



Food Bank Council of Michigan  
501 North Walnut Street  
Lansing, MI 48933



# 2007 Annual REPORT



**NOURISHING THE FUTURE WITH FOOD TODAY**

Be a Partner in the Fight Against Hunger—Join Today at [fbcmich.org](http://fbcmich.org)

# A Note from the 2007 Board Chair



The year 2007 ended on a challenging note for the food banking network in Michigan. Falling food donations coinciding with rising fuel prices and a bleak employment outlook resulted in more Michigan families turning to emergency food providers for help.

On the plus side, despite ongoing challenge, the Food Bank Council of Michigan (FBCM) was able to increase its procurement and transportation of food throughout the state—over 41.9 million pounds of food was provided through FBCM for food banks and agencies that feed individuals and families in need.

Additionally, our corporate and individual giving programs had a successful year and the response to our new online donation capabilities exceeded our expectations.

We were able to focus increased effort in education and public policy—holding a statewide hunger conference, advocating for strong nutrition components in the up-for-reauthorization Farm Bill and working directly with legislators to raise awareness of hunger in Michigan. Publication of the “Blueprint to End Hunger in Michigan,” in cooperation with MSU Extension’s Family & Consumer Sciences, provided a key tool in the statewide fight against hunger.

We continue to be grateful for the generous support we receive from individuals, corporations and foundations in our efforts to fight and alleviate hunger in Michigan.

Anne Wend Lipsey  
Board Chair

## 2007 Food Bank Council of Michigan Board and Staff

### Officers

**Anne Lipsey**—Chair  
Kalamazoo Loaves & Fishes,  
Kalamazoo

**Bob Randels**—Vice Chair  
Food Bank of South Central  
Michigan, Battle Creek

**Carolyn Bloodworth**—  
Secretary/Treasurer  
Consumers Energy, Jackson

**Sherry Mirasola**—  
Member At-Large  
Michigan Health & Hospital  
Association, Lansing

### Board of Trustees

**John Arnold**  
Second Harvest Gleaners  
of West Michigan,  
Grand Rapids

**Alethia Carr**  
WIC, Lansing

**Rusty Hills**  
State of Michigan, Lansing

**Dave Karr**  
Red Cross Regional  
Food Distribution Center, Lansing

**Bill Kerr**  
Food Bank of Eastern  
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**Tim Knowlton**  
Kellogg Company, Battle Creek

**Connie Larkin**  
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**Eileen Spring**  
Food Gatherers Food Bank,  
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**Terri Stangl**  
Center for Civil Justice, Saginaw

**DeWayne Wells**  
Gleaners Community  
Food Bank of Southeastern  
Michigan, Detroit

### Staff

**Jane Marshall**  
Executive Director

**Kim Harkness**  
Food & Programs Manager

**Kim Halfmann**  
Accounting & Administrative  
Manager

**Mary Kay Hauck**  
Development &  
Marketing Manager

# How the Food Bank Council Gets Help to People in Need

Donations and Grants are Made to Food Bank Council of Michigan

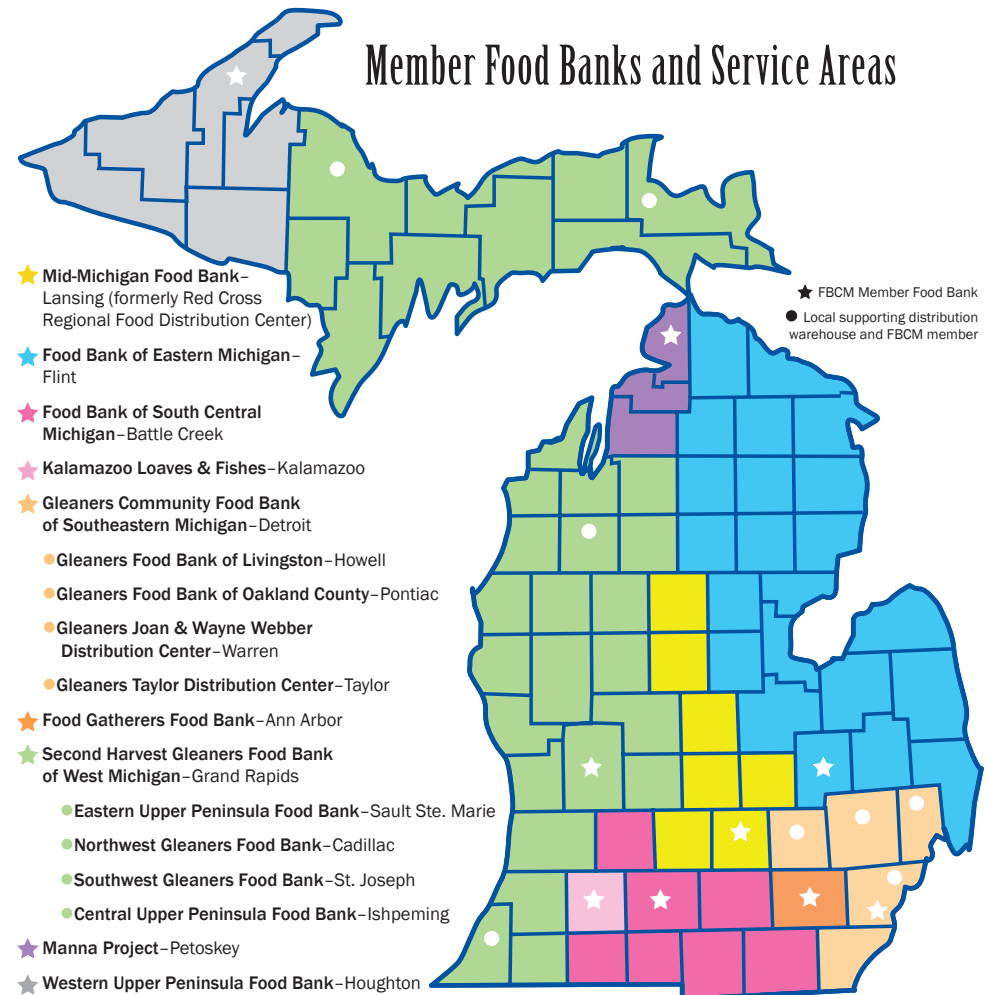
Food is Procured from Growers, Retailers and Processors

Food is Transported into and around the State to Member Food Banks

Food is Stored and Distributed by Food Banks to Hunger-Relief Agencies

Hunger-Relief Agencies Give Food to Individuals and Families in Need

## Member Food Banks and Service Areas



# Independent Auditors' Report

## Board of Directors

### Food Bank Council of Michigan, Inc.

We have audited the accompanying statement of financial position of the Food Bank Council of Michigan, Inc. as of December 31, 2007, and the related statements of activities, changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Council's 2006 financial statements and, in our report dated March 30, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller general of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

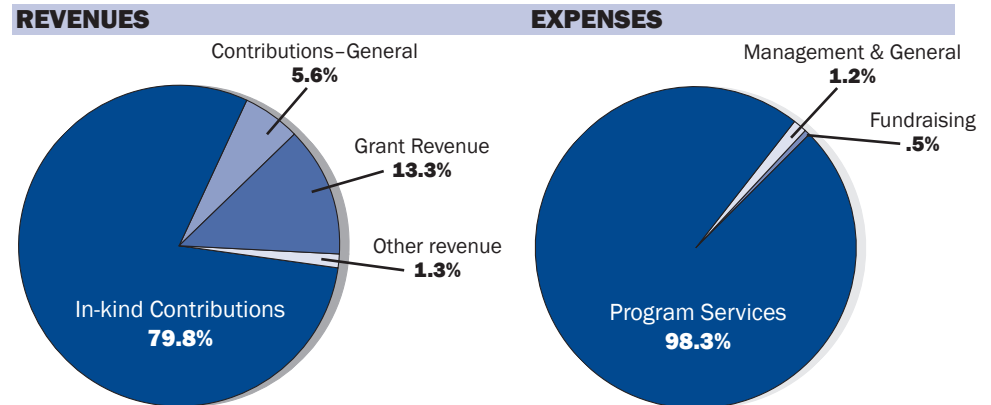
In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Food Bank Council of Michigan, as of December 31, 2007, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 25, 2008 on our consideration of the Council's internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

**Manor, Costerisan & Ellis, P.C.**  
**Certified Public Accountants**

<b>ASSETS</b>	<b>2007</b>	<b>2006</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$1,232,339	\$909,289
Grants receivable	330,379	301,469
Accounts receivable	<u>31,393</u>	<u>44,369</u>
<b>TOTAL CURRENT ASSETS</b>	1,594,111	1,255,127
<b>OFFICE EQUIPMENT AND FURNITURE</b> (less accumulated depreciation of \$13,827 and \$27,398 in 2007 and 2006 respectively)	<u>6,263</u>	<u>7,563</u>
<b>TOTAL ASSETS</b>	<b><u>\$1,600,374</u></b>	<b><u>\$1,262,690</u></b>

<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$400,314	\$238,781
Deferred grant revenue	131,981	34,663
Accrued payroll and related items	<u>6,981</u>	<u>6,858</u>
<b>TOTAL CURRENT LIABILITIES</b>	539,276	280,302
<b>NET ASSETS</b>	<u>1,061,098</u>	<u>982,388</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$1,600,374</u></b>	<b><u>\$1,262,690</u></b>



# 2007 Programs and Outputs

The Food Bank Council of Michigan operates programs which transport and deliver food to the five regional food banks in Michigan. These programs provide food staples, commodities, fresh produce and emergency food to individuals and families in need.

## Michigan Agricultural Surplus System (MASS)

**Funding Source:** Michigan Department of Agriculture



The MASS program reduces food waste through redistribution of surplus agriculture and other food to the network of food banks throughout Michigan. MASS puts to use millions of pounds of fresh produce that is still wholesome and nutritious, but would normally be unsalable. Without MASS, this food would be sent to land fills or tilled under by the grower.

**2007 Output:** 5,468,116 pounds procured at an average of 11¢ per pound.

## The Emergency Food Assistance Program (TEFAP)

**Funding Source:** Michigan Department of Education



TEFAP is a USDA federal program that provides low-income households with commodity food items (e.g. peanut butter, milk, pasta, canned fruit, etc...) at no cost. The availability of such staples can help a family through a crisis period such as a job loss, fire, unexpected medical costs or natural disaster.

**2007 Output:** 5,488,960 pounds of food distributed.

## Michigan Mobile Food Bank

**Funding Source:** Michigan Department of Human Services



Food bank shelves are stocked with donated products from all over the country. Most of the products are free, but there is a huge expense in transporting them, which is a cost-prohibitive barrier to individual food banks. The Michigan Mobile Food Bank helps transport large amounts of surplus food to regional food banks, plus delivers food for community food distribution in areas without established emergency food agencies.

**2007 Output:** 17,975,513 pounds transported at an average of 1.5¢ per pound.

## Family Food Box Program

**Funding Source:** Michigan Department of Human Services



The Family Food Box Program provides a one-time 20-lb. box of food to low-income, pregnant women or families with children. The box contains assorted grocery staples such as soup, juice, pasta, cereal, tuna fish and more. Each box holds enough food to feed a family of three for 3–5 days. A Family Food Box can really make a difference to a family struggling with an immediate crisis situation.

**2007 Output:** 15,000 boxes provided totaling 300,000 lbs. at a cost of 83¢ per pound.

## Michigan Harvest Gathering

**Funding Source:** Michigan corporations, foundations and individuals



Michigan Harvest Gathering is an annual event to raise funds and food to feed Michigan's families who are in need. Money raised through Michigan Harvest Gathering also helps offset the high cost of transporting emergency food throughout the state.

**2007 Results:** \$403,012 raised and 289,489 donated pounds of food.

## Michigan Alliance to Stop Hunger (M\*A\*S\*H\*)

**Funding Source:** MAZON: A Jewish Response to Hunger



M\*A\*S\*H\* is a network of emergency food providers, anti-hunger advocates and individuals whose common goal is to strengthen the anti-hunger message and to build communication between service providers around the state.