

## Dear Friends,

In 2008, we took a bold step forward by changing our name from America's Second Harvest to Feeding America. This new name is more than cosmetic—it will reinforce and fuel our aspirations to provide more and better food to an increasing number of Americans in need.

Fiscal Year 2008 established a solid foundation on which to launch our new brand and renewed mission. Most important, we distributed 2.17 billion pounds of food to millions of Americans who are struggling with hunger. We succeeded in our public policy efforts as well, helping to secure the passage of a strong 2008 Farm Bill. That legislation will ensure that more than 730 million additional meals will be allocated to our neighbors in need, and increase food stamp benefits for the next five years. We also spurred innovation and growth at our member food banks by distributing over \$50 million in national grants and subsidies—more funds than ever before in our history. Finally, we secured our most visible outreach campaign ever, partnering with the Ad Council to acquire donated advertisement placements across the country on television, in print, on radio, and online.

These accomplishments are only possible because of the tireless efforts of the entire Feeding America community, which includes our more than 200 network food banks, our national office staff, and thousands of advocates and donors.

As our nation faces a difficult economic climate, this group's commitment to fighting domestic hunger stands as a beacon of hope for a growing number of Americans in need.

Thank you for your support.

Sincerely,



Vicki Escarra  
President and CEO  
Feeding America

## How We Work

Feeding America is made up of individuals, local food banks, national office staff, as well as corporate and government partners. Together, we are bigger, better, stronger and more efficient than the sum of our parts. Working as a cohesive system positions us to truly solve the hunger crisis.

**SECURING FOOD:** Feeding America works with national corporate donors to secure food and grocery products to distribute, as needed, to local food banks. The relationships that we build with corporations also help cultivate local relationships between food banks and local companies.

**PROVIDING FUNDS:** Through a grant process, the Feeding America national office provides funding to local food banks. These are often directed toward funding innovation at the local level, so that food banks can create new ways to secure and distribute food.

**STANDARDIZING CARE:** We ensure that our member food banks across the country are equally and properly trained. We set high standards for food safety, financial systems, record keeping, transportation and donor relations.

**ADVOCATING:** Because we are a national system, we are able to give a voice to those who are not heard. Our nationwide reach enables us to engage the public and raise awareness of this critical issue on both national and local levels.

**FOOD DISTRIBUTION:** In times of natural disaster, crisis, or in everyday business, working as a national organization helps us see where needs are greatest. Moving food and resources where they are needed most is a strategic advantage in the fight against hunger.



### 01 DONATIONS ARE MADE

Feeding America secures donations from the food and grocery industries, government agencies, individuals and other organizations.



### 02 FOOD IS MOVED

The Feeding America network moves donated food and grocery products through member food banks to where they are needed most.



### 03 FOOD IS DISTRIBUTED AND STORED

Member food banks ensure the safe storage and reliable distribution of donated goods to local charitable agencies.



### 04 FOOD REACHES THOSE IN NEED

Donations are provided to people in need at food pantries, soup kitchens, youth programs, senior centers and emergency shelters.

## Feeding America by the Numbers

In FY08, the Feeding America network distributed  
**2.17 BILLION POUNDS**  
of food, enough to provide nearly 1.7 billion meals to Americans struggling with hunger.

62 PERCENT OF THOSE POUNDS ARE NUTRITIOUS FOODS.



In FY08, Feeding America was a leader in helping to ensure passage of the

## 2008 FARM BILL

which will help provide an additional

**730 MILLION MEALS**

to people in need and increase food stamp benefits over the next five years.

In FY08, the Feeding America network distributed more than

**57 POUNDS**  
OF FOOD AND GROCERIES PER PERSON IN POVERTY.

In FY08, the national office distributed just over

**\$50 MILLION IN GRANTS**  
and subsidies to help support local food bank initiatives, the most ever in our history.



including passthrough funds related to a settlement that named Feeding America as its beneficiary to help support local food bank initiatives

## Our Strategic Plan

We aspire to fundamentally change the way corporations donate food and grocery products, improve the way food banks across the country help each other succeed, and infuse the lives of millions of struggling Americans with hope and the power to thrive.

The Strategic Plan will guide all of Feeding America's work between 2008 and 2012. Its goals are simple:

- 01 Source and distribute more food.
  - By 2012, expand annual food distribution to 2.95 billion pounds (an increase of approximately 1 billion pounds beyond 2007 accomplishments).
- 02 Expand access to food by building local capacity.
- 03 Create a movement to fight hunger in the United States.
- 04 Maximize participation in government programs.
- 05 Cultivate a nationwide system of food banks that maximizes shared knowledge, wisdom, and dedication.

Execution and fulfillment of the strategic plan will ensure that the full potential of our national office and member food banks is harnessed in support of feeding more Americans.

## Feeding America Leadership

### BOARD OF DIRECTORS

**David Taylor**  
BOARD CHAIR  
Group President-Global  
Home Care  
Procter & Gamble  
Cincinnati, OH

**Jason Clark**  
Executive Director  
Second Harvest Inland  
Northwest  
Spokane, WA

**Eric N. Olsen**  
Patton Boggs LLP  
Washington, DC

**Joyce Rothermel**  
Chief Executive Officer  
Greater Pittsburgh  
Community Food Bank  
One North Linden  
Duquesne, PA

**Mark White**  
Senior VP, Strategic  
Initiatives  
Acosta Sales and Marketing  
Company  
Jacksonville, FL

**Troy Zander**  
DLA Piper  
San Diego, CA

**NAC Chair:  
Jan Pruitt**  
Executive Director  
North Texas Food Bank  
Dallas, TX

**Sandra L. Hensley**  
BOARD SECRETARY  
Feeding America  
Chicago, IL

**Peter Dunn**  
Indianapolis, IN

**Vicki Escarra**  
President and Chief  
Executive Officer  
Feeding America  
Chicago, IL

**Anne Goodman**  
Chief Executive Officer  
Cleveland Foodbank, Inc  
Cleveland, OH

**Casey Herman**  
Partner  
PricewaterhouseCoopers  
Chicago, IL

**David Brearton**  
EVP Global Business  
Services  
Kraft Foods Inc.  
Northfield, IL

**Vincent M. Howell**  
President - Food  
Business Unit  
Masterfoods USA  
Vernon, CA

**Judy Carter**  
Executive Director  
Capital Area Food Bank  
of Texas  
Austin, TX

**Eric Leventhal**  
SpencerStuart  
Stamford, CT

**Ms. Doris Christopher**  
Founder and Chairman  
The Pampered Chef  
Addison, IL

**Lynn Marmer**  
Group Vice President-  
Corporate Affairs  
The Kroger Co.  
Cincinnati, OH

### NATIONAL OFFICE LEADERSHIP

**Vicki Escarra**  
President and CEO

**Roberta Lane**  
Chief Financial Officer  
Through June 30, 2008

**Wendy MacGregor**  
Chief Marketing Officer

**William McGowan**  
Chief Operating Officer

**Daphne Logan**  
Senior Vice President of  
Human Resources

**Terry Richey**  
Chief Development Officer

**George Braley**  
Senior Vice President of  
Government Relations and  
Public Policy



# FINANCIAL STATEMENTS

In Fiscal Year 2008, Feeding America had operating expenses of \$636 million, of which \$616 million (96.9 percent) went to program activities designed to advance our mission and vision.

The program expenses included \$71 million in cash and \$565 million of in-kind contributions, of which \$563 million was donated food and grocery products. Feeding America and its member food banks across the country distributed those items to those in need.

Feeding America distributed a record \$19.7 million in grants to member food banks and agencies, up from \$15.5 million in FY 2007, an increase of 27 percent. This includes 35 vehicles that were provided to network members to aid them in the distribution of food and grocery products. Additional grants to members provided assistance for the operation of important programs such as Kids Cafe, BackPack and Community Kitchen.

Our auditors have expressed an unqualified opinion on our financial statements. These financial statements include associated notes that are essential to understanding the information presented herein. The full set of statements and notes is available at the website of Feeding America, [www.feedingamerica.org](http://www.feedingamerica.org), and a printed copy may be obtained upon request.

## Statement of Functional Expenses

FOR THE YEAR ENDED JUNE 30, 2008, WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2007

	PROGRAM SERVICES							SUPPORTING SERVICES		FY2008	FY2007
	MEMBER SERVICES	HURRICANE DISASTER RELIEF	SUPPLY CHAIN SERVICES	PRODUCT DEVELOPMENT	PUBLIC AWARENESS AND EDUCATION	PUBLIC POLICY	RESEARCH AND ANALYSIS	MANAGEMENT AND GENERAL	FUND DEVELOPMENT		
Personnel costs	2,610,059	—	2,129,718	900,645	797,400	1,134,838	399,831	2,970,541	1,821,533	12,764,565	10,843,843
Professional services	1,318,815	—	1,144,652	195,359	606,844	606,528	136,084	4,221,922	1,798,924	10,029,128	6,138,931
Materials and services	536,579	—	149,983	26,602	57,566	250,278	17,608	802,526	123,471	1,964,613	1,829,207
Transportation and processing	216,180	31,746	14,455,467	—	—	72	—	—	—	14,703,465	13,613,673
Purchased product	78,699	402,311	1,139,918	—	—	—	—	—	—	1,620,928	10,525,095
Occupancy	190,049	—	159,903	59,643	58,615	384,023	32,109	149,205	134,080	1,167,627	906,686
Postage, print and production	90,690	—	173,397	20,400	52,466	28,823	8,065	26,246	6,436,419	6,836,506	6,122,736
Travel, conferences and workshops	1,015,350	—	128,128	58,239	138,633	168,702	4,735	420,120	201,478	2,135,385	2,205,728
Program grants	17,078,002	2,612,807	10,000	—	—	36,318	—	—	—	19,737,127	15,522,326
Donated goods and services	563,429,986	—	717,238	—	—	—	—	444,300	—	564,591,524	628,037,814
Depreciation	75,428	—	64,104	23,630	22,997	24,436	12,872	56,579	52,910	332,956	221,019
<b>Total operating expenses for 2008</b>	<b>586,639,837</b>	<b>3,046,864</b>	<b>20,272,508</b>	<b>1,284,518</b>	<b>1,734,521</b>	<b>2,634,018</b>	<b>611,304</b>	<b>9,091,439</b>	<b>10,568,815</b>	<b>635,883,824</b>	<b>695,967,058</b>
<b>Total operating expenses for 2007</b>	<b>640,824,747</b>	<b>12,305,464</b>	<b>21,040,311</b>	<b>1,098,348</b>	<b>1,758,247</b>	<b>1,970,262</b>	<b>707,950</b>	<b>7,226,684</b>	<b>9,035,045</b>	<b>695,967,058</b>	<b>695,967,058</b>

## Balance Sheet

FOR THE YEAR ENDED JUNE 30, 2008, WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2007

	2008	2007
<b>Assets</b>		
Cash and cash equivalents	4,000,994	5,663,570
Investments	18,109,692	14,971,975
Pledges receivable, net	26,985,360	2,783,756
Accounts receivables and other assets	1,061,799	1,219,352
Furniture and equipment, net	715,401	639,267
<b>Total assets</b>	<b>50,873,246</b>	<b>25,277,920</b>
<b>Liabilities and Net Assets</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	5,943,678	2,160,559
Deferred revenue	13,866	40,375
Other obligations	706,459	394,047
Leases payable	323,850	351,290
<b>Total liabilities</b>	<b>6,987,853</b>	<b>2,946,271</b>
<b>NET ASSETS</b>		
Unrestricted	11,486,850	10,865,396
Temporarily restricted - hurricane disaster relief	—	3,037,017
Temporarily restricted - all other	30,980,186	6,993,866
Permanently restricted	1,418,357	1,435,370
<b>Total net assets</b>	<b>43,885,393</b>	<b>22,331,649</b>
<b>Total liabilities and net assets</b>	<b>50,873,246</b>	<b>25,277,920</b>

## Statement Of Activities

FOR THE YEAR ENDED JUNE 30, 2008, WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2007

	UNRESTRICTED	HURRICANE DISASTER RELIEF	ALL OTHER	PERMANENTLY RESTRICTED	TOTAL	SUMMARIZED TOTAL
<b>Operating activities</b>						
<b>PUBLIC SUPPORT AND REVENUE</b>						
<b>Public support</b>						
Donated goods and services	564,591,524	—	—	—	564,591,524	628,037,814
Individual contributions	20,573,250	7,589	86,069	—	20,666,908	17,450,862
Corporate contributions	3,469,877	—	5,247,508	—	8,717,385	12,707,610
Foundation grants	7,682,248	1,001	39,844,597	—	47,527,846	2,385,603
Corporate promotions	2,652,476	24	827,358	—	3,479,858	2,949,033
Net assets released from restrictions						
Satisfaction of program restriction	24,895,688	(3,046,864)	(21,848,824)	—	—	—
Expiration of time restriction	170,000	—	(170,000)	—	—	—
<b>Revenue</b>						
Member fees	2,245,478	—	—	—	2,245,478	2,151,627
Member revenue	7,595,842	—	—	—	7,595,842	7,558,481
Conference fees	427,657	—	—	—	427,657	487,212
Publications, administrative and materials fees	463,713	—	—	—	463,713	433,189
Other revenue	772,275	—	—	—	772,275	—
Investment income	845,776	—	(388)	39,096	884,484	1,170,332
<b>Total operating support and revenue</b>	<b>636,385,804</b>	<b>(3,038,250)</b>	<b>23,986,320</b>	<b>39,096</b>	<b>657,372,970</b>	<b>675,331,763</b>
<b>EXPENSES</b>						
Program	616,223,570	—	—	—	616,223,570	679,705,329
Fundraising	10,568,815	—	—	—	10,568,815	9,035,045
Management and general	9,091,439	—	—	—	9,091,439	7,226,684
<b>Total operating expenses</b>	<b>635,883,824</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>635,883,824</b>	<b>695,967,058</b>
<b>Operating support and revenue over expenses</b>	<b>501,980</b>	<b>(3,038,250)</b>	<b>23,986,320</b>	<b>39,096</b>	<b>21,489,146</b>	<b>(20,635,295)</b>
<b>Nonoperating activities</b>						
Wills and bequests	681,432	—	—	—	681,432	474,668
Individual contributions	—	—	—	22,000	22,000	25,000
Other revenue	—	1,233	—	—	1,233	5,493
Net realized and unrealized (losses)/gains on investments	(561,958)	—	—	(78,109)	(640,067)	1,202,298
Loss on disposition of furniture and equipment	—	—	—	—	—	(21,599)
<b>Total changes in net assets</b>	<b>621,454</b>	<b>(3,037,017)</b>	<b>23,986,320</b>	<b>(17,013)</b>	<b>21,553,744</b>	<b>(18,949,435)</b>
<b>Net assets, beginning of year</b>	<b>10,865,396</b>	<b>3,037,017</b>	<b>6,993,866</b>	<b>1,435,370</b>	<b>22,331,649</b>	<b>41,281,084</b>
<b>Net assets, end of year</b>	<b>11,486,850</b>	<b>—</b>	<b>30,980,186</b>	<b>1,418,357</b>	<b>43,885,393</b>	<b>22,331,649</b>

