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United States Department of Agriculture

Food and Nutrition Service

3101 Park Center Drive

Alexandria, VA 22302-1500 SUBJECT: Farm Bill Developments, Program Resources, and Purchasing Guidance

Impacting The Emergency Food Assistance Program (TEFAP)

TO: Regional Directors

Special Nutrition Programs NERO, MARO, MPRO, SERO, MWRO, SWRO Regional Director Office of Field Operations

WRO

State Directors

TEFAP State Agencies

Introduction

Recent developments have dramatically increased the resources available to TEFAP for fiscal year (FY) 2008. The purpose of this memorandum is to ensure that States are aware of all available resources, provide guidance regarding their efficient and effective use, and (where needed) establish the administrative framework and processes that will maximize our ability to do so.

Farm Bill

On May 22, the Food, Conservation, and Energy Act of 2008 (i.e. the Farm Bill) was enacted into law, providing an additional \$50 million in TEFAP commodity funds for FY 2008. Attached, please find Worksheet #6, showing commodity entitlement funds (including the new Farm Bill funds) that each State has remaining, as of June 4, 2008.

The Farm Bill also increases the amount of Section 32 funds used to purchase fruits, vegetables, and specialty crops for FNS' domestic nutrition assistance programs from \$200 million to \$390 million for FY 2008. We anticipate that TEFAP will receive some of the commodities purchased with these additional funds, and will provide further information regarding such purchases in the near future.

Conversion of Administrative Funds into Commodity Funds

Each year, States may convert any portion of their administrative funds into commodity funds. The deadline for States to indicate to their regional offices what portion (if any) of their administrative funds they wished to convert was initially June 2, 2008. However, recognizing that the sudden influx of commodity funds and increased availability of bonus and barter commodities might affect a State's decision in this matter, we have extended the deadline to COB on Monday, June 16, 2008.

Farm Bill Developments, Program Resources, and Purchasing Guidance Impacting TEFAP

Page 2

Conversion of Commodity Funds into Administrative Funds

Each year, \$10 million in funds appropriated for TEFAP commodity purchases are available for conversion into administrative funds. Due to the additional commodity funding provided by the Farm Bill, we are giving the 27 States that chose to retain some portion of their fair-share of these funds as commodity funds an opportunity to convert the remainder into administrative funds. Attached, please find Worksheet #7, showing these 27 States and the portions they chose to retain as commodity funds. Those States should indicate to their regional offices what portion (if any) of these funds they wish to convert into administrative funds by COB on Monday, June 16, 2008.

Reallocation of Unused Fiscal Year 2007 Administrative Funds

We have been informed that we have \$172,948 in recovered FY 2007 TEFAP administrative funds that will be reallocated to the States. Attached, please find Worksheet #8, which shows each State's *preliminary* share of these recovered funds, based on the TEFAP allocation formula. These funds must be obligated prior to September 30, 2008, or they will be lost to the program. States should indicate to their regional offices by COB on Monday, June 23, 2008 if they will not be able to accept the full amount offered. Any funds not accepted will be reallocated among those States that will be able to obligate them prior to September 30, thus increasing their final allocation. Please note that reallocated administrative funds may not be converted into commodity funds.

Guidance Regarding Commodity Purchases

In order to use our resources in the most efficient and effective manner possible, please consider all foods you have received or anticipate receiving (i.e., entitlement, bonus, and barter) when ordering food during the remainder of the year. States were previously informed of their fair-share of barter commodities. In addition, TEFAP is expected to receive an additional \$50 million in bonus pork products. As noted above, TEFAP will also be receiving some portion of the additional \$190 million in Section 32 funds provided by the Farm Bill to purchase fruits and vegetables in FY2008. The following are additional specific guidelines for entitlement ordering:

- 1. Round surveys for Group A products (October-December 2008 delivery) are currently open, with a due date of Friday, June 13, 2008. We are extending this deadline through Friday, June 20, 2008 for all Group A surveys, except canned meats, which are in very limited supply.
- **2.** Pending confirmation of delivery dates, a round survey for canned freestone peaches will be released in the near future.

Farm Bill Developments, Program Resources, and Purchasing Guidance Impacting TEFAP

Page 3

- **3.** We anticipate offering Ultra-High Temperature (UHT) Milk in the near future. Delivery dates are likely to be August or September through December 2008. However, due to limited vendor capacity, State orders of this commodity will be "fair-shared," per the TEFAP allocation formula.
- **4.** We anticipate offering whole-grain rotini in the near future, pending confirmation of vendor capacity and delivery dates.
- 5. We anticipate offering shell eggs in whole or half truckloads, pending confirmation of vendor capacity and delivery dates. These will likely be packaged in 15-dozen containers and, due to short shelf-life, would need to be distributed within one week.

Summary Table of Upcoming Deadlines

Upcoming TEFAP Deadlines				
Orders for canned meats for October-	Friday, June 13, 2008			
December 2008 delivery				
Conversion of Administrative Funds into	COB on Monday, June 16, 2008			
Commodity Funds				
Conversion of Commodity Funds into	COB on Monday, June 16, 2008			
Administrative Funds				
Orders for Group A products (other than	Friday, June 20, 2008			
canned meats) for October-December 2008				
delivery.				
State Decisions Regarding Reallocation of	COB on Monday, June 23, 2008			
Unused Fiscal Year 2007 Administrative				
Funds				

If you have any questions, please contact Rogelio Carrasco or Lillie Ragan at (703) 305-2662.

Cathie McCullough

Director

Food Distribution Division

Catture McCallough

Attachments

FY2008 Emergency Food Assistance Program

FY08 Commodity Entitlements Remaining as of June 4, 2008

REGION/STATE	TOTAL FY08 COMMODITY GRANT LEVELS (COMMODITY + CONVERTIBLE COMMODITY + ADDITIONAL FARM BILL COMMODITY FUNDS)	ORDERS AGAINST ENTITLEMENT	REMAINING COMMODITY ENTITLEMENT, IN DOLLARS	REMAINING COMMODITY ENTITLEMENT, AS A PERCENTAGE
NORTHEAST				
Connecticut	\$1,606,348	(\$1,185,361)	\$420,987	26.21%
Maine	\$763,050	(\$414,992)	\$348,058	45.61%
Massachusetts	\$3,366,703	(\$1,887,697)	\$1,479,006	43.93%
New Hampshire	\$566,649	(\$330,478)	\$236,171	41.68%
New York	\$11,214,557	(\$8,218,441)	\$2,996,116	26.72%
Rhode Island	\$578,385	(\$446,782)	\$131,603	22.75%
Vermont	\$321,619	(\$226,929)	\$94,690	29.44%
TOTAL-NERO	\$18,417,311	(\$12,710,680)	\$5,706,631	30.99%
MID-ATLANTIC				
Delaware	\$417,478	(\$289,790)	\$127,688	30.59%
DC	\$473,007	(\$340,273)	\$132,734	28.06%
Maryland	\$2,351,298	(\$1,611,557)	\$739,741	31.46%
New Jersey	\$3,927,802	(\$2,984,717)	\$943,085	24.01%
Pennsylvania	\$6,574,859	(\$3,574,285)	\$3,000,574	45.64%
Puerto Rico	\$6,100,970	(\$4,548,632)	\$1,552,338	25.44%
Virginia	\$3,081,169	(\$2,225,776)	\$855,393	27.76%
Virgin Isl.	\$68,814	\$0	\$68,814	100.00%
W. Virginia	\$1,185,834	(\$853,000)	\$332,834	28.07%
TOTAL-MARO	\$24,181,231	(\$16,428,030)	\$7,753,201	32.06%
SOUTHEAST				
Alabama	\$2,893,908	(\$1,730,626)	\$1,163,282	40.20%
Florida	\$9,265,564	(\$6,115,730)	\$3,149,834	34.00%
Georgia	\$5,886,716	(\$3,444,162)	\$2,442,554	41.49%
Kentucky	\$2,976,557	(\$2,111,865)	\$864,692	29.05%
Mississippi	\$2,459,946	(\$1,258,201)	\$1,201,745	48.85%
N. Carolina	\$5,812,412	(\$3,404,383)	\$2,408,029	41.43%
S. Carolina	\$3,050,420	(\$1,510,198)	\$1,540,222	50.49%
Tennessee	\$3,938,658	(\$2,910,076)	\$1,028,582	26.12%
TOTAL-SERO	\$36,284,181	(\$22,485,241)	\$13,798,940	38.03%

FY2008 Emergency Food Assistance Program

FY08 Commodity Entitlements Remaining as of June 4, 2008

REGION/STATE	TOTAL FY08 COMMODITY GRANT LEVELS (COMMODITY + CONVERTIBLE COMMODITY + ADDITIONAL FARM BILL COMMODITY FUNDS)	ORDERS AGAINST ENTITLEMENT	REMAINING COMMODITY ENTITLEMENT, IN DOLLARS	REMAINING COMMODITY ENTITLEMENT, AS A PERCENTAGE
MIDWEST				
Illinois	\$7,153,408	(\$4,352,159)	\$2,801,249	39.16%
Indiana	\$3,713,632	(\$2,655,035)	\$1,058,597	28.51%
Michigan	\$7,206,652	(\$3,583,170)	\$3,623,482	50.28%
Minnesota	\$2,739,825	(\$1,554,522)	\$1,185,303	43.26%
Ohio	\$7,659,170	(\$7,053,706)	\$605,464	7.91%
Wisconsin	\$3,084,078	(\$1,853,154)	\$1,230,924	39.91%
TOTAL-MWRO	\$31,556,765	(\$21,051,746)	\$10,505,019	33.29%
SOUTHWEST				
Arkansas	\$1,960,116	(\$963,358)	\$996,758	50.85%
Louisiana	\$2,926,942	(\$2,137,961)	\$788,981	26.96%
New Mexico	\$1,281,756	(\$958,307)	\$323,449	25.23%
Oklahoma	\$2,415,218	(\$1,815,433)	\$599,785	24.83%
Texas	\$15,378,796	(\$10,962,624)	\$4,416,172	28.72%
TOTAL-SWRO	\$23,962,828	(\$16,837,683)	\$7,125,145	29.73%
MOUNTAIN PLAINS				
Colorado	\$2,636,351	(\$1,913,974)	\$722,377	27.40%
lowa	\$1,448,818	(\$1,055,678)	\$393,140	27.14%
Kansas	\$1,614,230	(\$1,218,957)	\$395,273	24.49%
Missouri	\$3,508,341	(\$2,010,233)	\$1,498,108	42.70%
Montana	\$459,341	(\$319,641)	\$139,700	30.41%
Nebraska	\$857,470	(\$757,138)	\$100,332	11.70%
North Dakota	\$301,048	(\$214,244)	\$86,804	28.83%
South Dakota	\$410,107	(\$284,264)	\$125,843	30.69%
Utah	\$1,040,807	(\$786,637)	\$254,170	24.42%
Wyoming	\$212,245	(\$152,780)	\$59,465	28.02%
TOTAL-MPRO	\$12,488,758	(\$8,713,546)	\$3,775,212	30.23%

FY2008 Emergency Food Assistance Program

FY08 Commodity Entitlements Remaining as of June 4, 2008

	TOTAL FY08 COMMODITY GRANT LEVELS (COMMODITY + CONVERTIBLE COMMODITY + ADDITIONAL FARM BILL	ORDERS AGAINST	REMAINING COMMODITY ENTITLEMENT, IN	REMAINING COMMODITY ENTITLEMENT, AS A
REGION/STATE	COMMODITY FUNDS)	ENTITLEMENT	DOLLARS	PERCENTAGE
WESTERN				
Alaska	\$415,173	(\$269,791)	\$145,382	35.02%
Arizona	\$3,450,579	(\$2,456,296)	\$994,283	28.81%
California	\$21,438,145	(\$11,919,438)	\$9,518,707	44.40%
Guam	\$62,475	\$0	\$62,475	100.00%
Hawaii	\$483,208	(\$334,220)	\$148,988	30.83%
Idaho	\$690,683	(\$512,026)	\$178,657	25.87%
Nevada	\$1,317,401	(\$906,485)	\$410,916	31.19%
N Mariana Isl.	\$31,576	N/A	N/A	N/A
Oregon	\$2,287,544	(\$1,718,293)	\$569,251	24.88%
Washington	\$3,772,629	(\$2,368,646)	\$1,403,983	37.21%
TOTAL-WRO	\$33,949,413	(\$20,485,195)	\$13,432,642	39.57%
NATIONAL-TOTAL	\$180,840,487	(\$118,712,121)	\$62,096,790	34.34%

Updated 06.04.08

FY2008 Emergency Food Assistance Program

Second Conversion of Entitlement Commodity Funds into CAP
Administrative Funds

REGION/STATE	FUNDS ORIGINALLY RETAINED AS COMMODITY FUNDS BUT AVAILABLE FOR CONVERSION INTO ADMINISTRATIVE FUNDS
NORTHEAST	
Connecticut	\$62,689
New Hampshire	\$15,000
New York	\$48,265
Vermont	\$17,094
TOTAL-NERO	\$143,048
MID-ATLANTIC	
Delaware	\$22,190
Maryland	\$64,156
Virgin Isl.	\$3,658
TOTAL-MARO	\$90,004
SOUTHEAST	
Alabama	\$153,815
Florida	\$255,766
Georgia	\$218,203
Mississippi	\$21,862
N. Carolina	\$308,938
TOTAL-SERO	\$958,584
MIDWEST	
Indiana	\$101,387
Michigan	\$131,072
Minnesota	\$145,626
Ohio	\$407,096
TOTAL-MWRO	\$785,181

Page 1 of 2 6/10/2008

FY2008 Emergency Food Assistance Program

Second Conversion of Entitlement Commodity Funds into CAP
Administrative Funds

FUNDS ORIGINALLY RETAINED AS

\$1,678

\$200,000 \$292,472

\$2,698,826

COMMODITY FUNDS BUT AVAILABLE FOR CONVERSION INTO **REGION/STATE ADMINISTRATIVE FUNDS** SOUTHWEST Oklahoma \$128,372 **TOTAL-SWRO** \$128,372 **MOUNTAIN PLAINS** \$140,126 Colorado Iowa \$29,664 Kansas \$85,799 \$45,576 Nebraska **TOTAL-MPRO** \$301,165 WESTERN Alaska \$10,705 Guam \$3,321 Hawaii \$25,683 Nevada \$51,085

Updated 06.04.08

NATIONAL TOTAL

N Mariana Isl.

Washington

TOTAL-WRO

Page 2 of 2 6/10/2008

FY2008 Emergency Food Assistance Program

Preliminary Reallocation of FY07 Administrative Funds Recovered for Reallocation in FY08

\$172,948
Preliminary

REGION/STATE	AVG. # OF PERSONS UNEMPLOYED OCT06 to JUL07	UNEMPLOYMENT INDEX	AVG. # OF PERSONS BELOW POVERTY LEVEL CY2006	POVERTY INDEX	WEIGHTED INDEX POVERTY 60% UNEMPLOY. 40%	Reallocation of FY07 Administrative Funds Recovered for Reallocation in FY08
NORTHEAST						
Connecticut	79,728	1.1302832641%	280,108	0.6907013005%	0.8665340859%	\$1,499
Maine	32,237	0.4570156229%	165,956	0.4092208185%	0.4283387403%	\$741
Massachusetts	171,466	2.4308291962%	620,188	1.5292839124%	1.8899020259%	\$3,269
New Hampshire	27,891	0.3954035034%	102,404	0.2525118025%	0.3096684829%	\$536
New York	410,792	5.8236920857%	2,662,199	6.5645547838%	6.2682097046%	\$10,841
Rhode Island	27,495	0.3897895137%	114,066	0.2812684198%	0.3246768574%	\$562
Vermont	13,896	0.1970000030%	62,281	0.1535749343%	0.1709449618%	\$296
TOTAL-NERO	763,505	10.8240131890%	4,007,202	9.8811159718%	10.2582748588%	\$17,744
MID-ATLANTIC						
Delaware	15,137	0.2145933395%	91,962	0.2267635091%	0.2218954413%	\$384
DC	18,620	0.2639709309%	108,100	0.2665572229%	0.2655227061%	\$459
Maryland	114,651	1.6253776152%	428,345	1.0562299133%	1.2838889941%	\$2,220
New Jersey	195,262	2.7681789422%	741,873	1.8293395615%	2.2048753138%	\$3,813
Pennsylvania	273,008	3.8703639042%	1,448,228	3.5710974444%	3.6908040283%	\$6,383
Puerto Rico	146,474	2.0765240671%	1,753,410	4.3236271982%	3.4247859458%	\$5,923
Virginia	120,142	1.7032221040%	708,568	1.7472147853%	1.7296177128%	\$2,991
Virgin Isl.	1,390	0.0197056710%	19,394	0.0478224864%	0.0365757602%	\$63
W. Virginia	37,285	0.5285798151%	307,020	0.7570619663%	0.6656691058%	\$1,151
TOTAL-MARO	921,969	13.0705163892%	5,606,900	13.8257140874%	13.5236350082%	\$23,387
SOUTHEAST						
Alabama	77,639	1.1006680506%	742,064	1.8298105367%	1.5381535423%	\$2,660
Florida	310,970	4.4085413735%	2,226,587	5.4904056167%	5.0576599194%	\$8,747
Georgia	213,214	3.0226798096%	1,333,524	3.2882558192%	3.1820254154%	\$5,503
Kentucky	113,723	1.6122215989%	693,479	1.7100077368%	1.6708932816%	\$2,890
Mississippi	86,701	1.2291376841%	592,743	1.4616089542%	1.3686204462%	\$2,367
N. Carolina	215,778	3.0590289754%	1,261,078	3.1096156289%	3.0893809675%	\$5,343
S. Carolina	130,773	1.8539350453%	656,154	1.6179702868%	1.7123561902%	\$2,961
Tennessee	141,447	2.0052575864%	952,256	2.3481102203%	2.2109691667%	\$3,824
TOTAL-SERO	1,290,245	18.2914701238%	8,457,885	20.8557847996%	19.8300589293%	\$34,295

Page 1 of 3 6/10/2008

FY2008 Emergency Food Assistance Program

Preliminary Reallocation of FY07 Administrative Funds Recovered for Reallocation in FY08

\$172,948

REGION/STATE	AVG. # OF PERSONS UNEMPLOYED OCT06 to JUL07	UNEMPLOYMENT INDEX	AVG. # OF PERSONS BELOW POVERTY LEVEL CY2006	POVERTY INDEX	WEIGHTED INDEX POVERTY 60% UNEMPLOY. 40%	Preliminary Reallocation of FY07 Administrative Funds Recovered for Reallocation in FY08
MIDWEST						
Illinois	306,588	4.3464188912%	1,539,033	3.7950079775%	4.0155723430%	\$6,945
Indiana	154,674	2.1927733492%	777,712	1.9177127743%	2.0277370043%	\$3,507
Michigan	352,943	5.0035817538%	1,331,833	3.2840860850%	3.9718843525%	\$6,869
Minnesota	128,535	1.8222074973%	491,633	1.2122879477%	1.4562557675%	\$2,519
Ohio	330,097	4.6796999124%	1,486,363	3.6651322242%	4.0709592995%	\$7,041
Wisconsin	150,882	2.1390151446%	591,850	1.4594069597%	1.7312502337%	\$2,994
TOTAL-MWRO	1,423,719	20.1836965485%	6,218,424	15.3336339684%	17.2736590005%	\$29,875
SOUTHWEST						
Arkansas	71,109	1.0080939272%	471,155	1.1617924915%	1.1003130658%	\$1,903
Louisiana	82,788	1.1736640937%	793,223	1.9559604069%	1.6430418816%	\$2,842
New Mexico	34,603	0.4905577938%	353,694	0.8721525475%	0.7195146460%	\$1,244
Oklahoma	73,074	1.0359512246%	587,591	1.4489049504%	1.2837234601%	\$2,220
Texas	513,017	7.2729095083%	3,868,689	9.5395651798%	8.6329029112%	\$14,931
TOTAL-SWRO	774,591	10.9811765476%	6,074,352	14.9783755761%	13.3794959647%	\$23,140
MOUNTAIN PLAINS						
Colorado	102,003	1.4460701859%	556,153	1.3713838961%	1.4012584120%	\$2,423
lowa	58,007	0.8223502571%	316,122	0.7795060352%	0.7966437240%	\$1,378
Kansas	64,949	0.9207651981%	330,976	0.8161336114%	0.8579862461%	\$1,484
Missouri	146,509	2.0770202530%	769,584	1.8976704329%	1.9694103609%	\$3,406
Montana	12,687	0.1798603222%	125,655	0.3098450309%	0.2578511474%	\$446
Nebraska	28,963	0.4106009705%	197,037	0.4858615682%	0.4557573291%	\$788
North Dakota	11,706	0.1659529386%	69,356	0.1710207470%	0.1689936236%	\$292
South Dakota	13,937	0.1975812494%	102,184	0.2519693179%	0.2302140905%	\$398
Utah	33,779	0.4788761586%	265,432	0.6545126436%	0.5842580496%	\$1,010
Wyoming	8,807	0.1248545644%	46,774	0.1153371651%	0.1191441248%	\$206
TOTAL-MPRO	481,347	6.8239320978%	2,779,273	6.8532404483%	6.8415171080%	\$11,831

Page 2 of 3 6/10/2008

FY2008 Emergency Food Assistance Program

Preliminary Reallocation of FY07 Administrative Funds Recovered for Reallocation in FY08

\$172,948

REGION/STATE	AVG. # OF PERSONS UNEMPLOYED OCT06 to JUL07	UNEMPLOYMENT INDEX	AVG. # OF PERSONS BELOW POVERTY LEVEL CY2006	POVERTY INDEX	WEIGHTED INDEX POVERTY 60% UNEMPLOY. 40%	Preliminary Reallocation of FYO's Administrative Funds Recovered for Reallocation in FY08
WESTERN						
Alaska	21,536	0.3053103097%	70,919	0.1748748537%	0.2270490361%	\$393
Arizona	117,893	1.6713386119%	857,349	2.1140848146%	1.9369863335%	\$3,350
California	898,522	12.7381143261%	4,690,140	11.5651312971%	12.0343245087%	\$20,814
Guam	1,598	0.0226544333%	16,319	0.0402400307%	0.0332057917%	\$57
Hawaii	14,988	0.2124810049%	116,147	0.2863998313%	0.2568323007%	\$444
Idaho	21,363	0.3028577334%	180,177	0.4442875184%	0.3877156044%	\$671
Nevada	59,160	0.8386960403%	253,713	0.6256154735%	0.7108477002%	\$1,229
N Mariana Isl.	933	0.0132269000%	7,768	0.0191546393%	0.0167835436%	\$29
Oregon	101,054	1.4326164580%	480,613	1.1851143992%	1.2841152227%	\$2,221
Washington	161,384	2.2878992862%	736,963	1.8172322907%	2.0054990889%	\$3,468
TOTAL-WRO	1,398,431	19.8251951038%	7,410,108	18.2721351485%	18.8933591305%	\$32,676
NATIONAL TOTAL	7,053,807	99.999999997%	40,554,144	100.0000000001%	100.0000000000%	\$172,948

Updated 06.04.08

Page 3 of 3 6/10/2008