



Strategic Focus Areas for Roadrunner Food Bank's Future Fund

The Roadrunner Food Bank “**Future Fund**” was established in June 2021 to provide a firm financial foundation to ensure hunger-relief services of Roadrunner Food Bank and its statewide network will remain strong for many years to come.

The focus of this restricted quasi-endowment is to invest and support the long-term needs of the food bank, its statewide hunger-relief network and to help establish stability for future innovation. As the invested funds grow, the organization anticipates being able to utilize a percentage of the investment income every year for furthering our hunger-relief work across the state while keeping the principal amount largely intact.

The funds from Roadrunner Future Fund will provide support to **four key areas**:

1. Long-Term Organizational Sustainability

a. Hunger-Relief Network Support: Reduce or eliminate the shared costs partner agencies and fellow state food banks have because of being a member of Roadrunner's hunger-relief network. This will allow these critical partners to have more cash resources for their own internal needs.

b. Expansion of our SeedCorps Program: Roadrunner's AmeriCorps members are placed with many of our partner organizations in communities across the state. Our goal is to increase these placements. Our hunger-relief partners often need additional 'boots on the ground' to build capacity, provide nutrition education to clients, extend outreach into communities, provide long-term planning guidance and support our partners with everyday activities inside their hunger-relief organizations - from volunteer recruitment to improving operational efficiencies and much more.

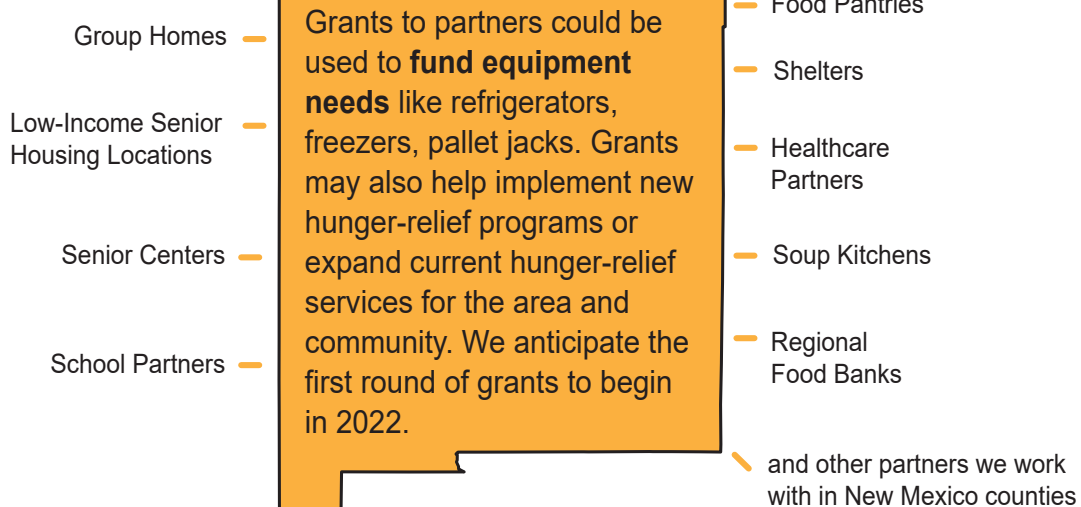


c. Additional Food Distributions: Expand existing or establish new food distributions in targeted high-need areas where gaps of services may exist or where new services are needed to meet the need in a flexible and fluid way.

d. Staff Payroll Equity: Our staff is our greatest asset. Retain the best talent by ensuring the food bank can remain competitive with equitable pay and benefits to reduce turnover and remain efficient and effective in our work.

2. Invest in our Statewide Partner Agency and Food Bank Network

Allows us to allocate yearly grants to our **statewide network** of:

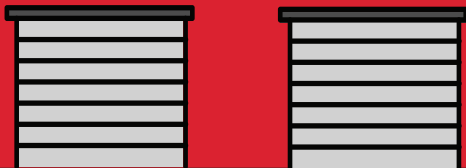


3. Establish a Capital Equipment Replacement Fund



4. Eliminate Burden of Debt

Debt for nonprofits ties up operational funds to accomplish our mission. In the nonprofit world there is no benefit to carry debt for any extended period. A portion of the Roadrunner Future Fund was used to pay off our building's \$8.5 million mortgage.



Our distribution facility (the warehouse) is the conduit in how we safely receive, store and prep food for distribution. Food in our warehouse is provided to communities via our network of hunger-relief partners to people seeking emergency food throughout the state.

Paying off the building's mortgage helped the food bank long term by:

- a. Reducing the demand on our existing annual operating budget by \$700,000 a year – will free up funds every year to use for other important mission-based activities.
- b. Limiting the organizational debt risk in unknown financially turbulent times, and
- c. Rent food storage space for profit entities.

Quasi Endowment – a restricted fund established by a nonprofit and invested. Often the nonprofit can elect to take a percentage of the interest and dividends annually. The nonprofit can use the interest and dividends to “fund” the organizations priorities set forth in the establishment of the restricted fund. In most instances, the initial dollars invested in the creation of the fund are never expended so that the fund continues to grow annually. However, the flexibility of a quasi-endowment allows the organization to touch the principle of the gift should a crisis or emergency arise that requires the organization to use the initial investment. The food bank anticipates expending four percent of the restricted fund annually based on the anticipated growth of the investment.

Statewide Hunger-Relief Network – Roadrunner Food Bank is a distribution hub that provides food and additional services to a network of partners. These partners are made up of hundreds of locations in New Mexico and include food pantries, soup kitchens, shelters, group homes, school partners, senior centers, low-income housing locations, healthcare organizations as well as regional food banks. These partners serve New Mexicans facing hunger in all 33 of the state's counties.