

USDA Food and Nutrition Service
Food Distribution Division
3101 Park Center Drive, Room506
Alexandria, Virginia 22302

Ms. Nancy Theodore,

The following recommendations are for the Department of Agriculture's proposed funding methodology from the Sault Ste. Marie Tribe of Chippewa Indians. The Tribe has made extensive comments and wishes to thank FNS of the Department of Agriculture for the opportunity to comment on this important process.

Sincerely,

Tony Nertoli
Sault Ste. Marie Tribe of
Chippewa Indians

Funding Methodology

1. Recommendation. The USDA needs to recognize the sovereignty of Native Tribes and necessity to consult with appropriate Tribal officials. This will establish a government to government relationship that currently is lacking and facilitate issues such as treaty responsibilities to native peoples.
2. Recommendation. Administrative money appropriated for the FDPIR program be allocated to the Department of Agriculture Regional offices for administrative negotiation with Tribes in its Region.
3. Recommendation. Regional offices need to develop a uniform administrative structure. Beginning with a base year, each FDPIR program is provided access to an administrative funding allocation equal to the amount approved for the previous years in operation, FDPIR's may decline a portion or request more fiscal funds at this juncture. This amount is exempt supplemental funding provided for equipment and other one time expenses funded outside the operating budget. This total becomes the Tribes initial fiscal year administrative budget, for which begins on October 1. The Fiscal year level provided by FNS, when authorized, permits each ITO to receive and increase based proportionately on the programs participation of the Regions participation as a whole. Therefore, no Tribe is required to address an unexpected administrative decrease, and any increase is tied to their fair share of the reauthorization allocation.
4. Recommendation. Given that a formula is used and line items are not negotiated, it is not necessary to determine if each proposed cost is "reasonable." Rather, proposed budget costs are determined to be allowable per OMB circulars and FNS instructions. Tribal match is verified to insure that regulatory requirements are met. With the ability to move up to 10% of their budget without need for FNS approval, it is understood that over-funded line items will be amended to serve under-funded items. Again, as proposed budgets expenses are estimates based upon the use of a predetermined amount it is not necessary to negotiate individual cost categories. Therefore salary increased, staffing size, etc. are allowed as they are able to be funded by Federal and Tribal match. equipment and infrastructure cost are not funded as part of the budget Formula as it is respective on only the operating expenses. Funds for equipment, infrastructure, and other one-time costs are funded through a set aside prior to allocating Formula Funds.

5. Recommendation. Regarding a Tribes matching percentage, as provided by program regulations all ITO's are required to adhere to the 25% matching percentage. If an ITO is unable to meet match requirements, the Regional office would request compelling justification documentation to include a recent fiscal audit documents from its single audit review. Tribes should document all matching funds in excess of the required match, this will assist them in a draw against supplemental funds or additional monies in the year. It must further be emphasized Tribes meet their match annually.
6. Recommendation. Acknowledging that Tribes will maintain their negotiating of appropriated funds with regional offices of the USDA it is necessary that a definition of under funded programs be developed by FNS in consultation with Tribes. This will allow for the distribution of 2007 fiscal funds as recommended in NAFDPIR resolution 2006 for under funded programs.
7. Recommendation. Tribal support of the 2007 Farm Bill Reauthorization. There is fiscal authorization for a budget increase to FDPIR programs that Would allow for the distribution of fiscal funds to under funded programs and maintain the fiscal integrity of I.T.O.'s that are determined not to be in crisis.
8. Recommendation. FNS upon determining through Regional Offices and consultations with Tribes, who will receive additional appropriations for under funded programs, recalculate the percentage of funding allocation based to regions. This will assist in the redistribution of funds and is necessary for further appropriations to Regions of future budget consideration.
9. Recommendation. Allocating funds based on 2008 Presidential budget proposal to Congress and a funding increase in the 2007 Farm Bill Reauthorization to Tribal programs will stabilize funding to I.T.O.'s.
10. Recommendation. Tribal funding. The distribution of funds can be done in a fair and equitable manner recognizing that I.T.O.'s wish to negotiate with Regional office under the premise they do not lose funds and in the proper Situation gain needed fiscal support for all programs.

11. Recommendation. Funding disbursement.. The USDA appropriation for FY 2007 needs to be allocated to Tribes in under funded regions and recalculate the regional percent of fiscal funds received by region. It is recommended that under funded Tribes submit a new state plan of operation and budget to determine funding viability.
12. Recommendation. Fiscal 2008. FNS has two allocations proposed for the FDPIR. The President has recommended an increase for I.T.O.'s, with continued funds for Alaska natives. There is also additional funding for the FDPIR in the 2007 Farm Bill Reauthorization, using both appropriations Should fund all programs with no substantial loss to regions and I.T.O.'s.
13. Recommendation. I.T.O.'s State Plan of Operation and accompanying budget should be a guide to all costs incurred by Tribes for services to their eligible population. The plan will serve as starting point for funding and historical view of the program. The implementation using both sources of funding can be implemented in FY 08.
14. Recommendation. Distribution of funds to I.T.O's is buy Regional allocation an negotiation. To achieve equitable distribution a review of percentage of funding allocation must be conducted based on 2007 Fiscal year disbursements, as the NAFDPIR membership has requested to aid under funded programs in the Regions. Beginning in 2008 Tribes or Regions that are under funded need to submit pre-applications for Disbursement of funds meeting FNS guidelines and OMB standard. These programs can be funded from the Farm Bill Reauthorization. FNS must use a standard formula for all regions to determine equitable cost and allocation. All programs would apply for funding from the USDA Presidential budget using 2007 Budget as a base plan, again using the Allocated Farm Bill Reauthorization to gain equity for all I.T.O.'s . conducting this methodology over a period of time will allow Tribes the ability to manage their program and assist under funded programs to obtain and equitable funding solution to meet their I.T.O. needs.
15. Recommendation. On a cyclical basis the USDA in the Presidents budget request funds for equipment and infrastructure. A detailed survey with the assistance of FDPIR program director should be developed to obtain types or estimates of equipment and infrastructure needs.