

Letter of Agreement

Letter of Agreement between _____ (Agency)
and the Capital Area Food Bank of Texas of Texas (CAFB)

CAPITAL AREA FOOD BANK:

1. CAFB will seek and develop surplus food resources and store food obtained in a central warehouse for distribution to the Agencies.
2. CAFB will provide training on food or food handling issues based on Agency needs and suggestions.
3. On a regular basis, CAFB will provide reports to the Agency in the form of a “shopping list” regarding status and availability of inventory received.
4. Other than enforcing the stipulations of this Agreement and the requirements imposed by the Texas Department of Human Services (TDHS) and HEB for the implementation of the USDA Commodities and perishable foods programs, respectively, CAFB will not interfere with the internal affairs of the Agency.
5. CAFB will notify the Agency in writing at least sixty (60) days before changing membership criteria, handling fees or membership fees.

PARTNER AGENCY:

1. The Agency agrees to adhere to the minimum standards required for membership at CAFB as outlined in the Section III, MEMBERSHIP REQUIREMENTS, in the Partner Agency Policies and Procedures Manual. This Section includes additional information on each of the terms listed below, including allowable exceptions to the policies.
2. The Agency must have been designated a 501(c)(3) non-profit organization by the IRS or be affiliated with a 501(c)(3) umbrella organization. An Agency which is a church or a program directly sponsored by a church may use the non-profit designation of the parent affiliation of that church or may affirm by written statement that it essentially meets the fourteen criteria employed by the IRS in defining a church.
3. The Agency must meet safe food storage and handling requirements.
4. The Agency may not exclude any individual from service based on the race, color, age, religion, national origin, disability, sex, sexual orientation or political affiliation of the individual. The Agency may not require any individual to attend a religious or political meeting. The Agency may not require a client to make a statement of faith or pledge membership to any religious or political organization before receiving assistance.
5. Food received by the Agency from CAFB must be used for the care of “the ill, needy or infants”. Any other use may violate Internal Revenue Service regulations.
6. The Agency agrees to submit one (1) copy of it’s annual financial audit for the agency’s file if the agency receives more than \$500,000 in Federal funds from all sources.
7. The Agency may not require a client to make a donation or other payment in exchange for food. The Agency may not receive money, property or services for the transfer or use of contributed property. To do so is in direct violation of the United States Internal Revenue Code Section 170 (e)(3). Similarly, the Agency may not use CAFB food in fund raising activities. Food obtained from the Food Bank may not be bartered, traded or exchanged for any other item(s) or service(s).
8. The Agency must pass a periodic inspection conducted by CAFB, of food safety and handling practices.
9. Following final approval, the Partner Agency will be billed a membership fee of \$5.00 no matter when during the year the membership begins. In subsequent years, this fee is charged to each Agency account in January.

10. The Agency must support the operation of the CAFB with a handling fee (called Shared Maintenance) of up to 18¢ per pound, to help defray administrative costs, warehouse expenses, freight, and miscellaneous overhead costs in making these items available. The fee is based on the gross weight of products received. Shared Maintenance charges may not exceed the cap on such fees (currently 15¢ per pound) established by America’s Second Harvest, the Nations Food Bank Network, although CAFB may, at its discretion, reduce or eliminate this fee on certain specific products. Additionally, the Food Bank may pass on “value-added processing” (VAP) costs related to packaging or processing certain highly desirable products.
11. The Agency must maintain good credit with CAFB by paying all outstanding charges within sixty (60) days of the invoice date, unless other written arrangements are made with CAFB.
12. The Agency must provide required reports, specifically including those reports required from Agencies that receive USDA commodities.
13. The Agency agrees to keep CAFB invoices on file for at least 3 years, 90 days, as required by IRS regulations.
14. The Agency agrees to accept all surplus food and other items “as is.” However, the Agency also warrants that all food received from or through the CAFB will be inspected and any items found to be unfit for consumption will be immediately discarded and will not be served or distributed.
15. The Agency agrees to follow the guidelines imposed by TDHS and HEB for the implementation of the USDA commodities and perishables food programs, respectively, or to risk becoming ineligible to receive products from those sources. These guidelines may include, but are not limited to, rules covering eligibility determination, Agency training, transportation and storage of product, and record keeping and reporting.

The Capital Area Food Bank of Texas and the original donor expressly disclaim any warranties, express or implied, of the marketing or fitness of any donated product for a particular use.

The Agency releases the original donor, America’s Second Harvest, the Nation’s Food Bank Network, and CAFB and agrees to hold them harmless and indemnify them against liability, loss, damage or claim, of any kind whatsoever, whether at law or in equity, arising out of or based upon the negligence or any act, whether independent or concurrent, of the Agency, its employees, agents, volunteers, or independent contractors, in connection with the storage, maintenance, transportation, use or distribution of any item of food or other product, whether received from the Capital Area Food Bank of Texas or other sources. The Agency shall pay any and all court costs and attorney fees of any sort whatsoever which may arise out of any claims against CAFB, arising because of any action, non-action, liability, loss, damage or claim of any kind whatsoever, whether in law or in equity, resulting from or based upon the conditions outlined in this agreement or because of any other claim involving the Agency.

SIGNED for the AGENCY:

SIGNED for the Capital Area Food Bank:

Signed

Name (printed)

Title

Date

Signed

Glenda Shayne

Vice President, Community Programs

Date