

**FY 2005 FDPIR Funding Methodology Work Group
June 22, 2005 Meeting Notes**

Attending	Not Attending
Tony Nertoli, NAFDPIR President/Sault Ste. Marie Chippewa	Sherry Daigre, FNS-SERO*
Lindsay Rayon, NAFDPIR Southwest Region Vice-President/Muscogee (Creek) Nation	
Susie Roy, NAFDPIR Midwest Region Vice-President/Leech Lake Chippewa	
Red Gates, NAFDPIR Mountain Plains Region Vice-President/Standing Rock Sioux	
Ray Capoeman, NAFDPIR Western Region Vice-President/Quinault Nation	
Yunus Lakhani, Southern California Chairmans' Association	
Mary Lane Allen, Mississippi Band of Choctaw	
Sharon Thompson, St. Regis Mohawk	
Melinda Newport, Chickasaw Nation	
Don DeBoer, FNS-MPRO	
Chris Hennelly, FNS-SWRO	
Madeline Viens, FNS-WRO	
Elvira Jarka, FNS-MWRO	
Steve Stathopoulos, FNS-NERO	
Phil Cohen, FNS-HQ	
Nancy Theodore, FNS-HQ (staff support)	

* FNS-SERO will no longer be able to provide a representative to the Work Group.

The Work Group met on June 22, 2005 from 8:00-10:00 a.m. The Work Group agreed to meet again that day at 3:00 p.m. The second meeting continued until approximately 5:15 p.m.

Purpose and Goals:

Phil Cohen reiterated the reasons for the formation of the Work Group, and the goal of the group. It is expected that the deliberation process by the Work Group will be open and inclusive, and provide all stakeholders the opportunity to actively participate. Phil also clarified that the Work Group's job is to determine how to divide up the "pie," **not** to determine how big the "pie" should be. Funding is limited, and a request for an increase in administrative funding for FDPIR must be handled as a separate issue. The Work Group's responsibility is to develop a funding methodology given the current funding levels.

Work Group Member Appointments:

FNS was asked how the Work Group members were appointed. FNS wrote to the National Association of Food Distribution Programs on Indian Reservations (NAFDPIR) on March 7, 2005 announcing that a work group comprised of Tribal and FNS Regional and Headquarters Office representatives was being formed. FNS asked NAFDPIR to appoint members to the work group. A

similar memorandum was sent to FNS Regional Offices and the Regional Offices were asked to share the memorandum with the Indian Tribal Organizations (ITO) and State agencies in their respective regions. Prior to receiving a formal response from NAFDPIR, FNS received appointments from regional ITO associations in the Western (i.e., Yunus Lakhani) and Southwest Regions (i.e., Melinda Newport). NAFDPIR appointed Tony Nertoli, NAFDPIR President, and the four regional Vice-Presidents: Ray Capoeman (Western), Red Gates (Mountain Plains), Lindsay Rayon (Southwest), Susie Roy (Midwest). To ensure that the Southeast and Northeast Regions have direct representation on the Work Group, FNS asked its Northeast and Southeast Regional Offices to request that the ITOs in their respective regions appoint a Work Group member. The Northeast ITOs appointed Sharon Thompson, and the Southeast ITOs appointed May Lane Allen.

Each FNS Regional Office was asked to appoint a member to the Work Group.

Role of the Program Directors:

The Program Directors are expected to represent **all** of the other ITO and State agencies in their respective regions. These Work Group members are expected to advise the other Tribal and State Programs Directors of the progress of the Work Group, and solicit and present input from their fellow Program Directors. In addition, all Program Directors are expected to advise their Tribal and State governments of the progress of the Work Group.

Ground Rules:

The Work Group discussed ground rules for the group. It was agreed that:

- Members would be on time for all meetings/conference calls.
- The Work Group will use “Parking Lot” concept to hold issues not relevant to the current discussion
- The Work Group will employ a time keeper to keep discussions on track and timely
- The Work Group may employ sub-teams to explore issues
- The Work Group agreed that, to the extent possible, the discussions should be held in face-to-face meetings, rather than conference calls

Member Input:

The Work Group members were individually asked to comment on their goals for the Work Group, and any issues they would like the Work Group to consider.

- Short timeline for development of the new funding methodology
- Develop a new funding process; not repackaging the TNT proposed funding formula
- On separate track, seek additional funding through Farm Bill Reauthorization in 2007
- Incorporate historical factors, i.e., past performance in regard to expenses
- Build in inflation factor
- Relate to Consumer Price Index
- Maintenance of effort
- Geographical location, e.g., tailgating, fuel expense
- Cost efficiency
- Type of operation
- Salaries are large part of budget (need to allow for cost of living allowances (COLAs), etc.)
- In-kind costs
- Tribal match

Information Needed for Work Group Deliberation:

The Work Group identified some of the information needed for deliberation:

- Description of FNS Regional budget negotiations process (Note: FNS-HQ has already requested this information from the Regional Offices)
- Identify cost drivers and other considerations (See below)
- Amount of per participant allocation by ITO/State agency for Fiscal Years 2003-2005
- Indirect cost rates (cap on rates? Head Start, Labor, Education)
- Tribal cost/budget data:
 - Salaries and Fringe
 - Number of Full Time Equivalent positions
 - Indirect cost rate
 - Equipment costs (\$5000 or above per item)
 - Fuel cost/miles for tailgate operations
 - Property and vehicle insurance
 - Building depreciation/lease/rental
 - Utilities
 - Vehicle and equipment maintenance
 - Contracts
 - Other

Cost Drivers and Other Considerations:

The Work Group developed a preliminary list of cost drivers and other considerations:

- Participation
- Level of service:
 - Certification
 - Ordering and storage of commodities (e.g., number of warehouses)
 - Issuance (e.g., number of issuance outlets; store concept; tailgating; home delivery)
 - Reporting
 - Outreach
 - Nutrition Education
 - Training
- Geographic area
- Tribal match
- Indirect cost rate (cap on rate?)
- Tribal/State Human Resource policies (e.g., salary levels, COLAs, etc.)

Consultation Process:

The Work Group discussed plans for consultation with the Tribes and State agencies. As indicated above, it is expected that the ITO representatives on the Work Group will advise other ITO and State agency Program Directors in their respective regions of the progress of the Work Group in developing a new funding methodology. **All** Program Directors are expected to relay relevant information on the deliberation process to their Tribal and State governments, so that the Tribal and State governments are appropriately informed of the progress of the Work Group.

FNS will develop a webpage that will provide updated information on the deliberation process of the Work Group, including:

- An explanation of the reasons why the Work Group was formed;
- A history of the efforts to develop an equitable and rational method for allocating FDPIR administrative funding
- A list of the Work Group members
- Contact information for all of the Program Directors in the Work Group
- A schedule of the Work Group meetings and conference calls
- Summaries of the meeting and conference calls
- Other relevant information

When the Work Group develops its proposed recommendation for a new funding methodology, FNS staff will prepare a letter to be sent from the Work Group to each Tribal and State government, which will include a detailed description of the proposal. The Tribal and State governments will be asked to provide their comments within 60 days. Similar letters will be sent to each FDPIR Program Director, the NAFDPIR Board, and FNS Regional Offices.

Action Plan:

The Work Group developed a preliminary action plan for the development and clearance of a new funding methodology.

Action Step	Proposed Date	Comment
Work Group will identify issues		
Work Group will define data and gather data with FNS assistance		
Work Group will hold a face-to-face meeting to: 1) evaluate and discuss issues; 2) eliminate or come to consensus on issues 3) finalize the proposed recommendation		
FNS staff will forward the proposed recommendation to Tribal and State governments and ITOs and State agencies for comment	No later than January 1, 2006	Allow a 60-day comment period
Comment period ends	No later than March 1, 2006	Allow approximately 30 days for comment analysis
FNS staff will complete the comment analysis and forward a summary to the Work Group	No later than April 1, 2006	Work Group will review the summary in preparation for a meeting the week of April 23-27, 2006
Work Group will meet at NAFDPIR conference in Seattle; discuss comments; and modify the funding methodology, as appropriate	Week of April 23-27, 2006	

Action Step	Proposed Date	Comment
FNS staff will prepare and clear a transmittal of the final recommendation from the Work Group to FNS officials	No later than May 15, 2006	
FNS officials review and approve the Work Group's recommendation		
FNS issues allocation amounts to Regional Offices based on approved funding methodology	No later than July 1, 2006	

Work Group Assignments:

Work Group Members	Action
FNS staff	Develop public web to share information about the Funding Work Group with all stakeholders
FNS staff	Establish partner web to facilitate communication among the Work Group members
FNS staff	Begin to collect data identified above
All members	Provide Nancy with suggested locations for a multi-day face-to-face meeting to be held later this summer or fall, depending on available travel funds
All members	Assess availability of funds for travel to a multi-day face-to-face meeting to be held later this summer or fall
FNS Regional Members and Program Directors	Begin to collect FDPIR cost/budget data identified on the attached chart

Next Meeting:

To be determined. The Work Group discussed holding a multi-day face-to-face meeting later this summer or fall, depending on the availability of funding.

Comments/Questions:

Please contact:

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