

FAQs about AGENCY ORDERING



What is a Shared Maintenance Fee?

A shared maintenance fee (SMF) is a handling fee paid to Feeding America member food banks by Agency Partners in return for services provided (e.g. operations of warehousing and distribution of donated food and grocery products). While there is no partnership fee and no direct fee for any product donated to FBNA, we do ask our Agency Partners to help with a portion of our storage and transportation costs. The shared maintenance fee is not a charge for food, but it is assessed by pounds of food received. According to Feeding America, the fee is never more than 19 cents per pound. FBNA keeps our fee at 14 cents per pound.



Why are SMFs Necessary? What do they Cover?

The maintenance of an efficient and safe food and grocery distribution center costs money. Shared maintenance fees defray a portion of the costs associated with transporting, receiving, storing and distributing dry, refrigerated and frozen foods. The food bank warehouse must be properly staffed and equipped to operate freezers and coolers, and to transport food and grocery products. Shared maintenance fees enable communities to operate one food distribution system, saving individual charities the high costs of transportation, storage, and personnel required to access and receive large volumes of food and grocery donations.



What is a VAP & Why does it Cost More?

Items in our Warehouse that are coded VAP (Value Added Product) are purchased by FBNA and distributed to our partners at a lower cost compared to retail stores. In these cases, our Agency Partners are purchasing food through FBNA that the Food Bank purchased directly; the important distinction to make is that our partners **are not purchasing donated items** through the Food Bank.

Fast Facts:

- The person in need, receiving the food, is never charged any form of a fee.
- Shared maintenance fees are in accordance with IRS rule 170(e)(3) as the fees are nominal, not based on the value of the product, as assessed only by one qualified non-profit organization to another qualified non-profit organization. Fees are structured upon a per-pound basis.

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Does Everything Cost \$0.14 per pound?

No. There are several ways inventory is coded for fees:

- SMF (Shared Maintenance Fee) = \$0.14 per pound
- 1/2 SMF = \$0.07 per pound
- VAP (Value Added Product) = Cost Varies per Item as these are purchased for resale. Usually specific items that are needed in large quantities, i.e. Backpack Programs
- NSM (No Shared Maintenance Fee) = THIS ITEM IS FREE.
 - Can apply to limited items or items such as TANF boxes.



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What is a Banana Box?

A Banana Box is just that, the sturdy cardboard boxes that Banana's are received in. These types of boxes are used by the Warehouse to pack items for Agency Pickup. On the order form you may see that some items are limited to a designated number of cases.

1 case = 1 full Banana Box

- Banana Box Dry= Assorted Pantry Items received through donations (roughly 20lbs.)
 - Examples: pasta, rice, cake mixes, instant potatoes etc.
- Banana Box Cans= Assorted Canned Items received through donations (roughly 50lbs.)

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Can I Request Specific Items?

Short answer, Yes. If you would like to request a specific item, for example: pasta sauce, use the space under "Additional Comments / Special Instructions" on the backside of the order form and we will check for availability. There is no guarantee that special requests can be fulfilled, but we will do our best to make it happen when we can!

Fast Facts:

Items that are in extreme limited quantities, or NSM, will NOT always be listed on the website. Look for notices of these items in the Agency Services Waiting Room during your pickup to add to your order!