

2009 – 2010 CDBG/HOME APPLICANT QUESTIONS AND RESPONSES

Name of Organization: People Resources, Inc.

Project Title: Elderly Nutrition Program

1. Why is the grant being asked to fund a portion of the meal? For example, is there an incremental cost of delivering a meal to a Davis resident? Is there a serve or cost that is unique to the Davis service area?

2. Please provide a rationale for funding a portion of the service (meal) or re-do the budget to reflect the total cost of meals provided. For example, the meal costs \$8.50 and the project is asking CDBG to provide 33% of the cost to serve Davis residents.

The following information should answer both questions 1 and 2.

People Resources/Elderly Nutrition Program currently manages 4 grants that specifically fund raw food and food supply costs of meals for identified recipients in different geographical locations: CDBG in Davis; CDBG in Woodland; CSBG in rural Yolo County; and a foundation grant in West Sacramento. **These costs are the same regardless of location.**

Food and food supply costs are direct service expenses that are relatively consistent by month and are easily documented through invoices, which simplify the grant management process. To use grant funds to cover the entire cost of the meal would complicate this process and be very time-consuming, given the number of vendors we interface with every month; such as, equipment, equipment repair, space repair, office supplies, office expenses, utilities, insurance, vehicle maintenance and fuel vendors, etc.

Further, we must raise approximately 77% of our projected expenses through a variety of fund raising methods that includes intensive grant writing. Limiting funding to only a portion of the meal cost, enables us to ensure that we are not using funds from different sources to cover the same costs.

In addition, for some funding sources, providing for the cost of food expenses rather than personnel costs, for example, is a more compelling reason to approve a competitive funding request.

3. Due to limited funds, what is the minimum amount that your agency could benefit from/use?

That's truly a difficult question to answer given the uncertainty of and diminishing funding sources that ENP has depended on through the years. ENP requested **\$10,000** from CDBG, keeping in mind that resources are limited, but would have rather requested **\$15,000**, given the existing need for meal services in Davis.

Unfortunately, we have been managing "a financial house of cards" for the past 8 years, battling deficits every year, and not knowing from one year to the next whether we will have the funds to cover the cost of critical meals to seniors. During this time the number of seniors who need Meals on Wheels has been rising every year. This year we are serving 150% of the Area 4 Agency on Aging home delivered meals scope we are required to meet and for which we receive partial funding. That's one third of the meals for homebound seniors for whom we receive no A4AA (federal) funding. We must raise 100% of the cost of those meals. We project we will serve 17,800 meals over scope by the end of the fiscal year.

Given the dire state of our economy and subsequent loss of private investments by most, it is highly unlikely that ENP's 2010 funding will equal our 2009 levels. In addition, we do not know if we will be able to recover an additional \$94,000 deficit facing us next year, which will result from loss of a non-renewable grant of \$50k, \$26k in a one time only donation, and \$18k from a meals contract with a child development center. The staff and board of directors of ENP are working hard to raise funds to cover this deficit. We have instituted 3 direct mailing campaigns this year and plan to continue direct mailing next year. However, the declining levels of donations from individuals, and of revenues from fundraising events and other traditional fundraising methods make it unlikely.

This is a critical time for all non-profit organizations. Each of us works for the common good, because neither government nor private sectors are able or willing to meet these community needs. However, access to food is a basic human need. Homebound seniors who are unable to prepare or purchase meals and who have no one available to help are unable to access food resources that others in need can rely upon, such as food banks and food closets. ENP is the only resource that meets this critical need of daily sustenance for homebound elders in Yolo County.

CDBGs are integral and essential sources of funding for ENP, if we are to continue to meet the needs of all seniors who need meals next year and not have to place frail, lonely, isolated seniors on a waiting list, as we have had to in past years. The specter of that possibility keeps me up at night, because I know that literally without meals, those seniors could starve.

Thank you so much for the past support you have provided "Meals on Wheels" for seniors in Davis through the CDBG, and the opportunity to apply again. We could not provide critical meals for our homebound elders without your assistance as well as others.

Respectfully submitted,

Nicki McCabe

Executive Director