

Benefits Benchmarking

FY 2020

SF-Marin Food Bank

Introduction

San Francisco Marin Food Bank (SFMFB) does not provide a competitive benefits package to current employees and potential candidates. To remain competitive, SFMFB must increase its benefits because it trails other food banks along multiple metrics. When comparing employee benefits and employee compensation, The SFMFB performs at average, below average, or is last. These comparisons are made using the most recent (FY 2019) data from Feeding America’s Compensation and Benefits Survey. Enabling a direct “Apples to Apples” comparison between similar food banks relies on Feeding America’s analysis framework which groups food bank peers into Environmental Peer Groups (EPGs).

Methodology

Environmental Peer Groups (EPG)

In 2012 Feeding America established cohorts of peers across its entire food bank network called, “Environmental Peer Groups” (EPG). Named after fruits, these EPG cohorts enable comparisons between food banks for benchmarking and encourage food banks to share best practices amongst peers. Groupings are not based on performance characteristics (e.g. distribution volume). Instead, groupings are based on factors independent of food bank operations to ensure peer food banks can be analyzed according to the socioeconomic opportunities that contribute to their success. These factors are: service area size, food insecurity, available resources and financial support, and cost to operate. Stated differently, these factors provide the basis for cross-comparative analysis of food banks with similar opportunities, demand, expenses, revenue and food resources, respectively.

Factors Determining EPGs

According to Feeding America, quantitative results from each factor are “applied to a continuum across the network” starting at a “low” score and going up to “high” score. These scores are relative to all food banks in the network.

Factor	Definition
<u>Service Area Size</u>	The total of square miles included in all the counties in a service area.
<u>Food Insecurity</u>	The number of food insecure persons (as defined by the Map the Meal Gap work) for the service area is used to describe the actual need in that area.
<u>Cost to Operate</u>	Feeding America believes that the cost to operate affects the environment in which an organization operates (salary levels, operational costs, effect on poverty in the community, etc.). The ACCRA Cost of Living Index by county includes Housing, Transportation, Utilities, Groceries, Healthcare, and Miscellaneous factors.
<u>Available Resources</u>	A combination of sources for available funds and food are used for this factor. To determine available funds, it used the data from Giving USA to identify funds available to Hunger Relief organizations based on median household income for the service area. To determine available foods, it used retail store median volume based on data from ACNielsen (over 30,000 retail stores in the US), FMCE forecasts prepared by consultants, and local produce opportunities as developed by USDA, specifically

for produce items categorized as “Hard 7”. The combination of food and funds creates a continuum that describes members as in areas with higher or lower resources relative to the Network.

Apple EPG

The SF-Marin Food Bank belongs to the “Apple” EPG. The Apple EPG is distinguished from all other food banks by its high availability of resources. Unsurprisingly, Apple EPGs are located in major US cities like Boston, Chicago, Los Angeles, New York, Philadelphia, San Jose, San Francisco, Washington DC. Apple EPGs are also unique in that they register the highest score in all but 1 factor - *Service Area*. For this reason, “Apple” food banks are the most expensive to operate and have the highest demand/need for their services, but are positioned to have the highest resources available to them to meet the highest operational costs (i.e. salary and benefits) of the entire network.

EPG 2.0	Totals FBs	Former EPGs	Service Area Size	Food Insecurity	Available Resources	Cost to Operate
Apple	14	Apple	SMALLER	HIGHER	HIGHER	HIGHER
Apricot/Mango	18	Apricot	SMALLER	LOWER	INT	HIGHER
		Mango	SMALLER	LOWER	LOWER	HIGHER
Banana/Pear	25	Pear	INT	INT	LOWER	LOWER
		Banana	INT	LOWER	LOWER	LOWER
Blueberry	22	Blueberry	INT	HIGHER	HIGHER	INT
Cherry/Lime	20	Cherry	INT	INT	INT	LOWER
		Lime	INT	INT	INT	INT
Grape	21	Grape	SMALLER	LOWER	LOWER	INT
Orange/Papaya	19	Orange	LARGER	INT	INT	HIGHER
		Papaya	LARGER	INT	INT	INT
Peach	33	Peach	SMALLER	LOWER	LOWER	LOWER
Pineapple/Strawberry/ Watermelon	27	Pineapple	SMALLER	INT	INT	INT
		Strawberry	SMALLER	INT	INT	HIGHER
		Watermelon	SMALLER	INT	LOWER	INT

FOOD BANK ID	FOOD BANK NAME	CITY	STATE	EPG
9	The Greater Boston Food Bank	Boston	MA	Apple
10	Food Bank For New York City	Bronx	NY	Apple
16	Greater Chicago Food Depository	Chicago	IL	Apple
45	Los Angeles Regional Food Bank	Los Angeles	CA	Apple
50	Feeding South Florida	Pembroke Park	FL	Apple
58	Community Food Bank of New Jersey	Hillside	NJ	Apple
77	Feeding San Diego	San Diego	CA	Apple
78	San Francisco and Marin Food Banks	San Francisco	CA	Apple
79	Silicon Valley Second Harvest Food Bank	San Jose	CA	Apple
95	Capital Area Food Bank	Washington	DC	Apple
207	Long Island Cares, Inc.	Hauppauge	NY	Apple
296	Philabundance	Philadelphia	PA	Apple
297	City Harvest	New York	NY	Apple
311	Island Harvest	Bethpage	NY	Apple

EPGs in the Bay Area

In the Bay Area, there are 3 food banks: San Francisco Marin Food Bank (SFMFB), Silicon Valley Second Harvest Food Bank (SVSHFB), and Alameda County Community Food Bank (ACCFB). **Comparisons between SFMFB and SVSHFB are worthwhile because they are both Apple EPGs and they belong to the same metropolitan area which means they regularly compete for talent and share other local environmental and socioeconomic factors that may not be captured in the EPG classification system.** Many current SFMFB staff are former SVSHFB staff, and vice versa. Despite ACCFB's classification as a *Strawberry* and SFMFB's classification as *Apple*, there is utility in making comparisons because both food banks regularly compete for talent in the same metropolitan area (there is a high outflow of staff from SFMFB to ACCFB). *Strawberry* and *Apple* food banks have a similar high cost to operate, but *Strawberry* food banks lack the resources of *Apple* food banks. **Therefore, SFMFB should be able to do equal or better than ACCFB because despite the shared burden of high operational costs, ACCFB has lesser resources for staff compensation and benefits.**

FOOD BANK ID	FOOD BANK NAME	CITY	STATE	EPG
78	San Francisco and Marin Food Banks	San Francisco	CA	Apple
79	Silicon Valley Second Harvest Food Bank	San Jose	CA	Apple
169	Alameda County Community Food Bank	Oakland	CA	Strawberry

Results

Health Insurance Benefits

SFMFB offers the least amount of health plan options when compared to other Apple EPGs. On Average, an Apple EPG will offer 3 health plan options (Median = 3). SFMFB offers 1 health plan which places it in the company of *Grape* food banks which have the lowest available resources with an intermediate cost to operate. **Of note, there are no *Grape* food banks in the entire state of California, nor any state along the West Coast or North Western United States.**

Number of Plans Offered (Apple EPGs)

<i>Food Bank Name</i>	HMO	PPO	Consumer-Driven Plan	Other (POS, EPO)	TOTAL Plans Offered
City Harvest			Yes	Yes	5
Long Island Cares, Inc.		Yes			4
Feeding San Diego	Yes	Yes			4
The Greater Boston Food Bank	Yes		Yes		3
Philabundance	Yes	Yes	Yes		3
Los Angeles Regional Food Bank	Yes	Yes			3
Island Harvest				Yes	3
Greater Chicago Food Depository	Yes	Yes	Yes	Yes	3
Feeding South Florida	Yes	Yes			3
Second Harvest of Silicon Valley	Yes		Yes		2
Food Bank For New York City	Yes	Yes		Yes	2
Capital Area Food Bank	Yes	Yes			2
SF-Marín Food Bank	Yes				1

<i>EPG</i>	AVERAGE Health Plans Offered	MEDIAN Health Plans Offered
Apple	3	3
Apricot/Mango	2	2
Banana/Pear	2	1
Blueberry	3	2
Cherry/Lime	3	3
Grape	1	1
Orange/Papaya	3	2
Peach	2	1
Pineapple/Strawberry/Watermelon	3	2

Cost Share

SFMFB currently provides less cost share for 3 types of coverage (Employee+Spouse, Employee+Child, Employee+Family) on average when compared against all other Apple EPGs. On average, Apple EPGs are offering about 60% employer cost share for dependents, whereas SFMFB offers 50%. There are 4 outlier food banks that bring down the cost share averages which are worth mentioning. These food banks have significantly less staff than the other Apple EPGs meaning that they have less purchasing power to negotiate cheaper healthcare offerings. It's likely the healthcare expense to the organization is significantly higher in comparison. These food banks have about 50 staff, whereas the rest of the Apple EPGs have, on average, 139 employees. Including the outliers in the calculation to determine average Food Bank cost sharing illustrates how SFMFB aligns closer to the outliers than its peer food banks.

Food Bank Name	Food Bank Cost Share (%)				TOTAL STAFF
	[Employee]	[Employee+ Spouse]	[Employee+ Child]	[Employee+ Family]	
The Greater Boston Food Bank	75.00%	75.00%	75.00%	75.00%	193.50
Second Harvest of Silicon Valley	100.00%	76.67%	82.86%	73.11%	181.00
Philabundance	80.00%	80.00%	80.00%	80.00%	104.00
Los Angeles Regional Food Bank	95.00%	40.00%	59.00%	36.00%	133.00
Long Island Cares, Inc.	87.00%	40.40%	46.94%	28.01%	44.50
Island Harvest	98.95%	45.03%	47.56%	31.84%	36.50
Greater Chicago Food Depository	85.00%	75.00%	75.00%	70.00%	193.50
Food Bank For New York City	85.00%	80.00%	85.00%	80.00%	105.00
Feeding South Florida	100.00%	50.00%	53.00%	31.00%	66.00
Feeding San Diego	100.00%	0.00%	0.00%	0.00%	48.50
Community Foodbank of New Jersey	95.00%	85.00%	85.00%	80.00%	169.00
City Harvest	83.40%	82.90%	82.60%	82.80%	158.00
Capital Area Food Bank	75.00%	75.00%	75.00%	75.00%	112.50
SF-Marín Food Bank	90%	50%	50%	50%	145.00

EPG	[Employee]	[Employee+ Spouse]	[Employee+ Child]	[Employee+ Family]
Apple AVERAGE	89.18%	61.92%	65.15%	57.14%
Apple MEDIAN	87.00%	75.00%	25.00%	73.11%

Retirement Benefits

SFMFB lags significantly with respect to retirement benefits. Compared to all Apple EPGs, on average, peer food banks contribute 5% of salary (Median = 4%). At 3%, SFMFB is not competitive. This fact is highlighted when averages are computed to be 5% (median = 5%) across all EPGs that provide a benefit where the *Member [Food Bank] Contributes and Employee May Contribute*.

<i>Food Bank Name</i>	<i>Retirement Benefit Type</i>	Max % of Salary Contribution by FB to Plan
Capital Area Food Bank	Member Contributes and Employee May Contribute	10%
The Greater Boston Food Bank	If Employee Contributes, then Food Bank Contributes	8%
Greater Chicago Food Depository	Member Contributes and Employee May Contribute	7%
City Harvest	Member Contributes and Employee May Contribute	6%
Second Harvest of Silicon Valley	Member Contributes and Employee May Contribute	5%
Food Bank For New York City	If Employee Contributes, then Food Bank Contributes	5%
Los Angeles Regional Food Bank	Member Contributes and Employee May Contribute	4%
Feeding San Diego	If Employee Contributes, then Food Bank Contributes	4%
SF-Marin Food Banks	Member Contributes and Employee May Contribute	3%
Long Island Cares, Inc.	If Employee Contributes, then Food Bank Contributes	3%
Island Harvest	Member Contributes and Employee May Contribute	3%
Community Foodbank of NJ	Other	3%
Feeding South Florida	If Employee Contributes, then Food Bank Contributes	2%
Philabundance	Member Contributes and Employee May Contribute	1%
AVERAGE Max % of Salary Contribution by FB to Plan		5%
MEDIAN Max % of Salary Contribution by FB to Plan		4%

Retirement Benefit Type	EPG	AVERAGE	MEDIAN
		Max % of Salary Contribution by FB to Plan	Max % of Salary Contribution by FB to Plan
If Employee Contributes, then FB Contributes		5%	3%
Member Contributes and Employee May Contribute	Orange/Papaya	7%	7%
	Grape	7%	5%
	Cherry/Lime	7%	6%
	Blueberry	6%	6%
	Apple	5%	5%
	Banana/Pear	5%	5%
	Pineapple/Strawberry/	5%	5%
	Peach	4%	4%
	Apricot/Mango	4%	3%
TOTAL		5%	5%
Member Contribution Only Total		4%	5%
GRAND TOTAL		5%	4%

Ancillary Benefits

The ancillary benefits in the below chart have a premium partially paid by the employer. Ancillary benefits where the premium is not paid by the employer are not included. In this instance, SFMFB is just meeting (average = 5) or slightly below target (median = 6) with 5 ancillary benefits.

<i>Food Bank Name</i>	Basic AD&D	Life Ins.	Educational Assistance	(EAP)	(HSA)	Long-Term Disability	Short-Term Disability	Vision	Total
Feeding South Florida		1						1	2
Long Island Cares, Inc.	1	1				1			3
Los Angeles Regional Food Bank	1	1				1			3
Island Harvest	1	1				1		1	4
Community Foodbank of New Jersey	1	1		1		1	1		5
Food Bank For New York City	1	1		1		1	1		5
SF-Marín Food Banks	1	1		1		1		1	5
Capital Area Food Bank	1	1		1		1	1	1	6
City Harvest	1	1		1		1	1	1	6
Feeding San Diego	1	1	1	1		1	1		6
Greater Chicago Food Depository	1	1	1	1		1	1		6
The Greater Boston Food Bank	1	1	1	1		1	1		6
Philabundance	1	1	1	1	1	1	1	1	8
Second Harvest of Silicon Valley	1	1	1	1	1	1	1	1	8
AVERAGE									5
MEDIAN									6

Discussion

SFMFB comes last in overall benefits when compared against other similar food banks in the Apple EPG. Feeding America has created a framework to analyze food banks against each other to do an “Apples to Apples” comparison. This framework is useful for making comparisons across the country. However, making comparisons across food banks in the same metropolitan area may provide comparative analysis that takes into account local socioeconomic factors. Below is a chart that details benefits offered by Bay Area Food Banks.

	<i>Desc.</i>	<i>Details</i>	SFMFB	Silicon Valley	ACCFB
Health Insurance	HMO	Employee	90% <i>Premium paid by Employer</i>	100% <i>Premium paid by Employer</i>	100% <i>Premium paid by Employer</i>
		Employee + Spouse	68%	82%	93%
		Employee + Children	70%	87%	93%
		Employee + Family	63%	80%	93%
	PPO	Employee	N/A	N/A	100% <i>Premium paid by Employer</i>
		Employee + Spouse	N/A	N/A	93%
		Employee + Children	N/A	N/A	93%
		Employee + Family	N/A	N/A	93%
	HSA	Employee	N/A	100% <i>Premium paid by Employer</i>	N/A
		Employee + Spouse	N/A	82%	N/A
		Employee + Children	N/A	87%	N/A
		Employee + Family	N/A	80%	N/A
	Dental*	Employee	100%* <i>Premium paid by Employer</i>	100% <i>Premium paid by Employer</i>	100% <i>Premium paid by Employer</i>
		Employee + Spouse	0%	80%	100%
		Employee + Children	0%	80%	100%
		Employee + Family	0%	72%	100%
Vision	Employee	N/A <i>(no vision plan except for \$150 credit in HMO plan)</i>	100% <i>Premium paid by Employer</i>	0% [\$4.54 employee premium]	
	Employee + Spouse	N/A	100%	0% [\$9.66 employee premium]	
	Employee + Children	N/A	100%	0% [\$9.66 premium]	
	Employee + Family	N/A	100%	0% [\$9.66premium]	
403(B)	Contribution	/	3%	5%	\$910 annualized
	FB Match	/	3%	5%	5%
Holidays	/	/	10 paid holidays	10 paid holidays	10 paid holidays
PTO	Sick	/	12 days <i>after 1 year</i>	30 Days <i>after 1 year</i>	12 days <i>after 1 year</i>
	Vacation	/	13 days <i>after 1 year</i>		10 days <i>after 1 year</i> +4 early closure
Life Ins.	/	/	Flat \$25,000	2 X Salary	1 X Salary
Disability	/	/	66.67% of earnings	66.67% of earnings	66.67% of earnings

**SFMFBs self-funded dental plan has an annual maximum reimbursement of \$1,000 for the employee. Dependents can be added via a monthly premium.*

Weighted Apple EPGs

In all of the comparative analysis done thus far, there have been no modifications to Feeding America's EPG framework. However, it should be pointed out that the EPG framework leaves out one component that is important for properly analyzing healthcare benefits. When there are more employees on a health plan, there is generally greater bargaining power to reduce costs. Small group health insurance plans are typically more expensive per employee. Thus, the cost share associated with healthcare plans is more burdensome for outlier EPGs.

These outlier EPGs do bring down the averages for all other Apple EPGs in the network. Across all benefits, these outliers offer some of the worst benefits in the Apple EPG. **Still, despite the high costs associated with healthcare benefits for these outlier EPGs, when they are included in the analysis, SFMFB still underforms on average.**

Calculating Apple EPG Outliers

Median	112.75
1st Quartile [Q1]	66
3rd Quartile [Q2]	158
Interquartile range [IQR]	Q3 - Q1 = 92
Calculation <i>(An outlier is a point which falls more than 1.5 times the interquartile range above 3rd quartile or below 1st quartile).</i>	=Q1 - (1.5 x IQR) =66 - (1.5 x 105.5) =102.75
Result	Any Apple EPG with Employees numbering less than 102, are considered outliers for comparisons related to staff size dimensions

EPG	Food Bank Name	AVERAGE /TOTAL FT Employees	MEDIAN /TOTAL FT Employees	
Apple	Island Harvest	36.50	36.50	Outlier
	Long Island Cares, Inc.	44.50	44.50	Outlier
	Feeding San Diego	48.50	48.50	Outlier
	Feeding South Florida	66.00	66.00	Outlier
	Philabundance	104.00	104.00	
	Food Bank For New York City	105.00	105.00	
	Capital Area Food Bank	112.50	112.50	
	The Greater Boston Food Bank	113.00	113.00	
	Los Angeles Regional Food Bank	133.00	133.00	
	SF-Marin Food Bank	145.00	145.00	
	City Harvest	158.00	158.00	
	Community Foodbank of New Jersey	169.00	169.00	
	Second Harvest of Silicon Valley	181.00	181.00	
	Greater Chicago Food Depository	193.50	193.50	
Apple Total (with outliers)		114.96	112.75	
Apple Total (weighted without outliers)		141.40	139.00	

Weighted Healthcare Benefits without Outlier EPGs

<i>Org Name</i>	Food Bank Cost Share (%)			
	[Employee]	[Employee+ Spouse]	[Employee+ Child]	[Employee+ Family]
Capital Area Food Bank	75.00%	75.00%	75.00%	75.00%
City Harvest	83.40%	82.90%	82.60%	82.80%
Community Foodbank of New Jersey	95.00%	85.00%	85.00%	80.00%
Food Bank For New York City	85.00%	80.00%	85.00%	80.00%
Greater Chicago Food Depository	85.00%	75.00%	75.00%	70.00%
Los Angeles Regional Food Bank	95.00%	40.00%	59.00%	36.00%
Philabundance	80.00%	80.00%	80.00%	80.00%
Second Harvest of Silicon Valley	100.00%	76.67%	82.86%	73.11%
The Greater Boston Food Bank	75.00%	75.00%	75.00%	75.00%
AVERAGE	85.93%	74.40%	77.72%	72.43%
MEDIAN	85.00%	76.67%	80.00%	75.00%

Conclusion

In order to remain competitive, SFMFB should increase its benefits. Creating a compensation parity for SFMFB means that benefits would reach the EPG Apple compensation averages.

As a goal, SFMFB should increase benefits to meet the median compensation in the Bay Area. To adequately compensate all of its hard-working employees, SFMFB should want to be a leader in benefits compensation in the Bay Area and nationally.

Benefit	SFMFB Current Compensation	Apple EPG Median	Bay Area Median	SFMFB Median Benchmark
Healthcare Offerings	1 option	3 options	3 options	3 options
Healthcare Cost Share [Emp, Emp+Spouse, Emp+Child, Emp+Family]	90%, 50%, 50%, 50%	85%, 76%, 80%, 75%	100%, 82%, 87%, 80%	100%, 90%, 90%, 90%
Retirement	3%	4%	5%	5%
Ancillary	5	6	5	5
PTO + Holiday (first year)	35	Unknown	36	36
Life Insurance	\$25,000	Unknown	1.0 x employee salary	1.0 x employee salary