

Food Valuation Methodology & Calculation Summary 2023

Background & Purpose

Food Banks Canada is committed to providing leadership to the network and our partners by providing a national standard for food valuation, annually. Each year, Food Banks Canada, in partnership with NielsenIQ, reviews and determines a national value for donated food. This process allows us to provide a credible, consistent valuation of donated food and share clear communication and impact of donations received.

Methodology Inputs

- a. Food Banks Canada inventory and or hamper data received from a statistically significant sample of the network and sourced bi-annually (2022).
- b. The 2023 NielsenIQ MarketTrack data provides an average price per Kg/Lb for food categories across Canada for a 52-week historical period ending March 26, 2023.

Calculation & Output

As of 2023, there are two ways to determine the value of donated food. Only one method may be used at a time. Please speak to your financial auditors to determine the most applicable valuation method for your organization. As these calculations are based on historical data, the below valuations are effective for donations received on or after April 1, 2022. The updated valuation shown below has been audited by Deloitte Canada and approved by the Food Banks Canada Board of Directors (May 2023).

Option #1 Aggregate Method: The updated 2023 national aggregate value of food is **\$3.52/lb or \$7.76/kg**. To apply this calculation multiply the aggregate value of food referenced above by the total weight of donated food.

Option #2 Category Method: Food Banks Canada has adopted a **NEW** category-based valuation that provides a more detailed and precise method of determining the value of donated food. This method calculates the value of donated food using specific food categories (not aggregate). To apply this calculation:

1. A confidentiality agreement is required in order to release the specific category dollar (\$) values. This agreement is facilitated by Food Banks Canada, to be executed between your organization and NielsenIQ. To access the confidentiality agreement please contact: Erin McAllister at Food Banks Canada (contact below).
2. To utilize the category method, donated food must be categorized in the same manner as NielsenIQ. To obtain a detailed listing of the NielsenIQ food categories please contact: Erin McAllister at Food Banks Canada (contact below).
3. Multiply the NielsenIQ category \$ value by the total weight of donated food in each respective category.
Example: the NielsenIQ value for Produce is \$8.05/lb X 100lbs of donated Produce = \$805 *
4. Add all category calculations to determine the total value of donated food.

**Example does not represent actual NielsenIQ category value*

For More Information

For more information, questions or support including request for confidentiality agreement or detailed category information, please contact:

Erin McAllister, National Food Program Officer, FOOD BANKS CANADA

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