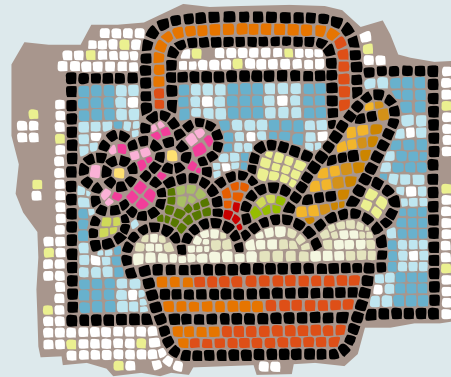


THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)



ROGELIO CARRASCO
POLICY BRANCH
FOOD DISTRIBUTION



TEFAP Regulations



- 7 C.F.R. 251
 - *Specific to TEFAP*
- 7 C.F.R. 250
 - Distribution of USDA commodities, *in general*
 - State and local agencies must comply with 250, **to the extent that it is not inconsistent with 251**
 - Most of 250's general operating provisions, such as warehousing and storage requirements, apply to TEFAP

Section 251.2: Administration



- Agreements must be written
- Agreements between FNS and State agencies permanent, but amended as necessary
- Agreements between States and eligible recipient agencies (ERAs) **OR** between ERAs:
 - May be permanent
 - Must include certain information

Section 251.3: Definitions



- Provides specific definitions of certain terms used in the program
- The importance of this section is often overlooked!

Section 251.4: Availability of Commodities



- 251.4 discusses various topics
- We will focus on allocations, some aspects of distribution, and losses

Section 251.4: Availability of Commodities



- Commodities and administrative funds allocated to States, per formula
- How is the formula calculated?
 - **60%:** Poverty
 - **40%:** Unemployment
- States allocate resources as they see fit

Section 251.4: Availability of Commodities



- **Example:** State has 8% of Nation's people in poverty **AND** 15% of the unemployed people:
 - $.60 \times .08 = .048$ (poverty)
 - $.40 \times .15 = .060$ (unemployed)
 - $.048 + .060 = .108$ (or 10.8%) is State's share of program resources

Quick Tangent: Resources Available in FY08



- **Commodity Funds**
 - \$140 million
 - \$10 million of these are convertible
- **Administrative Funds**
 - \$49.65 million
 - All administrative funds are convertible
- **Bonus Commodities**
 - To date, delivered approximately \$31.7 million (42.3 pounds)

Section 251.4: Availability of Commodities



- **Priority System**
 - **First Priority:** Emergency Feeding Organizations (EFOs)
 - **Second Priority:** Non-EFOs
- **Non-EFOs can only receive TEFAP commodities *after* all EFO needs have been met**

Section 251.4: Availability of Commodities



- **Commodity Losses**
 - Begin claims action immediately
 - Consider special needs and circumstances
 - Pay the Department or replace lost food

Section 251.5: Eligibility Determinations



Organizations

- Local agencies must meet definition of ERA
 - Public **OR** private with tax exempt status
 - Not penal
 - Distribute food to households **OR** prepared meals to “predominately” needy, and
 - Be a certain type of organization

Section 251.5: Eligibility Determinations



- Agencies distributing to households must use eligibility criteria established by the State
- Agencies providing prepared meals:
 - Must serve “predominately” needy
 - May not use a means test

Section 251.5: Eligibility Determinations



Individuals

- **Eligibility criteria must:**
 - Be uniform
 - Limit participation to low-income,
 - Include income-based standards, and
 - Include residency requirement

Section 251.5: Eligibility Determinations



Delegation of Authority

- States ultimately responsible “for ensuring that commodities and administrative funds are distributed in accordance with” [251(d)]

Section 251.5: Eligibility Determinations



- **States may delegate:**
 - Distribution of commodities and administrative funds
 - Selection of ERAs
 - Determining ERA eligibility

- **States may *NOT* delegate:**
 - Establishing eligibility criteria for organizations
 - Establishing recipient eligibility criteria
 - Monitoring [251.10(e)]

Section 251.6: Distribution Plan



- **Must be submitted every 4 years by August 15**
 - Plans are due this year
- **Amendments must be submitted to reflect changes, or at FNS request**
- **Contents of the plan are specified in the regulations**

Section 251.7: Formula Adjustments



- **Commodity and administrative funds allocations adjusted annually based on:**
 - Unemployment data from Bureau of Labor Statistics (BLS)
 - Poverty data from the American Community Survey (ACS)

Section 251.8: Payment of Funds for Administrative Costs



- Availability and Allocation of Funds
 - 60/40 Formula
 - Advanced by letters of credit
 - Non-obligated funds must be returned to FNS and reallocated

Section 251.8: Payment of Funds for Administrative Costs



- **Funds may be used to pay costs associated with distributing USDA or other commodities**
 - However, ERAs distributing USDA commodities get priority
- **Examples of allowable costs include:**
 - Transportation, storage, processing, and distribution,
 - Eligibility determinations, verification, and documentation,
 - Providing information regarding food storage and preparation

Section 251.8: Payment of Funds for Administrative Costs



- **Other allowable costs identified in:**
 - OMB Circular A-87 (2 CFR 225)
 - OMB Circular A-122 (2 CFR 230)
- **States may restrict TEFAP administrative funds**
- **Pass-through requirement: At least 40% of administrative funds must be:**
 - Allocated to EFOs; or
 - Spent by State to pay costs incurred by, or on behalf of, EFOs

Section 251.9: Matching of Funds



- States must provide cash *OR* in-kind contributions equal to TEFAP funds:
 - Retained to pay State-level costs; or
 - Made available “*directly*” to ERAs that are not EFOs
- Applicable Contributions
 - Match must be met through contributions from sources ***OTHER THAN*** than Federal funds
 - Match can ***NOT*** be met by contributions for costs supported by another Federal grant, except as provided by Federal law

Section 251.9: Matching of Funds



- **More on Applicable Contributions**
 - **Cash**
 - **In-kind contributions:**
 - ✦ **Third-party contributions OK, but must meet certain criteria**
- **Reporting**
 - **Matching contribution reported quarterly on FNS-667**

Section 251.10: Miscellaneous Provisions



- **Records**
 - Agencies document receipt, disposal, and inventory of commodities
 - Distribution sites collect and maintain household information
 - Maintained three years or longer

Section 251.10: Miscellaneous Provisions



- **State monitoring system. State agency must:**
 - Develop monitoring system
 - Monitor operation of the program
 - States may not delegate

- **Monitoring system must include annual review of:**
 - At least 25 percent of recipient agencies
 - One-tenth or 20, whichever is fewer, of sub-recipient agencies

Section 251.10: Miscellaneous Provisions



- **Report**
 - Report of review findings must be provided to the ERA
- **Corrective Action**
 - Must ensure that corrective action is taken

Section 251.10: Miscellaneous Provisions



- **Unrelated activities can be conducted, provided:**
 - Site makes clear the activity is not part of TEFAP and not endorsed by the Department,
 - Site makes clear cooperation is not required, and
 - Activity does not disrupt the distribution of commodities or meal service.

Where can I find copies of 250 and 251?



TEFAP Home Page!

<http://www.fns.usda.gov/fdd/programs/tefap/>

Or

[http://www.fns.usda.gov/fdd/programs/tefap/
tefap_regs.htm](http://www.fns.usda.gov/fdd/programs/tefap/tefap_regs.htm)

Questions



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