



# Daily Bread

*Fighting Hunger, Feeding Hope*



## *Hunger in the Heartland*

**For thousands of people living in one of the largest food producing regions of the country—hunger is a cruel reality.**

According to recent figures, 1 out of every 9 people in Cass and Clay counties live in poverty. Each month, an average of 5,250 individuals seek emergency food assistance from charitable feeding programs in the Fargo-Moorhead area supplied by Daily Bread.

Sadly, more than 40% of those served at food pantries in our community are children who might otherwise go to bed hungry. At the same time, growing numbers of seniors living on fixed incomes are seeking food assistance as costs for prescription drugs and medical

care skyrocket. Working families have become the single largest group of food pantry users as more and more of our neighbors struggle to make ends meet on low wages. Single parents, the homeless, the unemployed or underemployed and people with disabilities also receive food assistance through Daily Bread.

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**1 out of 9 people live in poverty**

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**Far too many in our community today are faced with the difficult and painful choice of paying for rent or utilities or buying groceries for their family.**



## *Consequences of Hunger*

**Hunger among our children and seniors can have lifelong, life-altering and extremely costly consequences.**

Poor nutrition in children stunts growth, weakens their ability to fight infection and curbs their learning. Children without enough to eat have diminished capacities to learn, which in turn, limits their potential and productivity as adults. When we feed a child, we feed our future.

Poor nutrition in seniors exacerbates disease, increases disability, reduces the efficacy

of prescription drugs, retards physician prescribed medical treatment, and extends hospital stays. Investing in the nutrition of seniors ensures them a greater quality of life.

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**Feed a child,  
feed our future**

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**When we have nourished and healthy children, seniors and families, we have strong and healthy communities.**



## *Responding to the Need*

**The United States Department of Agriculture estimates that 27% of all food produced in the United States never reaches the dinner table. At the same time, 35 million Americans are hungry or at risk of hunger. The role of Daily Bread is to get this food from those who have it to those who need it.**

Daily Bread collects surplus prepared meals and perishable food from area restaurants, hotels, schools, hospitals and grocery stores and distributes it to emergency shelters, soup kitchens and food pantries serving the hungry and homeless in Cass and Clay counties.

### **Annual Service Statistics:**

Pounds distributed ..... **1.8 million**  
Estimated number of meals provided ..... **1.2 million**  
Estimated number of individuals served..... **16,000**

**Since 1992, Daily Bread has played a unique and critical role in the Cass-Clay hunger relief network. Today, our response remains strong and vital for 16,000 hungry neighbors in need.**



## *Partnerships to End Hunger*

Ending hunger doesn't have to be a dream. We invite you to become part of the solution by joining hands with Daily Bread and our network of hunger-relief partners as we meet the nutritional needs of low-income children, seniors and working families living in the Cass-Clay community.

With the aid and support of more than 50 food donors, 35 member agencies and a strong base of financial contributors, Daily Bread is positioned to not only provide an immediate solution to the problem of hunger by distributing millions of pounds of surplus food, but also to solve the problem of hunger in the long-

term through public education and advocacy. Please join us in this incredible effort.

For every charitable dollar received by Daily Bread 10 meals are distributed, making it one of the most cost effective hunger-relief organizations in the country.

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**\$1 provides 10 meals**

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By sharing your time, talent and resources, you too, can become a partner in the fight to end hunger and feed hope for thousands of children, seniors and working families in our community. Become part of the solution today!

# *What Daily Bread Recipients Agencies Are Saying*

"Daily Bread feeds an average of 468 families monthly at our food pantry. Within those families, over 600 children have access to essential nutrients they would not otherwise have without Daily Bread. Clearly this program is affecting the growth and development of our future."

*Dorothy Day House of Hospitality  
Moorhead, MN*



"The frozen entrees we receive from Daily Bread are excellent, real quality. A real life saver!"

*Churches United for the Homeless  
Moorhead, MN*

"Without Daily Bread filling in the fresh produce segment of our menu we couldn't provide the meals we do."

*New Life Center  
Fargo, ND*

"To think that for years our community wasted all this food that is now being used to assist thousands of hungry people... it is unbelievable. Thank you for your vision."

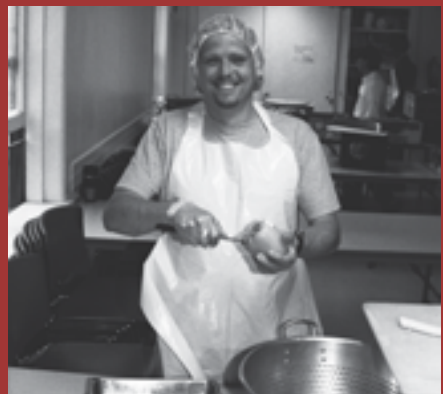
*YWCA Cass-Clay Shelter  
Fargo, ND*

"Daily Bread increases our ability to offer a wider variety of foods to youngsters at Luther Hall. It also gives our children the opportunity to experience how effective corporations can be in recognizing an important need in their community and providing a solution."

*Luther Hall Residential Program  
Fargo, ND*

"Daily Bread has had a marked impact on the Salvation Army. Literally tons of usable food products have been incorporated into our feeding program."

*Salvation Army  
Fargo, ND*





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## The Benefits of Partnering

When partnering with Daily Bread your company benefits in many ways.

### Convenience:

- Flexible and free pick-up with temperature-controlled trucks in short turnaround times
- Convenience of calling just one agency and knowing that your product will reach a variety of charitable feeding programs – more than 35 agencies in Cass and Clay counties.

### Safety:

- Safe handling of donated products to maintain product integrity
- Complete product tracking and recall capabilities
- Protection from criminal and civil liability (Good Samaritan Act)
- Receiving agencies are monitored for safe food handling and proper storage procedures.

### Cost Savings:

- Significant tax savings potential
- Donating reduces storage costs
- Overhead expenses in transportation are lessened
- Product disposal fees are eliminated
- Detailed donation receipts are provided

### Marketing:

- Research shows that adults would be more likely to buy products from entities that contribute to a cause they care about
- Public relations and cause-related marketing opportunities with the Daily Bread program
- Supporting our efforts generates goodwill by demonstrating your organization's concern for the less fortunate in your community

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## We accept product donations of:

Close-To-Date  
 Prepared Foods  
 Baked Goods  
 Dairy Products  
 Juice  
 Deli Items  
 Frozen Foods  
 Refrigerated Products  
 Produce  
 Bulk  
 Seasonal Items  
 Salvage  
 Out-of Code with Extended Shelf-Life Recommendations

To donate, contact JoAnn Matthews, Operations Manager, at (701) 232-2624 or [jmatthews@lssnd.org](mailto:jmatthews@lssnd.org).

If requested, aluminum containers to package surplus food will be provided. It is preferred that prepared foods be frozen (when possible) when picked up to aid in transport.

**Pick up hours are Monday through Friday, 8am-Noon and 1pm-5pm. Please provide complete information about the product(s) to be donated.**



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### The Bill Emerson Good Samaritan Act

Do you know you're protected when making food donations? In accordance with the Bill Emerson Good Samaritan Food Donation Act, you are! The Good Samaritan Act effectively supports organizations that



want to donate products to the Daily Bread. It enables you to join in the fight against hunger without worrying about the liabilities that existed prior to the ratification of the Act. This Act helps your organization be good neighbors to our community members in need.

#### What Does the Law Do?

The law protects good-faith food donors from civil and criminal liability, should the product later cause harm to its recipient. The

Emerson Act gives uniform federal protection to food donors who may cross state line.

#### Who Is Protected?

The law protects food donors, including individuals, and nonprofit feeding programs that act in good faith. While exceptions are made for gross negligence, the law states that test groups will not be subject to civil or criminal liability.

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More specifically, the law protects individuals, corporations, partnerships, organizations, associations, governmental entities, wholesalers, retailers, restaurants, caterers, farmers, gleaners, nonprofit agencies, and more.

#### What Sort of Food is Protected?

The Emerson Act provides protection for food and grocery products that meet all quality and labeling standards imposed by federal, state, and local laws and regulations even though the food may not be "readily marketable due to appearance, age, freshness, grade, size, surplus or other conditions."

To view the entire Bill Emerson Good Samaritan Act go to: [www.lssnd.org/pdf/Good\\_Samaritan\\_Act.pdf](http://www.lssnd.org/pdf/Good_Samaritan_Act.pdf)



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### Tax Advantages of Giving

In the 1976 Tax Reform Act (Section 2135), Congress refined what had been the general rule since 1969, now entitling a corporation to an increased deduction under certain circumstances\* for contributions of ordinary income property\*\* to a public charity or to a private operating foundation. Here's the bottom line:

Your company may take....

- A. The sum of one-half of the unrealized appreciation (Market value minus cost – appreciation) plus the taxpayer's cost, but
- B. Not in excess of twice the cost of the contributed property, I.R.C. Section 170 (E) (B).

#### Example:

Selling Price	\$4.00
Cost	\$1.00
Gross Profit Equals	\$3.00
<i>One-half of \$3.00 Equals \$1.50</i>	
<i>The maximum deduction can never exceed two times cost (\$2.00). Therefore, gross profit element is limited to</i>	
	\$1.00
<b>TOTAL CHARITABLE DEDUCTIONS:</b>	<b>\$2.00</b>

\* Under I.R.C. Section 170(E) (3), a corporation is entitled to a deduction with respect to a contribution to a public charity or to a private operating foundation of appreciated property described in I.R.C. Section 1221 (1) and (2).

\*\* A common example of ordinary income property is property held primarily by the donor for sale to customers in the ordinary course of business.

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### Effect of 1986 Tax Changes According to William G. Kistner, Partner, Ernst & Whinney

"The Tax Reform Act of 1986 does not substantially impact the computations of in-kind contributions. However, the new law may substantially increase the deductible amount of in-kind contributions. The Tax Reform Act of 1986 changed and expanded the inventory costing rules. Except for small retailers and wholesalers and certain farmers, all taxpayers that maintain inventories must now include in their inventory costing system many expenses that were previously expensed. The effect is that the inventory cost of each inventory item is increased. If the business doesn't get the item out of inventory in its taxable year, either by sale, abandonment or gift, those previously expensed costs that now must be attributed to inventory won't reduce the business' taxable income. So, to the extent that businesses affected by these new costing rules make charitable donations of inventory, they can effectively get a current tax deduction for those expenses that otherwise would not be currently deductible. Many tax authorities estimate that the new rules will increase the inventory costs by 10 to 15%. This means that the 'twice the cost' limitation will be increased 20-30%."

**Note:** Examples are used for illustration purposes only. Please consult your tax specialist concerning product donations, allowable deductions, and changes to the tax code.



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### Giving Options

- Make a cash gift or sponsor a daily truck route.**  
Your annual or one-time cash gift or sponsorship of Daily Bread's truck route (\$300/day or \$1,000/week) supports our effort to alleviate hunger by recovering and distributing surplus perishable food. Your cash gift and sponsorship is tax-deductible and if requested can be pledged over multiple years.
- Prepare a will and include a charitable bequest.**  
Your bequest can be an outright gift of money or property, a percentage of your estate, or the remainder of your estate after providing adequately for your loved ones. With your charitable bequest, you have the opportunity to define your legacy and make a lasting gift to Daily Bread, ensuring the hunger needs of our neighbors are met.
- Use your retirement plan.**  
You may find that your retirement plan might be an excellent 'pocket' from which to make a charitable gift today. If you have traditional retirement accounts, you may wish to make withdrawals each year in amounts sufficient to fund your charitable gifts. You then report the income on your tax return, while taking a corresponding deduction for your gifts. Fill out a simple change of beneficiary form and name Daily Bread as the beneficiary of your tax deferred IRA or 401(k) retirement plan. You live on the money in retirement. Whatever is left at the time of your death benefits hunger-relief.
- Leverage your life insurance policy.**  
Life insurance is an especially flexible planning tool that can be used to fund meaningful charitable gifts. A life insurance gift is immediate and the proceeds are paid in cash immediately following death. You can make a gift without buying a new policy, but rather simply naming Daily Bread as beneficiary. The gift of the policy can be larger than original cost and the premiums you pay on the policy are tax-deductible gifts.
- Transfer stocks, bonds, mutual funds and real estate.**  
These types of gifts have advantages in giving. You can enjoy the opportunity of making charitable gifts of real estate, stocks, bonds, and mutual funds to Daily Bread while bypassing capital gains tax that would be due on a sale.

**Help yourself, your loved ones and Daily Bread. For more information on these giving options or other ways you can give to the Daily Bread program, contact Marcia Paulson, Director of Marketing and Development at (701) 232-2624.**



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### Ways You Can Help

**Together we CAN end hunger! Here are 4 ways you, your family, your congregation, your business and your community can help.**

#### **Donate**

Your dollars help support the efficient distribution of supplies to emergency food providers. With \$1, Daily Bread can distribute 10 meals to children, seniors and working families. Your dollar makes a difference with 98.5% being applied directly to relief efforts. Consider Daily Bread in your will, your holiday gift giving, your monthly mission support, your employee fundraising efforts, your company's matching gift program or your community service project. Every contribution, no matter the size, makes a significant difference in the fight to end hunger.

#### **Volunteer**

Ending hunger in Cass and Clay counties depends on the volunteer efforts of thousands of individuals, groups, congregations and businesses. By giving 1, 10 or 100 hours of your time, you are not only making an incredible impact on the programs and organizations that supply food and meals to hungry families, but also on the individuals who seek and receive their services. Organize a food/fund drive, assist with food pick ups and deliveries or assist with administrative tasks. We rely on the professional/technical expertise of volunteers to strengthen operations, programming, and fundraising. By providing basic food items you're ending hunger and feeding hope for thousands of our neighbors in need.

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#### **Learn About Domestic Hunger**

The health, development and well-being of our community depends on equitable access to sufficient amounts of nutritious food. Increasing awareness of hunger in our community is crucial to ending hunger in our community. By increasing awareness among your friends, family, parishioners, employees and neighbors, you also encourage others to get involved, dispel some of the myths that surround hunger and get people talking about a problem that so many do not know or believe exists in the richest nation in the world or in one of the most food abundant states in the country.

#### **Advocate for Hunger Relief**

Join hands with Daily Bread and write or speak out about policies and laws that support or negatively affect programs that assist the hungry by using letters, emails, and forums. Alert government officials, newspaper editors, local business leaders, and producers of television news programs, of the knowledge you have gained about the root causes of hunger and what can be done locally or nationally to eliminate it. You can learn more about the issue of domestic hunger at [www.lssnd.org](http://www.lssnd.org), [www.frac.org](http://www.frac.org) or [www.secondharvest.org](http://www.secondharvest.org).



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## Your Donations At Work

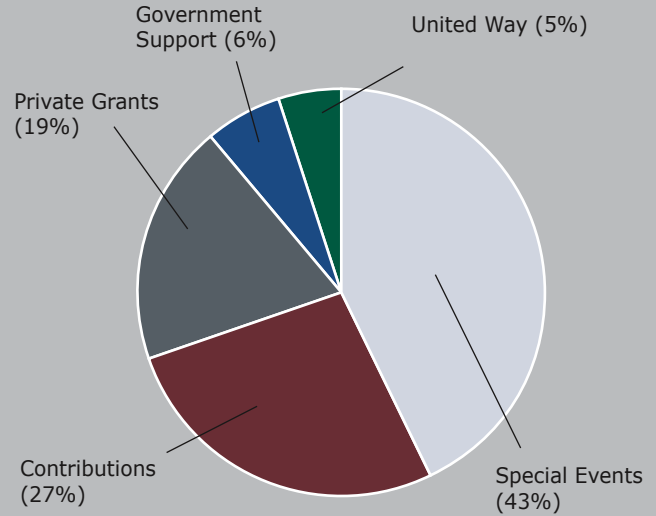
- Grocery stores, hotels, hospitals, schools, colleges, restaurants and bakeries donate the majority of Daily Bread inventory.
- Contributions from caring people, businesses and organizations pay for transporting and distributing this surplus perishable food to partner agencies.
- Because of your support, both financial and in-kind, Daily Bread turns every dollar donated in to 10 meals for people in need, making it one of the most cost effective hunger-relief organizations in the country.

Daily Bread is one of 19 programs administered by Lutheran Social Services of North Dakota. To view our most recent IRS Form 990 go to [www.guidestar.org](http://www.guidestar.org) or request a copy by calling (701) 232-2624.

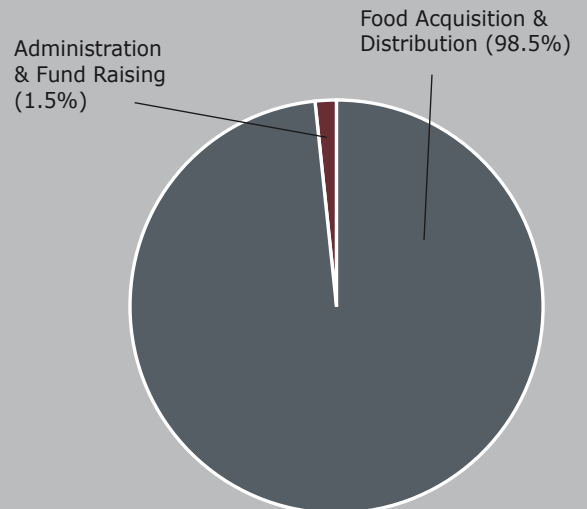
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## SOURCES OF REVENUE



## AREAS OF EXPENSE\*



\* Includes in-kind value of donated product distributed.



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Daily Bread partners with both food donors and recipient agencies in meeting the hunger needs of our neighbors. Here is a sampling of current donors and recipient agencies.

### Daily Bread Food Donors

Hornbacher's  
 Concordia College  
 Cass Clay Creamery  
 Holiday Inn  
 Cash Wise Foods  
 Quality Bakery



North Dakota State  
 University  
 Breadsmith  
 MeritCare Health Systems  
 Fargo Public Schools  
 Moorhead Public Schools

SAM's Club  
 Sandy's Donuts  
 SuperValu  
 Moorhead State  
 University  
 SYSCO  
 Nash Finch Co.  
 Food Services of America  
 V.A. Medical Center  
 Boppa's Bagels  
 Hugh's Gardens  
 Bethany Homes  
 Fargo Country Club  
 Great Harvest Breads  
 Extreme Pizza Kitchen  
 Johnny Carino's  
 Ramada  
 Nichole's Fine Pastry  
 Gio's Pizzeria  
 Starbucks Coffee Co.  
 Oven Door Catering  
 Eventide  
 Red Lobster  
 Hotel Donaldson  
 Great Plains Food Bank

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### Daily Bread Recipient Agencies

Churches United for  
 the Homeless  
 New Life Center  
 YWCA Child Care Center  
 and Shelter  
 Salvation Army  
 Dorothy Day House and  
 Food Pantry  
 Emergency Food Pantry  
 Sister's Path  
 Mental Health Association  
 Fraser, Ltd.  
 Luther Hall Residential  
 Center  
 CHARISM Community  
 Center  
 Nokomis Child Care Center

1st Assembly Food Pantry  
 Center for New Americans  
 St. Anthony's Church  
 Family Worship Center  
 St Mary's Cathedral  
 Lutheran Social  
 Services of ND  
 Perry Center  
 Share House and  
 Social Connection  
 CENTRE, Inc.  
 Springs of Living Water  
 Fargo Senior Commission  
 Native American Ministries  
 Federation of Families  
 REACH

