

NOTE: Identical letters were sent to all Tribal and State officials that administer the Food Distribution Program on Indian Reservations

July 18, 2008

Victoria A. Doud, Tribal President
Lac Du Flambeau Band of Lake Superior Chippewa Indians of Wisconsin
P.O. Box 67
Lac du Flambeau, Wisconsin 54538

Dear President Doud:

On October 31, 2007, I sent Tribal and State officials a letter regarding my decision to change the process for allocating Food Distribution Program on Indian Reservations (FDPIR) administrative grants to Indian Tribal Organizations (ITO) and State agencies for fiscal year (FY) 2008. In that letter, I requested comments on the new process. As I will soon be making FY 2009 allocations, it would be helpful to have your comments on my decision by **September 30, 2008**.

My decision was based on recommendations made by the FDPIR Funding Work Group and direction from Congress to resolve funding inequities in FDPIR. On October 19, 2007, the FDPIR Funding Work Group provided me with three proposals for a new funding allocation methodology. Congress also passed an appropriations bill providing significantly more funding for FDPIR in FY 2008 and directed the Food and Nutrition Service (FNS) to use these funds, in part, to “address current inequities among tribes in the allocation of funds.” After careful deliberation of all the relevant issues and factors, I decided a variation of one of the work group’s proposals would provide a fair, equitable, and easy to understand methodology that would best serve FDPIR. Both the October 19 and October 31, 2007, letters are posted on the FNS website at <http://www.fns.usda.gov/fdd/programs/fdpir/FundingWkGrp>.

I directed my staff at FNS’ National Office to allocate available FDPIR FY 2008 administrative funds to our Regional Offices based on two factors. Sixty-five percent of the available funding was allocated based on each region’s share of national participation (averaged over the most recent three-year period) and 35 percent of the available funding was allocated based on each region’s share of the national number of FDPIR programs. These factors were designed to provide each Regional Office with funding to support fixed and operational costs common to all programs regardless of size, and to recognize that programs with larger participation will have additional costs. The enclosed table shows the FY 2008 funding allocations made to each FNS Regional Office using the new methodology. As in previous years, each ITO and State agency negotiated with its FNS Regional Office on the approval of its annual budget submission within the limits of the funding provided to the respective regions.

Now that all FY 2008 budgets have been negotiated and approved, I again request your comments on the new funding methodology. October 1, 2008, marks the beginning of FY 2009; therefore, I am requesting your comments on the new funding methodology by **September 30, 2008**. This will permit us to consider your comments prior to allocating FY 2009 administrative funds.

Please submit your comments using any of the below methods. To help my staff ensure all comments are logged and considered, please identify your comments by the following subject line, "FDPIR FY 2008 Funding Comments."

E-mail: Send comments to FDPIRComments@fns.usda.gov.

Fax: Submit comments by facsimile transmission to Lillie F. Ragan, Assistant Branch Chief, Policy Branch, at (703) 305-1410.

Mail: Submit comments, including those placed on disk or CD-ROM, to Lillie F. Ragan, Assistant Branch Chief, Policy Branch, Food Distribution Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 506, Alexandria, Virginia, 22302-1594.

Hand Delivery or Courier: Deliver comments to the above address.

The comments, including names, addresses, and other contact information of commenters, will be available for public review at the above address during regular business hours (8:30 A.M. to 5:00 P.M.), Mondays through Fridays, except Federal holidays. Comments will also be posted online at the FDPIR Funding Work Group website (www.fns.usda.gov/fdd/programs/fdpi/FundingWkGrp) for a limited period of time. (Please note that background information on the work group and the development of its three proposals can also be found at this website.) Should you require assistance regarding the submission of comments, please contact Nancy Theodore, by telephone at 703-305-2675, or by email at nancy.theodore@fns.usda.gov.

I greatly appreciate the effort of the work group members, and your valuable input in this process. I truly believe the new funding methodology is a step forward in resolving past funding inequities. I am eager to receive your comments on how your FDPIR program was impacted in FY 2008, and your reaction to the new funding methodology.

Thank you for your continued support of FDPIR.

/s/

Roberto Salazar
Administrator

Enclosure

Fiscal Year (FY) 2008 FDPIR Administrative Funding Allocations by Region

This chart reflects FY 2008 regional allocations under the new funding methodology.

FY 2008 available funding = \$33,398,924 (a)

Col A	Col B	Col C	Col D	Col E	Col F	Col G	Col H	Col I	Col J	Col K	Col L
ITO/SA	Step 1 (b)						Step 2 (c)			FY 2008 Initial Regional Allocations (Col G + Col J) (d)	FY 2007 Regional Allocations (e)
	FY 2004 Average Monthly Participation	FY 2005 Average Monthly Participation	FY 2006 Average Monthly Participation	Participation Averaged Over 3 Years	Col E as Percentage of Col E Total	Col F x \$21,709,301 (65% of \$33,398,924)	Number of Programs	Col H as Percentage of Col H Total	Col I x \$11,689,623 (35% of \$33,398,924)		
Mountain Plains	24,953	23,570	21,822	23,448	24.00%	\$5,209,773	30	27.27%	\$3,188,079	\$8,397,852	\$7,401,854
Midwest Region	8,934	8,761	7,936	8,544	8.74%	\$1,898,240	23	20.91%	\$2,444,194	\$4,342,434	\$2,898,940
Northeast Region	389	372	347	369	0.38%	\$82,059	2	1.82%	\$212,539	\$294,598	\$272,327
Southeast Region	1,335	1,334	1,153	1,274	1.30%	\$283,059	2	1.82%	\$212,539	\$495,597	\$198,770
Southwest Region	37,162	35,393	31,239	34,598	35.41%	\$7,687,017	19	17.27%	\$2,019,117	\$9,706,133	\$7,702,825
Western Region	31,583	29,476	27,371	29,477	30.17%	\$6,549,154	34	30.91%	\$3,613,156	\$10,162,310	\$8,182,195
National Total	104,356	98,906	89,868	97,710	100.00%	\$21,709,301	110	100.00%	\$11,689,623	\$33,398,924	\$26,656,911

Notes:

- (a) \$33,398,924 = \$34,706,000 minus \$250,000 [set aside for Nutrition Education], and minus \$1,057,076 for new program in Alaska [based on the 11/8/07 revised FY 2008 budget projection from ANTHC, which is subject to change; the Alaska FDPIR began commodity distribution in September 2007 and could not be incorporated into the new funding methodology for FY 2008 due to a lack of participation history]
- (b) Available funding for Step 1 = \$21,709,301 [65% of \$33,398,924]
- (c) Available funding for Step 2 = \$11,689,623 [35% of \$33,398,924]
- (d) Does not include FY 2008 funding for Alaska FDPIR (\$1,057,076) and Nutrition Education (\$250,000 nationally)
- (e) Does not include FY 2007 funding for Alaska FDPIR (\$159,890) and Nutrition Education (\$200,000 nationally)