MANNA FOOD BANK
BOARD OF DIRECTORS MEETING
November 15, 2017

TODAY'S MEETING: 5:00 P.M. TO 6:30 P.M.
LOCATION: MANNA, LAUREL'S KITCHEN, 627 SWANNANOA RIVER RD
Conference Line 866-740-1260 Access Code 2993663

The mission of MANNA Foodbank is to involve, educate and unite people in the work of ending hunger in Western North Carolina.
Our vision is a hunger-free WNC.

AGENDA

1. Call to Order – Melody Dunlop
    - Reading of the mission and vision
2. Consent Calendar – September 2017 minutes
3. Membership & Governance Committee Report – Scott McLean
    - Recognition of Outgoing Board members
    - Directors for nomination at December Board meeting
    - Officers for nomination at December Board meeting
4. Finance Committee Report – Sage Turner, Nancy Flippin
    - September 30, 2017 financials
    - Investment Policy +
    - Staff Bonus Policy +
5. Development Committee Report – Jim Mathews, Mary Nesbitt
6. Public Policy Committee Report – Ron Edgerton
7. Food Sourcing Dashboard – Jill Hanson
8. President's report – Melody Dunlop
9. CEO's report – Hannah Randall
10. Old Business
11. New Business
12. Adjourn

Materials and Reminders:

9/30/ 2017 financials; Director and Officer Nominations; Investment Policy; Staff Bonus Policy

Ingles Giving Tree Lighting, November 20, 2017

+Action Items

Board Portal on MANNA's website: http://mannafoodbank.org/board-access
Password: MANNAfeedsWnc2017

As a courtesy, please silence your cell phones during the meeting

MANNA FoodBank
Board of Directors Meeting

Date: September 20, 2017	**Begin Time: 5:00**	**End Time: 6:20**	**Total Time: 1 hr 20 mi**

Members Present: Judy Butler, Mary Davis, Melody Dunlop, Ron Edgerton, Bud Hughes, Allen King, Jim Mathews, Scott McLean, Steve Metcalf, Louise O'Connor, Jerry Prickett, Jo Ray

Staff Present: Hannah Randall, CEO, Nancy Flippin, CFO, Mary Nesbitt, CDO Jill Hanson, COO

Members Absent: Jeff Grindstaff, Rasheeda McDaniels, Karen Olsen, Robert Simmons, Sage Turner

Member/Topic	**Discussion/Recommendations/Conclusions**	**Action/Follow Up/Resolution**
Call to Order	Melody Dunlop called the meeting to order and presided. She called on Steve Metcalf to state the mission and vision of MANNA FoodBank.	
Consent Calendar	The minutes of the August 16, 2017 meeting, which were previously distributed, were approved.	Approved.
Hunger and Health Project Update – Hannah Randall and Jill Hanson	Hannah and Jill spoke briefly on MANNA's opportunity this past year to partner with others to study the relationship of hunger and health. This pilot project was made possible by a grant received from Mission Health. The second year of the program begins October 1, 2017 with an expanded network of clinics making patient referrals through Mission Health Partners (MHP) Hub model to various social service agencies such as MANNA for help with nutrition counseling, food availability and food stamp applications.	
Executive Committee – Revised Board Calendar	The committee met and discussed the possibility of reducing the number of monthly board meetings from the current 9 to 6 beginning in 2018. This revised calendar provides an opportunity for more board engagement in other planned activities as well as being a good board recruitment tool. The EC voted unanimously to recommend approval of this calendar revision to the full board. Jim Mathews made a motion and Ron Edgerton seconded it to adopt the revised board calendar beginning in 2018. The vote by the board was unanimous to approve the new calendar.	Approved.
M&G Committee Meeting – Scott McLean	The M&G committee met jointly with the EC in September. Scott briefed both committees on the current status of board recruitment for the 2018 calendar year. A roster of the proposed candidates will be sent out via e-mail in the coming weeks with the final vote occurring at the November board meeting. The approved candidates will be invited to attend the annual Holiday party in December.	
Corporate Signature Authorization – Nancy Flippin	Nancy briefed the board on the need for MANNA to formalize a corporate resolution detailing who has signature authority for the execution of legal documents on behalf of MANNA. This document also covers who has that authority in the absence of the CEO. The draft of the proposed document was distributed. Several minor additions were suggested. Jim Mathews made a motion for the board to approve, and Louise O'Connor seconded. The vote by the board was unanimous. The secretary of the organization was authorized to sign the document as approved.	Approved.

President's Report – Melody Dunlop	Melody updated the board on the hurricane relief efforts that MANNA, in partnership with other local entities, has participated in. In addition, Melody reminded board members that they will be asked to complete an online questionnaire as part of the annual CEO review process. Melody reminded board members that this is one of their primary duties as members of the board.	
Development Committee – Jim Mathews and Mary Nesbitt	As part of Hunger Action month, there have been a number of activities that Jim and Mary discussed with the board. Board members were encouraged to attend the Pod grand opening at Haywood Christian Ministry as well as the upcoming Empty Bowls event. Mary discussed the research she has done to begin an online store for MANNA merchandise and provided an update on the vehicle donation program.	
CEO Report – Hannah Randall	Hannah updated the board on the upcoming Poverty Simulation to be held at the Crown Plaza for people in the public health field. In addition, the first meeting of the new Public Policy Advocacy Committee will be held the first week of October.	
Next meeting	**At 5:00 pm in Laurel's Kitchen, 627 Swannanoa River Road, November 15, 2017.**	
Hard Copies/Handouts Distributed at Meeting	Board meeting agenda, August board meeting minutes, MHP Pathways Hub outline, proposed MANNA board calendar for 2018, proposed MANNA Corporate Resolution and Bylaws summary.	
Adjournment	6:20 p.m.	

Submitted this the 4 day of (October, 2017)

Judy Butler, Secretary

MANNA Membership & Governance Committee

2018 New Director and Officer Recommendations

November 15, 2017 Board Meeting

Process Overview:

1. Total of 3 vacancies had become available during 2017:
   - Jeff Grindstaff, Jim Mathews, Jo Blaylock Ray
2. Based on board needs, identified Food, Legal/HR, greater MANNA service area representation, and Public Policy for 2018. Preference for candidates already connected to work of MANNA.
3. 13 candidates were nominated by board and staff; 6 nominees for open board seats recommended and endorsed by Membership & Governance for terms beginning in 2018.

Slate of Candidates for Board Membership:

1. LeeAnn Bridges
   - Board nominee – Non-Buncombe/Greater MANNA Service Area
   - Regional Marketing Vice President at Harrah's Cherokee Casino
   - MANNA partner and donor
2. Keith Collins
   - Staff nominee - Food
   - President/CEO of Milkco, a wholly-owned subsidiary of Ingles; Ingles board member
   - MANNA partner organization
3. John Forsyth
   - Board nominee – HR - Ph.D. in Educational Leadership & Management
   - MANNA donor and volunteer
   - Background in non-profit sector; knowledge of personnel management, development.
4. Kip Marshall
   - Board nominee – Legal
   - Former MANNA board member and officer; donor, volunteer
5. Cindy Piercy
   - Board nominee – Food/Non-Profit
   - MANNA volunteer, Ambassador, donor
   - Former owner, Chelsea's Village Tea Room; Officer, Junior League of Asheville
6. Ed Zaidberg
   - Board nominee – Finance/Accounting/Development
   - MANNA volunteer, donor
   - 30 years with New York Methodist Hospital, including role as hospital CFO.

Nominations for Officers and Executive Committee:

1. Judy Butler – Secretary
2. Melody Dunlop - President
3. Scott McLean – Vice President
4. Steve Metcalf – President-Elect
5. Sage Turner - Treasurer

Manna Food Bank

Statement of Financial Position

Reporting Book: ACCRUAL
As of Date: 10/23/2017

	07/01/2017 Through 09/30/2017	Year Ending 06/30/2017 Actual	Net Change since 6/30/17	Notes
Asset Accounts				
Current Assets				
Cash and Cash Equivalents	1,240,490.58	1,205,476.57	35,014.01	1
Receivables				
Contributions & Grants Rec	412,687.59	356,519.61	56,167.98	2
Other Receivables	125,306.72	155,153.95	(29,847.23)	3
Total Receivables	537,994.31	511,673.56	26,320.75	
Other Curr Assets	63,584.39	107,131.51	(43,547.12)	4
Total Current Assets	1,842,069.28	1,824,281.64	17,787.64	
Total Investments	1,147,912.03	1,183,232.03	(35,320.00)	
Long Term Receivables	19,357.91	12,691.24	6,666.67	6
Property & Equipment				
Fixed Assets	6,701,751.46	6,587,630.05	114,121.41	
Accum Dep'r	2,025,359.35	1,948,288.25	77,071.10	
Total Property & Equipment	4,676,392.11	4,639,341.80	37,050.31	
Inventory	917,450.18	917,450.18	0.00	
Total Long Term Assets	6,761,112.23	6,752,715.25	8,396.98	
Total Asset Accounts	**8,603,181.51**	**8,576,996.89**	**26,184.62**	
Liabilities and Net Assets				
Liabilities				
Short-term Liabilities				
Accounts Payable	270,271.70	95,466.52	174,805.18	
Accrued Liabilities	174,335.75	178,693.28	(4,357.53)	7
Deferred Revenue	34,095.86	6,596.56	27,499.30	8
Othe Short-term Liabilities	0.00	73,044.81	(73,044.81)	
Capital Lease Obligation	10,876.19	2,903.07	7,973.12	
Total Other Short-term Liabilities	10,876.19	75,947.88	(65,071.69)	
Total Short-term Liabilities	489,579.50	356,704.24	132,875.26	
Long Term Liabilities				
Other Long-term Liabilities				
Capital Leases	13,714.29	25,394.46	(11,680.17)	
Total Long Term Liabilities	13,714.29	25,394.46	(11,680.17)	
Total Liabilities	503,293.79	382,098.70	121,195.09	
Net Assets				
Net Assets	8,194,898.19	7,795,923.11	398,975.08	9
Change In Net Assets	(95,010.47)	382,360.33	(477,370.80)	
Total Net Assets	8,099,887.72	8,178,283.44	(78,395.72)	
Total Liabilities and Net Assets	**8,603,181.51**	**8,560,382.14**	**42,799.37**	

Notes:

1- Unrestricted Cash balance is $875,029
2- Current Receivable balance for capital campaign is $41,870 and the remaining receivable balance is for operations and programming
3- Other receivables are agency fees, reclamation, coop, and sales tax
4- Prepaid Expenses
5- Reduction in investment balance is the annual transfer of funds for spendable income
6-Long Term Receivable balancee is for capital campaign pledges collectable beyond the current fiscal year
7- Accruals are for employee benefits and PTO earned but not yet used
8- Deferred Revenues are grants received for agency accounts that have not yet been used
9-Unrestricted Net Assets are $7,518,441, Temp Rest Net Assets $362,821, and Perm Restricted $313,636

Manna Food Bank

Statement of Activities - All Funds

Reporting Book: ACCRUAL
As of Date: 10/23/2017

	Quarter Ending 09/30/2017	Quarter Ending 09/30/2016	Budget YTD 09/30/2017	YTD Act as % of YTD Budget	YTD as % of prior year actual	Notes
	Actual	Prior Yr Act	FY-2017-18 final			
Revenues						
Cont & Grants: Private	628,144.66	624,713.21	628,904.96	99.88 %	100.55 %	
Bequests & Planned Giving	105,000.00	32,510.59	10,000.00	1,050.00 %	322.97 %	
Gov't Grants & Contracts	162,416.01	117,359.40	156,798.32	103.58 %	138.39 %	
Special Event Income	58,995.00	50,087.46	42,200.00	139.80 %	117.78 %	
Earned Income	322,805.32	305,471.17	341,249.94	94.59 %	105.67 %	
Other Income	26,192.50	5,587.08	4,099.96	638.85 %	468.80 %	1
Total Operating Revenues (excludes non-cash)	**1,303,553.49**	**1,135,728.91**	**1,183,253.18**	**116.56 %**	**103.88 %**	
Expenses						
Total Wages & Benefits	664,875.14	672,749.99	724,300.61	91.80 %	98.83 %	2
Other Employee Expenses	7,868.02	10,397.38	12,148.25	64.77 %	75.67 %	
Total Professional Services	28,449.68	57,329.11	30,103.37	44.91 %	49.63 %	
Supplies	31,651.62	32,584.88	46,352.83	68.28 %	97.14 %	
Equipment	29,174.02	12,919.37	15,216.27	191.73 %	225.82 %	1
Travel	12,122.07	13,381.59	17,614.86	68.82 %	90.59 %	
Printing	8,731.70	5,852.27	43,795.11	82.72 %	149.20 %	3
Advertising	731.93	2,624.11	550.00	133.08 %	27.89 %	
Postage	39,830.78	26,087.01	31,513.72	126.39 %	152.68 %	
Occupancy	24,671.60	29,302.54	33,700.94	73.21 %	84.20 %	
Insurance	3,578.22	6,043.64	5,603.22	63.86 %	59.21 %	
Total Vehicle, Freight & Handling	62,813.09	52,603.37	62,419.61	100.63 %	119.41 %	
Product Purchasing	358,497.37	293,526.66	306,211.10	117.08 %	122.13 %	4
Program Expenses	19,750.97	21,599.07	23,862.50	82.77 %	91.44 %	
Communications	7,827.58	7,636.53	8,521.16	91.86 %	102.50 %	
Total Fees, Dues, Taxes, Financing	18,671.60	19,005.71	20,553.82	90.84 %	98.24 %	
Misc Expenses	219.70	(859.29)	569.00	38.61 %	(25.57) %	
Total Operating Expenses (excluding pass thru, depr, non-cash)	**1,319,465.09**	**1,262,783.94**	**1,383,036.37**	**95.40 %**	**104.49 %**	
Change In Operating Net Assets	**(15,911.60)**	**(127,055.03)**	**(199,783.19)**			
Rest Cont Roll Forward	348,111.00	219,014.00	150,000.00			
Adjusted Change In Operating Net Assets	**332,199.40**	**91,958.97**	**(49,783.19)**			
Other Revenues						
Gains/Losses	0.00	(5,199.32)	0.00			
Non-Cash Cont	75,660.02	160,476.27	0.00			freezers & coolers received & donated services

Invest Income	0.00	36,738.98	0.00	
Other Expenses				
Pass Thru Expenses	57,819.44	166,241.56	0.00	freezers & coolers distributed
Depreciation	77,071.10	71,119.52	72,538.89	
Non-Cash Expenses	19,868.35	11,257.13	0.00	donated goods & services for special events
Change in Net Assets per GAAP	**(95,010.47)**	**(183,657.31)**	**(272,322.08)**	

Notes:
1- Other income is receipt of funds from Canon for buyout of Ricoh equipment--offset by expense in equpment leasing
2- We budgeted for 3 Americorps positions but only 1 position was filled
3- Direct Mail production costs for the fall did not get invoiced prior to close of books
4- Food Purchasing is slightly ahead of projected schedule

MANNA FOOD BANK

Statement of Investment Policy

1. General Information and Purpose of Investment Policy:

This document describes the investment policy and objectives of MANNA Food Bank ("MANNA") as approved by the Board of Directors. MANNA operates as a non-profit corporation, organized to solicit, collect, and distribute food to those in need of assistance through non-profit member agencies. It is incorporated as a North Carolina non-profit corporation, exempt from tax under section 501(c) (3) of the Internal Revenue Code.

It is the policy of MANNA to invest the funds entrusted to it by the public in a manner that will provide reasonable return with utmost regard to the safety of principal, while meeting the cash flow demands of the Food Bank.

2. Scope

This statement of investment policy applies to all financial assets within the investment control of MANNA that relate to operations.

3. Standard of Prudence

Investments shall be made with judgment and care, under circumstances then prevailing. Investments shall also be made in a manner consistent with which persons of prudence, discretion and intelligence exercise in the management of their own affairs --- not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

4. Investment Objectives

In priority order, the primary objectives for MANNA investment activities shall be as follows:

A. Safety and Stability of Principal: *Safety of principal is the foremost investment objective*. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

B. Liquidity: The investment portfolio shall remain sufficiently liquid to meet the operating requirements of MANNA that may reasonably be anticipated.

C. Diversification: The investments may be diversified by security type and shall be diversified by financial institution. Diversification is required in order to reduce the risk of potential loss on individual investments. Investments can include the following: US Government Securities, CD's, and savings accounts and shall be covered by the FDIC limit. Investments with commercial banks shall be covered by the FDIC deposit insurance limit. The commercial banks used must have assets greater than $1.0 billion.

5. Short Term Working Capital

Due to the seasonal nature of cash receipts, MANNA needs significant cash reserves to draw upon during the year. Such amount shall be determined at the beginning of each fiscal year based upon budgeted cash flow projections and updated periodically.

Therefore the short term working capital funds shall be invested in readily available investments such as Certificates of Deposit, savings accounts and US Treasury Bills. No maturity should exceed nine months without the approval of the Board of Directors.

6. Stock Donations

It is the policy of MANNA that all stock donations be liquidated upon receipt. MANNA utilizes the services of an investment professional to effectuate the sale of donated stock. The proceeds from the sale of the donated stock are deposited into MANNA's operating account.

7. Delegation of Authority

The Board of Directors hereby delegates authority to manage the investment program to the CEO. Acting under the supervision of the Chief Executive Officer or his/her designee, the CFO may enter into agreements with banks, mutual fund companies and/or other financial institutions. Management shall provide reports to the Board President and the Board Treasurer on a quarterly basis. It is the responsibility of the Finance Committee of the Board to periodically review the investments and make any recommendations for changes or modifications to the Board at large.

8. Ethics and Conflicts of Interest

Officers and employees in the investment process shall refrain at all times from personal business activity that may conflict with the proper execution of the investment program, or may impair their ability to make impartial investment decisions. In addition, such employees and investment officials shall disclose to the Board of Directors in a timely manner any material personal financial interests in financial institutions that conduct business with MANNA.

Approved by the Board of Directors on _____

Proposal for Revised Policy on Staff Bonuses

Bonuses would be paid out to employees based on the following:

- Employee receives a “meets expectations” or “exceeds expectations” on their annual review
- Organization achieves overall budget goal [1]
- Any employee on a performance improvement plan during the fiscal year would not be eligible

Bonuses would be included in the annual budget as a line item. Bonus allocations would be at management’s discretion (i.e. amount of cash bonus versus amount of discretionary contribution to 401K, etc).

Employees must be active employees at MANNA FoodBank at the end of the fiscal year and at the time bonuses are paid to receive a bonus.

Effective Date of this new policy would be for FY17-18.

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1. Amount of bonuses to be paid would be adjusted by an amount equal to the shortfall in the operating budget if such a shortfall were to occur. For example: the budgeted line item amount for bonuses is $75,000; at the end of the year the organization had a budget deficit of $15,000; therefore the amount available for bonuses would be reduced to $60,000.

Proposed Revision to Bonus Policy for FY 16-17

Based on the following performance measures, management is requesting the Board approve an amount not to exceed $45,000 to be used to pay bonuses to staff for the period ending June 30, 2017. The average amount paid would be $750 per employee (grossed up), allocated evenly across all employees.

- Contributions & grants exceeded budget by $192,762 or 6%
- Special events exceeded budget by $79,995 or 36%
- Earned Income exceeded budget by $49,464 or 36%
- Expenses were under budget by <$8,897>

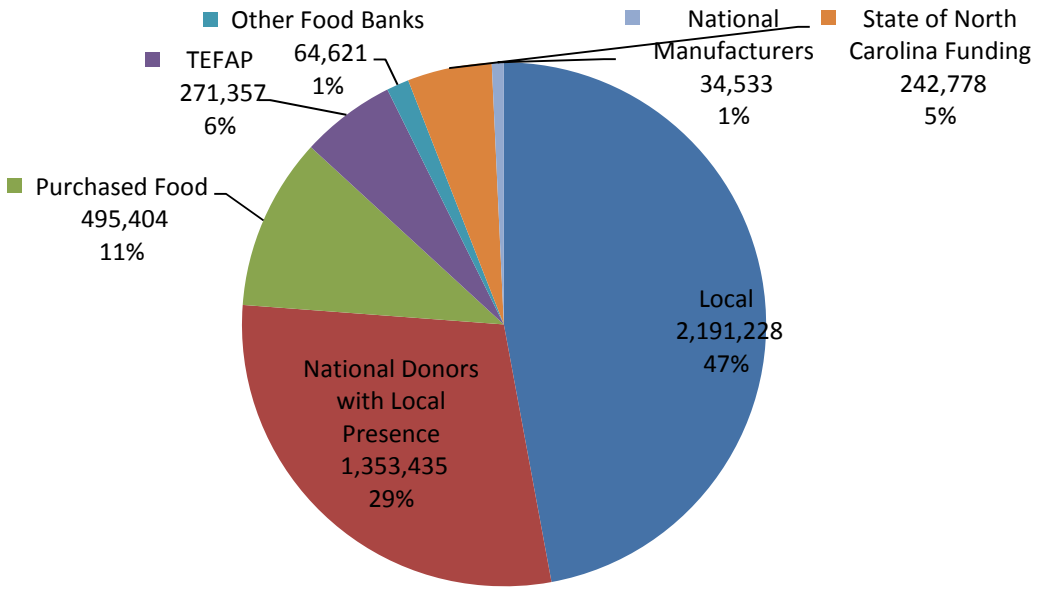
Unrestricted Cash reserves at 6/30/17 were $1,708,042 or 83% of 6 month goal.

MANNA FoodBank Food Receipts and Distribution, FY 2017-18 1Q

Pounds Distributed FY 2017-18 YTD – 1Q

	WNC	Other Food Banks	Total
FY 16-17	3,755,360	728,795	4,484,155
FY 17-18	3,806,726	435,056	4,241,782
% Change	**1%**	**-40%**	**-5%**

Pounds Received



Receipts Comparison FY 2017-18 YTD - 1Q

	FY 16-17 1Q	FY 17-18 1Q	% CHANGE
Local	2,100,696	2,191,228	4%
National Donors with WNC Locations	1,229,618	1,353,435	10%
Purchases	510,399	495,404	-3%
TEFAP	276,339	271,357	-2%
Other Food Banks	311,636	64,621	-79%
State of NC Funding	267,165	242,778	-9%
National Manufacturers	58,985	34,533	-41%
Total	**4,754,838**	**4,653,356**	**-2%**

Produce Receipts and Distribution FY 2017-18 YTD - 1Q

	Total Receipts	Distribution to WNC Agencies Only (Not Other Food Banks)	Distribution to Other Food Banks	Total Distribution	Total Percent of Produce Receipts Distributed
FY 16-17	2,105,791	1,223,383	718,210	1,941,593	92%
FY 17-18	1,841,819	1,258,584	389,087	1,647,671	89%
% Change	**-13%**	**3%**	**-46%**	**-15%**	