access to grant funding for capital projects that then can be repaid.

### **Suggested Standards and Best Practices:**

- Establish good/ongoing communication with local funders and foundations so that they are aware of existing and emerging needs and can target their funds accordingly.
- Food Bank Leaders need to be communicating to service clubs and churches as part of a larger public visibility campaign. Make sure they understand the impact their support will have and thank them publicly.
- Prepare an informational piece that can be inserted into a local daily or weekly newspaper (4 pages works well) along with a remit envelope to recruit new donors.
- Fundraising has to stay fresh; it is more effective if specific needs are identified, such as trucks, freezers, staffing.
- Newsletters assist with fundraising. Include remit envelope with each newsletter.
- Social media campaigns must fit the community.
- For capital campaigns based on donor funding, do initial feasibility study to identify the critical information needed prior to embarking.

- Some RRFB's write their own direct mail appeals and others contract with PR consultants.
- A good relationship with local community foundation staff and board members can be helpful.

#### **Resources and Contacts:**

- [The Impact Foundry](#) in North Highlands, CA, has free access to the Foundation nonprofit grant database, as do many local foundations.
- [Federal grant search engine](#). There are regional USDA representatives who can assist with information on USDA facilities grants and loans.
- [Hungernet](#) has information on funding opportunities. Accessible for Feeding American affiliates and PDOs; if you are unable to access, reach out to an affiliate for info.
- Look for local and regional funders such as hospital foundations, casinos, local foundations.
- Capital Campaigns – donor supported. Contact [Sara Griffen](#), Executive Director Imperial Valley Food Bank, (760) 370-0966

## **Donor Relations**

#### **Suggested Standards and Best Practices:**

- Important to let donors know about the impact of their donations through thank you calls, donor appreciation events, and updates in local media highlighting specific programs, etc. Important to find a staff member comfortable in this role.
- Board subcommittee - Stewardship - to focus on donor relations. Have donor appreciation event.
- Board members understand that their role is critical for donor engagement and retention.
- For those with public agency boards, create an advisory council to focus on similar activities.
- Establish good/ongoing communication with local funders and foundations so that they are aware of existing and emerging needs and can target their funds accordingly.

#### **Resources and Contacts:**

- Board engagement:
  - [Sara Griffen](#), Executive Director Imperial Valley Food Bank, (760) 370-0966
  - [Anne Holcomb](#), Executive Director Food For People (Humboldt), (707) 445-3166 x302

## **Wills and Bequests**

#### **Unique Remote Rural Challenges:**

Remote rural food banks are still relatively new to pursuing this donation source. There is aggressive competition for this resource, as more non-profits and universities pursue it. A significant transfer of wealth is expected from the Baby Boom Generation.

#### **Suggested Standards and Best Practices:**

- Make contact with local attorneys and financial planners who do estate planning and provide them with information about your organization that can be shared with their clients. Educate donors about the impact of a bequest.
- Take care to understand legal issues.
- Engage with local foundations to promote planned giving to the Food Bank through the foundation.

## Donor Software to track donor activity and communications

### Unique Remote Rural Challenges:

Requires a significant investment. Ongoing monthly fee may be linked to number of records.

### Suggested Standards and Best Practices:

Look for a system with good capacity, and cloud-based backup. Ensure software can be used for donations on website, to track donor history, to sort donors, and to link to social media.

### Resources and Contacts:

- [Anne Holcomb](#), Executive Director Food For People (Humboldt), (707) 445-3166 x302, information from research on *Donor Perfect* and *E-Tapestry*

## Advocacy Issues for RRFB Fund Development

- HUD and USDA do not communicate re food bank funding. CDBG benefits urban areas disproportionately.
- There is a need for government support for food bank operations as well as food.
- Federal programs are often administered by the states; this leaves advocacy direction unclear.
- The Commodity Supplemental Food Program (CSFP) is directed primarily at seniors, is not administered nationwide, and it is unclear how a few programs are chosen.
- The State of CA should continue to invest and expand funds for locally grown food for distribution to food banks; continue to advocate with the USDA on this matter.