

Second Harvest Heartland

SHARED MAINTENANCE/HANDLING FEE

How it Works

What is shared maintenance?

Second Harvest Heartland and most Feeding America food bank members share the cost of handling and shipping food with their member agencies and programs. This handling fee is called “shared maintenance”. The handling fee charges are determined on a per pound basis for food and non-food grocery items. IRS rule 170 (e)(3) states that such a system is permitted if charges are not passed along to individuals and the fee is not based on the value of the product.

How much is the shared maintenance fee?

The average fee collected by Second Harvest Heartland from member agencies is less than three cents per pound with a maximum charge of 12 cents per pound plus a potential two cent per pound delivery fee. In the Twin Cities metro area there is a \$15 minimum and \$60 maximum charge for agencies utilizing the delivery service.

Does Second Harvest Heartland sell donated food to agencies?

Second Harvest Heartland does not sell donated food or grocery products to our member agencies and programs. Over eighty percent of the food distributed by Second Harvest Heartland is donated or comes from Government Food Programs.

Does Second Harvest Heartland profit from the shared maintenance fees?

Although the food donated by corporations is free to agencies, shared maintenance helps pay for the expenses incurred to operate the food bank. Shared maintenance covers about four percent of these expenses each year.

What is the cost per pound of distributing food?

The most accurate way to measure the efficiency of a food bank is the expense of distributing a pound of food (operating budget divided by pounds distributed). The operating costs at Second Harvest Heartland are less than 25 cents per pound of food distributed.

What are the benefits of being a Second Harvest Heartland member agency?

Second Harvest Heartland is the Upper Midwest’s largest hunger-relief organization. We will distribute over 70 million pounds of food and grocery products this year to approximately 1,000 member agencies and programs in a 59 county service area in Minnesota and western Wisconsin.

Member agencies benefit from 98.5 percent pick/fill accuracy rate with their orders of food and grocery products from Second Harvest Heartland.

Second Harvest Heartland is a member of Feeding America – the nation’s largest food bank network, which consists of over 200 member food banks serving every state in the U.S. Feeding America holds its members to exceptionally high standards in safe food handling, governance, fundraising and the solicitation of food and funds. Second Harvest Heartland is inspected by numerous government agencies for food safety, including the United States Department of Agriculture, Food and Drug Administration and Minnesota Department of Agriculture. Second Harvest Heartland is monitored every other year by Feeding America. In 2011, Second Harvest Heartland became the first food bank in the Feeding America network to achieved a “Superior” rating by AIB (American Institute of Baking) International on a food safety audit.

Second Harvest Heartland is efficient because it focuses its programs on its mission to end hunger. Expanded facilities, as well as food handling technology and programs, provide an unmatched variety of food, fresh produce and grocery products delivered to Second Harvest Heartland member agencies and programs in a timely manner.



second harvest
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