

2019 President's Budget
FOOD AND NUTRITION SERVICE

Contents

	PAGE
Purpose Statement.....	32-1
Statement of Available Funds and Staff Years	32-5
Permanent Positions by Grade and Staff Year	32-6
Passenger Motor Vehicle Data.....	32-7
Shared Funding Projects.....	32-9
Child Nutrition Programs:	
Appropriations Language.....	32-10
Lead-Off Tabular Statement	32-10
Project Statement	32-11
Justifications	32-15
Geographic Breakdown of Obligations and Staff Years.....	32-23
Classification by Objects.....	32-24
Status of Programs	32-26
Special Supplemental Nutrition Program for Women, Infants and Children (WIC):	
Appropriations Language.....	32-59
Lead-Off Tabular Statement	32-59
Project Statement	32-59
Justifications	32-60
Geographic Breakdown of Obligations and Staff Years.....	32-62
Classification by Objects.....	32-63
Status of Programs	32-64
Supplemental Nutrition Assistance Program:	
Appropriations Language.....	32-74
Lead-Off Tabular Statement	32-74
Project Statement	32-75
Justifications	32-77
Proposed Legislation	32-82
Geographic Breakdown of Obligations and Staff Years.....	32-88
Classification by Objects.....	32-89
Status of Programs	32-90
Commodity Assistance Program:	
Appropriations Language.....	32-117
Lead-Off Tabular Statement	32-117
Project Statement	32-117
Justifications	32-119
Geographic Breakdown of Obligations and Staff Years.....	32-122
Classification by Objects.....	32-122
Status of Programs	32-123
Nutrition Programs Administration:	
Appropriations Language.....	32-139
Lead-Off Tabular Statement	32-139
Project Statement	32-139
Justifications	32-141
Geographic Breakdown of Obligations and Staff Years.....	32-144
Classification by Objects.....	32-145
Status of Programs	32-146
Summary of Budget and Performance:	
Key Performance Outcomes and Measures	32-160

FOOD AND NUTRITION SERVICE

Purpose Statement

The Food, Nutrition and Consumer Services mission area includes the Food and Nutrition Service and the Center for Nutrition Policy and Promotion.

The Food and Nutrition Service (FNS) was established August 8, 1969, by Secretary's Memorandum No. 1659 and Supplement 1 pursuant to the authority contained in 5 U.S.C. 301 and the Reorganization Plan No. 2 of 1953. FNS is the Federal agency responsible for managing the 15 domestic nutrition assistance programs. Its mission is to increase food security and reduce hunger in partnership with cooperating organizations by providing children and other low-income Americans access to food, a healthful diet, and nutrition education.

Over the past half-century – beginning with the National School Lunch Program in 1946 – the Nation has gradually built an array of nutrition assistance programs designed to help the most vulnerable populations meet their food needs. Taken together, these programs promote food security and healthy nutritious diets among low-income families and individuals as they seek self-sufficiency. Currently, the programs administered by FNS touch the lives of one in four Americans over the course of a year.

The Center for Nutrition Policy and Promotion (CNPP) was established as an agency in December 1994, pursuant to a Memorandum of Understanding between two mission areas in the U.S. Department of Agriculture - Research, Education, and Economics and the Food, Nutrition and Consumer Services. In 2017, the Secretary of Agriculture announced that CNPP will become a unit within FNS. CNPP remains focused on improving the health and well-being of all Americans by developing and promoting dietary guidance that links the latest body of scientific research to the nutrition needs of consumers. CNPP leads food, nutrition, and economic analyses that inform Federal and State programs; translates science into actionable food and nutrition guidance for all Americans; and leads national communication initiatives that help advance consumers' dietary and economic knowledge and inform choices.

Descriptions of Programs and CNPP:

FOOD AND NUTRITION SERVICE

The nutrition assistance programs described below work both individually and in concert with one another to improve the nutrition and health of the Nation's children and other low-income Americans.

- *Supplemental Nutrition Assistance Program (SNAP)*: Authorized by the Food and Nutrition Act of 2008, as amended, SNAP is the cornerstone of the Nation's nutrition assistance safety net, touching the lives of more than 42 million Americans. It provides nutrition assistance to participants, the majority of whom are children, the elderly, or people with disabilities, helping them put food on the table using benefits that can be redeemed at authorized food retailers across the country. State agencies are responsible for the administration of the program according to national eligibility and benefit standards set by Federal law and regulations. The Food and Nutrition Service is responsible for authorizing and monitoring participating retailers. Benefits are 100 percent Federally-financed, while administrative costs are shared between the Federal and State Governments. SNAP provides the basic nutrition assistance benefit for low-income people in the United States. Other FNS programs supplement this program with benefits targeted to special populations, dietary needs and delivery settings. (Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands receive grant funds to provide food and nutrition assistance in lieu of SNAP).
- *Food Distribution Program on Indian Reservations (FDPIR)*: FDPIR provides USDA Foods to income-eligible households living on Indian reservations, and to American Indian households residing in approved areas near reservations or in Oklahoma. Many households participate in FDPIR as an alternative to SNAP, because they do not have easy access to SNAP offices or authorized food stores. Dual participation in SNAP and FDPIR is not permitted. State agencies and Indian Tribal Organizations (ITOs) that operate the program are responsible for eligibility certification, nutrition education, local warehousing and transportation of food, distribution of food to recipient households, and program integrity. The Federal Government pays 100 percent of the cost of USDA Foods distributed through the program and provides cash payments for administrative expenses.

FOOD AND NUTRITION SERVICE

- *Child Nutrition Programs (CNP)*: The Child Nutrition Programs - National School Lunch (NSLP), School Breakfast (SBP), Special Milk (SMP), Child and Adult Care Food (CACFP), and Summer Food Service (SFSP) - provide reimbursement to State and local governments for nutritious meals and snacks served to about 35 million children in schools, child care institutions, summer sites and after school care programs. CACFP also supports meal service in adult day care centers. FNS provides cash and USDA-purchased foods on a per-meal basis to offset the cost of food service at the local level and a significant portion of State and local administrative expenses, and provides training, technical assistance, and nutrition education. Payments are higher for meals served free or at a reduced price to children from low-income families.

In addition, the Fresh Fruit and Vegetable Program (FFVP) provides access to fresh fruits and vegetables for students in low-income elementary schools across the nation. FFVP, authorized and funded under Section 19 of the Richard B. Russell National School Lunch Act and expanded by the Food, Conservation and Energy Act of 2008, operates in selected low-income elementary schools in the 50 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. States select schools to participate based on criteria in the law and participating students receive between \$50 and \$75 worth of fresh produce over the school year.

- *Special Supplemental Nutrition Program for Women, Infants and Children (WIC)*: WIC addresses the supplemental nutritional needs of at-risk, low-income pregnant, breastfeeding and postpartum women, infants and children up to five years of age. It provides participants monthly supplemental food packages targeted to their dietary needs, breastfeeding support to nursing mothers, nutrition education, and referrals to a range of health and social services – benefits that promote a healthy pregnancy for mothers and a healthy start for their children. Appropriated funds are provided to State agencies for food packages and nutrition services and administration for the program; State agencies operate the program pursuant to plans approved by FNS.
- *The Emergency Food Assistance Program (TEFAP)*: This program supports the emergency food organization network by distributing USDA-purchased, 100 percent domestically grown foods for use by emergency feeding organizations including soup kitchens, food recovery organizations, and food banks. The foods are also provided to other types of local organizations, such as community action agencies, which distribute the foods directly to low-income households. TEFAP also provides administrative funds to defray State and local costs associated with transportation, processing, storage, and distribution of USDA Foods or those provided through private donations. The allocation of both Federal food and administrative grants to States is based on a formula that considers the States' unemployment levels and the number of persons with income below the poverty level.
- *The Commodity Supplemental Food Program (CSFP)*: CSFP works to improve the health of low-income elderly persons at least 60 years of age by supplementing their diets with nutritious USDA Foods. Women, infants, and children who were certified and receiving CSFP benefits as of February 6, 2014, can continue to receive assistance until they are no longer eligible under the program rules in effect on February 6, 2014. As required by the Agricultural Act of 2014 (P.L. 113-79), women, infants, and children who apply to participate in CSFP on February 7, 2014, or later cannot be certified to participate in the program. Such individuals may be eligible for other nutrition assistance programs such as WIC, SNAP, and other nutrition assistance programs. In FY 2017, elderly participants comprised over 99.9 percent of total participation. Participants receive a monthly food package of USDA Foods. State agencies are provided funding to cover State and local administrative costs such as nutrition education, warehousing, food delivery, and participant certification. States work with local agencies to distribute the monthly food package to participants.
- *Senior Farmers' Market Nutrition Program (SFMNP)*: This program provides coupons to low-income seniors that can be exchanged for fresh, nutritious, unprepared, locally grown fruits, vegetables, herbs and honey at farmers' markets, roadside stands, and community-supported agriculture programs.
- *Farmers' Market Nutrition Program (FMNP)*: FMNP provides WIC participants, including women, infants older than 4 months, and children up to the age of 5 with special coupons to purchase and consume fresh, locally grown fruits, vegetables, and herbs directly from farmers, farmers' markets and roadside stands.
- *Pacific Island and Disaster Assistance*: Pacific Island Assistance includes assistance to the nuclear-affected islands of the Republic of the Marshall Islands (RMI) in the form of cash-in-lieu of food and administrative funds through the Special Food Assistance Program and is authorized under the Compact of Free Association

FOOD AND NUTRITION SERVICE

Amendments Act of 2003 (P.L. 108-188). Disaster relief in the form of USDA Foods can be provided to the RMI and Federated States of Micronesia for use in Presidentially declared disasters.

Federal nutrition assistance programs operate as partnerships between FNS and the State and local organizations that interact directly with program participants. States voluntarily enter into agreements with the Federal Government to operate programs according to Federal standards in exchange for program funds that cover all benefit costs, and a significant portion, if not all, of administrative expenses.

Under these agreements, FNS is responsible for implementing statutory requirements that set national program standards for eligibility and benefits, providing Federal funding to State and local partners, and for conducting monitoring and evaluation activities to make sure that program structures and policies are properly implemented and effective in meeting program missions. State and local organizations are responsible for delivering benefits efficiently, effectively, and in a manner consistent with federal regulations.

Center for Nutrition Policy and Promotion (CNPP): CNPP serves as a Federal authority on evidence-based food, nutrition and economic analyses, guidance, and consumer nutrition education. It is non-regulatory, with several initiatives that serve as the foundation for many Federal departments' and agencies' policies and programs. Key CNPP initiatives include:

- *Dietary Guidelines for Americans*, mandated under the 1990 National Nutrition Monitoring and Related Research Act to provide dietary guidance for people aged 2 years and older, expanded to include guidance for infants and toddlers from birth to 24 months, and for pregnant women, per the Agricultural Act of 2014 (Farm Bill), written for a professional audience, and a central source that nutrition programs across the Federal Government can implement "with one voice" as they tailor it for their specific program audiences;
- Healthy Eating Index (HEI), an analytic tool used to assess how well diets align with the Dietary Guidelines, used widely by Federal agencies including many agencies within the USDA, such as the Food and Nutrition Service, National Institute of Food and Agriculture, and Economic Research Service;
- Nutrition Evidence Library (NEL), the only resource in the Federal Government that specializes in systematic reviews of diet and health;
- Annual Expenditures on Children by Families report, also known as the Cost of Raising a Child, which estimates the cost of raising children from birth through age 17 for a broad range of spending categories that American families consider in raising children, and relied on by many courts and state governments to calculate child support and foster care payments, as well as by banking institutions and family-oriented not-for profit (public health and education professionals) agencies for informing customers as they plan for family costs;
- USDA Food Plans (Thrifty, Low Cost, Moderate Cost, and Liberal) that exemplify nutritious diets at four cost levels and can help Americans eat healthfully on a budget, and a reference source for other Federal needs such as setting the maximum allotment for SNAP, per Congressional mandate, being used in bankruptcy courts to ensure people are left with enough money to buy food, and serving as the source (Moderate Cost and Liberal Food Plans) for the Department of Defense to determine the Basic Allowance for Subsistence (the food allowance) paid to U.S. service members, as well as the Basic Daily Food Allowance used for reimbursement rates for dining facilities on military bases; and
- MyPlate, which serves as the foundation to Federal, state and local agencies' consumer nutrition education initiatives and is recognized by 2 in 3 Americans.

FNS Staff:

FNS employees are an important resource for advancing the key outcomes sought through the nutrition assistance programs. The agency staff serves to ensure and leverage the effective use of the program appropriations.

FNS staff is funded primarily out of the Nutrition Programs Administration account, which represents approximately two-tenths of one percent of the total FNS budget. The agency employment level represents less than two percent of the total employment within USDA and is similarly small in proportion to the total State-level staff needed to operate the programs. The agency employs people from a variety of disciplines, including policy and management analysts, nutritionists, computer and communication experts, accountants, investigators, and program evaluators. Because of the small size of the agency's staff relative to the resources it manages, FNS has created clear and specific performance measures and must focus its management efforts in a limited number of high-priority areas.

FOOD AND NUTRITION SERVICE

Program operations are managed through FNS’ seven regional offices and 19 field offices/satellite locations. A regional administrator directs each regional office. These offices maintain direct contact with State agencies that administer the FNS programs and conduct on-site management reviews of State operations. The Retailer Operations Division monitors the 263,105 stores and other outlets as of September 30, 2017 authorized to redeem SNAP benefits.

As of September 30, 2017, there were approximately 1,542 full-time permanent employees in the agency. There were 588 employees in the Washington headquarters office; and 954 in the field, which includes seven regional offices and 19 field/satellite offices. The chart below displays staff year utilization.

STAFF YEAR DISTRIBUTION (From All Sources of Funds)					
FNS Projects and CNPP	2016 Actual	2017 Actual	2018 Estimate	Change	2019 President’s Budget
Supplemental Nutrition Assistance Program	316	370	377	0	377
Child Nutrition Programs	282	290	289	+1	290
Commodity Assistance Program	2	3	3	-1	2
Special Supplemental Nutrition Program for Women, Infants and Children	46	44	44	0	44
Nutrition Programs Administration	857	839	813	0	813
Center for Nutrition Policy and Promotion*	27	28	31	0	31
Total Available	1,530	1,574	1,557	0	1,557

*CNPP Staff Year Distribution includes four staff years funded by the Child Nutrition Programs.

Audit Reports of National Significance Issued for Fiscal Year 2017

OIG Audits Issued

Area	Number	Date	Title	Status
Financial Management	27401-0001-11	11-2016	Food and Nutrition Service Financial Statements for Fiscal Years 2016 and 2015	Report contained an unmodified opinion with no recommendations.
SNAP	27901-0002-13	1-2017	Detecting Potential Trafficking Using Data Analysis	Final action pending on open recommendations.
SNAP	27601-0007-10	3-2017	Compilation Report of State’s Compliance with SNAP Certification of Eligible Households (7 CFR Part 273)	Final action pending on open recommendations.

GAO Audits Issued

Area	Number	Date	Title	Status
SNAP	GAO-17-11	11-2016	Use of Data Sharing in the Supplemental Nutrition Assistance Program	At a minimum, FNS will update GAO annually on our progress with the two recommendations.
SNAP	GAO-17-558	7-2017	Federal Low-Income Programs: Eligibility and Benefits Differ for Selected Programs Due to Complex and Varied Rules	Report made no recommendations to USDA. Audit closed upon issuance of final report.

FOOD AND NUTRITION SERVICE

Available Funds and Staff Years
(Dollars in Thousands)

Item	2016 Actual		2017 Actual		2018 Estimate		2019 Estimate	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Supplemental Nutrition Assistance Program	\$73,812,950	316	\$70,773,607	370	\$73,688,928	377	\$70,303,276	377
Child Nutrition Program:								
Appropriation.....	13,241,283	252	13,163,031	265	14,857,713	258	15,702,180	265
Permanent Appropriation.....	200,268	34	200,028	29	190,250	35	193,250	29
Transfer from Section 32.....	8,969,178		9,503,998		8,872,807		9,035,000	
Total - Child Nutrition Program.....	22,410,729	286	22,867,057	294	23,920,770	293	24,930,430	294
Special Supplemental Nutrition Program for Women, Infants, and Children	6,879,898	46	6,665,295	44	6,622,000	44	5,771,000	44
Commodity Assistance Program.....	319,143	2	314,892	3	419,605	3	76,071	2
Nutrition Programs Administration.....	148,166	880	147,862	863	148,998	840	148,541	840
Congressional Hunger Center.....	2,000		2,000		1,986		0	
Dietary Guidelines.....	0		0		0		12,297	
Park Office Center Relocation.....	0		0		17,580		0	
Child Nutrition Study.....	0		1,000		993		0	
Total, Food and Nutrition Service Funds.....	103,572,886	1,530	100,771,713	1,574	104,820,860	1,557	101,241,615	1,557
<u>Obligations under other</u>								
<u>USDA Appropriations:</u>								
Office of the Chief Scientist.....	102		0		0		0	
Office of the Secretary.....	0		69		0		0	
Office of Communications.....	50		0		0		0	
Office of Congressional Relations.....	235		150		0		0	
Office of the Assist. Sec. for Civil Rights.....	0		87		0		0	
Office of Homeland Security.....	4		0		0		0	
Office of Tribal Relations.....	0		24		0		0	
Food Safety and Inspection Service.....	10		10		0		0	
Economic Research Service.....	11		10		0		0	
Office of Inspector General.....	10		0		0		0	
National Appeals Division.....	21		54		0		0	
Farm Service Agency.....	11		10		0		0	
Rural Development.....	11		11		0		0	
Total, Agriculture Appropriations.....	476		436		0		0	
<u>Other Federal Funds:</u>								
Health and Human Services.....	213		0		0		0	
Total, Other Federal Funds.....	689		436		0		0	
Total, Food and Nutrition Service.....	103,574,051	1,530	100,772,585	1,574	104,820,860	1,557	101,241,615	1,557

Note: For additional explanation of specific program figures, please see the supporting project statements.

FOOD AND NUTRITION SERVICE

Permanent Positions by Grade and Staff Year Summary

Grade	2016 Actual			2017 Actual			2018 Estimate			2019 President's Budget		
	Wash DC	Field	Total	Wash DC	Field	Total	Wash DC	Field	Total	Wash DC	Field	Total
Senior Executive Service	10	8	18	9	8	17	9	8	17	9	8	17
GS-15.....	47	30	77	45	30	75	45	30	75	45	30	75
GS-14.....	109	86	195	112	89	201	109	87	196	109	87	196
GS-13.....	291	225	516	294	230	524	287	226	513	287	226	513
GS-12.....	78	460	538	58	474	532	57	464	521	57	464	521
GS-11.....	46	90	136	33	81	114	32	79	111	32	79	111
GS-9.....	39	66	105	34	35	69	34	35	69	34	35	69
GS-8.....	13	1	14	11	1	12	11	1	12	11	1	12
GS-7.....	9	29	38	8	21	29	8	21	29	8	21	29
GS-6.....	3	5	8	3	4	7	3	4	7	3	4	7
GS-5.....	0	3	3	0	3	3	0	3	3	0	3	3
GS-4.....	2	0	2	3	0	3	3	0	3	3	0	3
Other Graded Positions....	1	1	2	0	1	1	0	1	1	0	1	1
Total Permanent Positions.....	648	1,004	1,652	610	977	1,587	598	959	1,557	598	959	1,557
Unfilled Positions End-of Year.....	37	41	78	22	23	45						
Total, Permanent Full-Time Employment End-of Year.....	611	963	1,574	588	954	1,542	598	959	1,557	598	959	1,557
Staff Year Estimate	597	933	1,530	598	976	1,574	598	959	1,557	598	959	1,557

FOOD AND NUTRITION SERVICE

Size, Composition and Cost of Motor Vehicle Fleet

The FNS fleet consists largely of sedans. Retailer Investigations Branch officials employ the majority of these vehicles in field audits as part of the Supplemental Nutrition Assistance Program (SNAP). Additionally, and to a much lesser extent, vehicles are assigned to FNS regional offices and used for business travel among their field offices and remote worksites. Lastly, FNS uses three 12-passenger vans and one 4-passenger ADA van at Headquarters in Alexandria, Virginia for all-day shuttle service to the USDA agencies in downtown Washington, D.C.

Changes to the motor vehicle fleet. The fleet increased by one vehicle during FY 2017. The additional vehicle was acquired to accommodate the Retailer Operations Division (ROD) investigators. Investigators use the motor vehicle fleet to conduct compliance monitoring for retailer oversight and integrity of stores participating in the SNAP program. The Agency expanded compliance monitoring in FY 2017.

Replacement of passenger motor vehicles. There were seven vehicles replaced during FY 2017 due to lease expirations. The vehicles were an average of 4.5 years old with more than 11,700 miles.

Impediments to managing the motor vehicle fleet. One impediment to managing the motor vehicle fleet in the most cost-effective manner is the availability of FLEX fuel stations that are accessible in the area.

Size, Composition, and Annual Operating Costs of Vehicle Fleet

Fiscal Year	Number of Vehicles by Type*							Annual Operating Costs (\$ in 000)	
	Sedans and Station Wagons	Light Trucks, SUVs and Vans		Medium Duty Vehicles	Ambulances	Buses	Heavy Duty Vehicles		Total Number of Vehicles
		4X2	4X4						
FY 2016	22	18	1	4	-	-	-	45	161
Change	+2	-3	+3	-1	-	-	-	+1	+4
FY 2017	24	15	4	3	-	-	-	46	165
Change	-	-	-	-	-	-	-	-	-
FY 2018	24	15	4	3	-	-	-	46	165
Change	-	-	-	-	-	-	-	-	-
FY 2019	24	16	4	3	-	-	-	46	165

NOTES:

- * These numbers include vehicles that are owned by the agency, leased from commercial sources, and leased from GSA.
- * These numbers revise data in the FAST System.

FOOD AND NUTRITION SERVICE

Statement of Proposed Purchase of Passenger Motor Vehicles
(Sedans and Station Wagons)

Fiscal Year	Net Active Fleet, SOY	Disposals	Acquisitions			Net Active Fleet, EOY
			Replacements	Additions to Fleet	Total	
FY 2016	21	-	-	1	-	22
FY 2017	22	-	-	2	2	24
FY 2018	24	-	-	-	-	24
FY 2019	24	-	-	-	-	24

FOOD AND NUTRITION SERVICE

Shared Funding Projects

(Dollars in thousands)

	FY 2016	FY 2017	FY 2018	FY 2019
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	President's <u>Budget</u>
Working Capital Fund:				
Administration:				
HR Enterprise System Management.....	\$14	\$14	\$19	\$28
Integrated Procurement System.....	275	274	278	280
Mail and Reproduction Management.....	47	28	39	39
Material Management Service Center.....	93	95	87	91
Procurement Operations Division.....	19	17	17	11
Subtotal.....	<u>448</u>	<u>428</u>	<u>440</u>	<u>449</u>
Communications:				
Creative Media & Broadcast Center.....	489	490	1,585	1,904
Correspondence Management:				
Office of the Executive Secretariat.....	138	154	139	150
Finance and Management:				
Financial Management Services.....	2,264	867	914	933
Internal Control Support Services.....	147	145	175	174
National Finance Center.....	1,868	1,039	1,536	1,595
Subtotal.....	<u>4,279</u>	<u>2,051</u>	<u>2,625</u>	<u>2,702</u>
Information Technology:				
Client Technology Services.....	219	1,002	895	1,109
National Information Technology Center.....	3,705	2,957	2,794	2,793
Enterprise Network Services (Telecom).....	278	431	495	664
Subtotal.....	<u>4,202</u>	<u>4,390</u>	<u>4,184</u>	<u>4,566</u>
Total, Working Capital Fund.....	<u>9,556</u>	<u>7,513</u>	<u>8,973</u>	<u>9,771</u>
Departmental Shared Cost Programs:				
1890 USDA Initiatives.....	50	60	53	53
Advisory Committee Liaison Services.....	4	3	3	3
Classified National Security Information.....	10	10	17	17
Continuity of Operations Planning.....	32	33	30	30
Emergency Operations Center.....	37	38	33	33
Facility and Infrastructure Review and Assessment.....	7	7	6	6
Faith-Based and Neighborhood Partnerships.....	6	7	6	6
Hispanic-Serving Institutions National Program.....	28	32	28	28
Honor Awards.....	1	0	1	1
Departmental Shared Cost Programs:				
	FY 2016	FY 2017	FY 2018	FY 2019
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	President's <u>Budget</u>
Human Resources Transformation	24	27	25	25
Identity & Access Management (HSPD-12).....	108	109	96	96
People's Garden.....	10	11	10	10
Personnel Security Branch (was PDSB).....	19	29	22	22
Pre-authorizing Funding.....	59	55	53	53
Retirement Processor/Web Application.....	9	10	9	9
TARGET Center.....	23	24	21	21
USDA 1994 Program.....	11	13	11	11
Virtual University.....	32	33	28	28
Total, Departmental Shared Cost Programs.....	<u>470</u>	<u>501</u>	<u>452</u>	<u>452</u>
E-Gov:				
Budget Formulation and Execution Line of Business.....	17	17	9	9
Enterprise Human Resources Integration.....	31	31	31	31
Financial Management Line of Business.....	2	1	1	1
Human Resources Line of Business.....	4	4	5	4
Integrated Acquisition Environment.....	96	229	234	253
Disaster Assistance Improvement Plan.....	21	37	37	37
E-Rulemaking.....	87	191	236	196
Geospatial Line of Business.....	8	12	12	12
GovBenefits.gov.....	75	134	138	140
Grants.gov.....	18	27	35	24
FOIA.....	0	0	0	2
E-Training.....	41	0	0	0
Total, E-Gov.....	<u>400</u>	<u>683</u>	<u>738</u>	<u>709</u>
Agency Total.....	<u>10,426</u>	<u>8,697</u>	<u>10,163</u>	<u>10,932</u>

FOOD AND NUTRITION SERVICE

Child Nutrition Programs

The estimates include appropriations language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Child Nutrition Programs (including transfers of funds):

For necessary expenses to carry out the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; [~~\$24,243,698,000~~] \$23,146,940,000, to remain available through September 30, [2019] 2020, of which such sums as are made available under section 14222(b)(1) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246), as amended by this Act, shall be merged with and available for the same time period and purposes as provided herein: *Provided*, That of the total amount available, [~~\$16,889,000~~] \$15,475,000 shall be available to carry out section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.): [*Provided further*, That of the total amount available, \$24,830,000 shall be available to provide competitive grants to State agencies for subgrants to local educational agencies and schools to purchase the equipment needed to serve healthier meals, improve food safety, and to help support the establishment, maintenance, or expansion of the school breakfast program:] *Provided further*, That of the total amount available, [~~\$22,844,000~~] \$22,957,000 shall remain available until expended to carry out section 749(g) of the Agriculture Appropriations Act of 2010 (Public Law 111–80): *Provided further*, That section 26(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769g(d)) is amended in the first sentence by striking "2010 through 2017" and inserting "2010 through [2018] 2019": *Provided further*, That section 9(h)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(h)(3)) is amended in the first sentence by striking "For fiscal year 2017" and inserting "For fiscal year [2018] 2019": *Provided further*, That section 9(h)(4) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(h)(4)) is amended in the first sentence by striking "For fiscal year 2017" and inserting "For fiscal year [2018] 2019".

The first change eliminates funding for School Equipment Grants in FY 2019.

CHILD NUTRITION PROGRAMS

Lead-Off Tabular Statement

Current Law

Budget Estimate, 2019.....	\$23,146,940,000
2018 Annualized Continuing Resolution.....	<u>24,243,698,000</u>
Change in Appropriation	<u>-1,096,758,000</u>

FOOD AND NUTRITION SERVICE

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Project	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Inc. or Dec.	Chg Key	2019 Estimate	SY
Meal Reimbursement Payments to States										
National School Lunch Program	\$12,154,720		\$12,339,758		\$13,133,155		-\$1,420,155		\$11,713,000	
School Breakfast Program	4,338,632		4,470,247		4,807,380		274,390		5,081,770	
Child and Adult Care Food Program	3,340,081		3,490,937		3,832,748		100,645		3,933,393	
Summer Food Service Program	555,729	14	627,095	15	563,817	16	-44,356		519,461	16
Special Milk Program	9,432		9,176		8,767		10		8,777	
Subtotal, Meal Reimbursements	20,398,594		20,937,213		22,345,867		-1,089,466	(1)	21,256,401	
State Administrative Expenses	270,878		279,058		297,278		5,628	(2)	302,906	
Commodity Reimbursement/Procurement	1,350,683	0	1,428,089	12	1,461,755	13	12,119	(3)	1,473,874	14
Mandatory Other Program Costs:										
Food Safety Education	2,761	6	2,897	6	2,880	6	49	a	2,929	6
Coordinated Review	10,000	67	10,000	68	10,000	68	0	b	10,000	68
Computer Support	11,430	17	11,941	16	11,921	17	203	c	12,124	17
Training and Tech. Assist.	13,137	52	23,137	45	13,702	45	233	d	13,935	45
CN Studies	20,400	5	21,328	10	21,277	10	362	e	21,639	10
CN Payment Accuracy	10,562	57	11,147	52	11,016	49	187	f	11,203	49
Farm to School Team	3,297	11	4,168	12	3,439	13	58	g	3,497	13
Subtotal, Mandatory Other Program Costs	71,587		84,618		74,235		1,092	(4)	75,327	
Subtotal, Mandatory	22,091,742		22,728,978		24,179,135		-1,070,627		23,108,508	
Discretionary Activities:										
Team Nutrition/HUSSC	17,004	23	17,004	29	16,889	27	-1,414	a/b	15,475	27
Summer Demonstration	23,000		23,000		22,844		113	c	22,957	
School Meals Equipment Grants	30,000		25,000		24,830		-24,830	d	0	
Subtotal, Discretionary Activities	70,004		65,004		64,563		-26,131	(5)	38,432	
Total Appropriation	22,161,746		22,793,982		24,243,698		-1,096,758		23,146,940	
Sequester	-3,858		-4,230		-3,989		3,989		0	
Total Available	22,157,888	252	22,789,752	265	24,239,708	264	-1,092,768		23,146,940	265

FOOD AND NUTRITION SERVICE

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Project	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Inc. or Dec.	2019 Estimate	SY
Meal Reimbursement Payments to States									
National School Lunch Program	\$12,259,688		\$12,302,521		\$12,916,680		\$386,560	\$13,303,240	
School Breakfast Program	4,241,537		4,385,502		4,789,418		292,352	5,081,770	
Child and Adult Care Food Program	3,451,559		3,647,052		3,637,916		295,477	3,933,393	
Summer Food Service Program	539,938	14	505,695	15	501,823	16	17,638	519,461	16
Special Milk Program	9,187		8,491		8,431		346	8,777	
Subtotal, Meal Reimbursements	20,501,909		20,849,261		21,854,268		992,373	22,846,641	
State Administrative Expenses	267,985		295,614		313,847		-10,941	302,906	
Commodity Reimbursement/Procurement	1,312,243	0	1,376,047	12	1,385,696	13	88,178	1,473,874	14
Mandatory Other Program Costs:									
Food Safety Education	2,000	6	3,387	6	3,212	6	-283	2,929	6
Coordinated Review	9,582	67	9,879	68	10,753	68	0	10,000	68
Computer Support	10,661	17	11,849	16	12,861	17	-737	12,124	17
Training and Tech. Assist.	7,991	52	13,445	45	27,640	45	-13,705	13,935	45
CN Studies	17,411	5	27,918	10	28,645	10	-7,006	21,639	10
CN Payment Accuracy	9,357	57	14,303	52	14,330	49	-3,127	11,203	49
Farm to School Team	2,228	11	2,248	12	6,024	13	-2,527	3,497	13
Subtotal, Mandatory Other Program Costs	59,230		83,029		103,465		-28,138	75,327	
Subtotal, Mandatory	22,141,367		22,603,951		23,657,276		1,041,472	24,698,748	
Discretionary Activities:									
Team Nutrition/HUSSC	15,830	23	15,134	29	21,614	27	-6,139	15,475	27
Summer EBT Demonstration	25,218		25,181		22,844		113	22,957	
School Meals Equipment Grants	28,046		22,763		28,786		-28,786	0	
Subtotal, Discretionary	69,094		63,078		73,244		-34,812	38,432	
Total Obligations	22,210,461	252	22,667,029	265	23,730,520	264	1,006,660	24,737,180	265
Prior Year Recoveries/Collections	-299,804		-258,751		0		0	0	
Unobligated Balance Start-of-Year	-649,324		-801,099		-1,077,062		-513,178	-1,590,240	
Unobligated Balance End-of-Year	801,099		1,077,062		1,590,240		-1,590,240	0	
Unobligated Balance Expiring	99,314		109,741		0		0	0	
Total Appropriation	22,161,746	252	22,793,982	265	24,243,698	264	-1,096,758	23,146,940	265
Sequester	-3,858		-4,230		-3,989		3,989	0	
Total Adjusted Appropriation	22,157,888	252	22,789,752	265	24,239,708	264	-1,092,768	23,146,940	265

FOOD AND NUTRITION SERVICE

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Direct Appropriation and Transfer Activities	2016		2017		2018		Inc. or Dec.	2019	
	Actual	SY	Actual	SY	Estimate	SY		Estimate	SY
Information Clearinghouse	\$250		\$250		\$250		0	\$250	
Institute of Child Nutrition	5,000		5,000		5,000		0	5,000	
Fresh Fruit and Vegetable Program (transfer) <u>1/</u>	161,000	3	168,000	3	171,000	4	\$3,000	174,000	4
Technical Assistance Program Integrity	4,000	28	4,000	22	4,000	20	0	4,000	20
Grants to States (Administrative Review)	4,000	1	4,000	3	4,000	4	0	4,000	4
Professional Standards - Foodservice	1,000	2	1,000	1	1,000	1	0	1,000	1
Farm to School Grants	5,000		5,000		5,000		0	5,000	
Total Direct Appropriations/Transfers <u>2/</u>	180,250	34	187,250	29	190,250	29	3,000	193,250	29

1/ Section 19(i)(1) of the Richard B. Russell National School Lunch Act (NSLA) provides that each July 1 funds will be transferred from Section 32 funds in AMS to support the Fresh Fruit and Vegetable Program (FFVP). The amounts displayed in the table above incorporate all delays in the transfer amount including the proposed delay from the July 1, 2018 transfer of \$125 million. Absent the proposed delay, \$297 would be transferred into FFVP in 2018.

2/ The amounts displayed in the table above incorporate all delays in the transfer amount, including the proposed delay from the July 1, 2018, transfer.

The following appropriations actions have delayed the timing of the transfer:

- In FY 2015, the appropriations bill specified that \$122 million of the July 1, 2015 transfer would not be available until October 1, 2015.
- In FY 2016, the appropriations bill specified that \$125 million of the July 1, 2016 transfer would not be available until October 1, 2016.
- In FY 2017, the appropriation bill specified that \$125 million of the July 1, 2017 transfer would not be available until October 1, 2017.

The FY 2019 proposal would have \$125 million of the July 1, 2019 transfer not be available until October 1, 2019.

FOOD AND NUTRITION SERVICE

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Direct Appropriation and Transfer Activities	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Inc. or Dec.	2019 Estimate	SY
Information Clearinghouse	\$250		\$250		\$250		0	\$250	
Institute of Child Nutrition	5,005		5,000		5,000		0	5,000	
Fresh Fruit and Vegetable Program (transfer)	166,565	3	184,213	3	171,000	4	\$3,000	174,000	4
Technical Assistance Program Integrity	5,252	28	327	22	4,000	20	0	4,000	20
Grants to States (Administrative Review)	6,698	1	721	3	4,000	4	0	4,000	4
Direct Certification Technical Assistance	4,069		0		0		0	0	
CACFP Nutrition Technical Assistance	3,855		1,405		0		0	0	
Professional Standards - Foodservice	2,988	2	840	1	1,000	1	0	1,000	1
Farm to School Grants	5,070		3,985		5,000		0	5,000	
Child Hunger Research	515		665		0		0	0	
Hunger Demonstration Projects	1		2,622		0		0	0	
Total Obligations	200,268	34	200,028	29	190,250	29	3,000	193,250	29
Unobligated Balance Start of Year	-98,451		-89,265		-92,827		0	-92,826	
Collections/Recoveries	-10,832		-16,340		0		0	0	
Unobligated Balance Expiring	0		0		0		0	0	
Unobligated Balance End of Year	89,265		92,827		92,826		0	92,826	
Total Direct Appropriations/Transfers	180,250	34	187,250	29	190,250	29	3,000	193,250	29

FOOD AND NUTRITION SERVICE

The program lines on the previous page are not subject to appropriation. The following table details the authorities for each line in the previous table:

Direct Appropriation and Transfer Activities	Authorization
Information Clearinghouse	NSLA Sect. 26(d)
Institute of Child Nutrition	NSLA Sect. 21(e)(1)(A)
Fresh Fruit and Vegetable Program (transfer)	NSLA Sect. 19(i)(1)
Technical Assistance Program Integrity	NSLA Sect. 21(g)(1)(A)
Grants to States (Administrative Review)	CNA Sect. 7(h)(1)
Direct Certification Technical Assistance	2010 Ag Approps Sect. 749(h)(2)(B)(i)
CACFP Nutrition Technical Assistance	NSLA Sect. 17(u)(3)(H)(i)
Professional Standards - Foodservice	CNA Sect. 7(g)(3)(A)
Farm to School Grants	NSLA Sect. 18(g)(8)(A)
Child Hunger Research	NSLA Sect. 23(a)(5)(A)
Hunger Demonstration Projects	NSLA Sect. 23(b)(7)(A)

Note: National School Lunch Act (NSLA); Child Nutrition Act (CNA); the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2010, P.L. 111-80; P.L. 111-296.

Justification of Increases and Decreases

Base funds for Child Nutrition Programs will continue to fund school meals, child and adult care feeding, and summer meals programs that are correlated with a long term improvement in the nutritional content of American diets.

The FY 2019 request for the Child Nutrition Programs reflects a net decrease of \$1,096,758,000 (\$24,243,698,000 and 258 staff years available in 2018).

The funding change is requested in the following items:

- (1) A decrease of \$1,089,466,000 for meal reimbursements (\$22,345,867,000 estimated available in FY 2018).

School Lunch Program: Funding needed for this program will decrease by \$1,420,155,000 (about 10.8 percent) for an appropriation of \$11,713,000,000 in FY 2019 (\$13,133,155,000 estimated for FY 2018). This decrease in requested funding reflects the use of anticipated carry over funding in FY 2019 due to lower than expected participation in FY 2017.

The total number of school lunches and snacks in FY 2019 is projected to be 5.25 billion, an increase of 55.6 million (or 1.1 percent) over the current estimate for FY 2018 of 5.19 billion. Student participation in the NSLP is expected to continue at almost 60 percent of enrollment in participating schools. Free lunches are estimated at 68.6 percent of all lunches served in FY 2019, which is slightly higher than the proportion of lunches estimated to be served free in FY 2017 (68.5 percent). This request also reflects the cost of the six-cent performance-based reimbursement rate increase authorized in Section 4(b)(3) of the Richard B. Russell National School Lunch Act and of snacks served under the after-school NSLP snack program created by the William F. Goodling Child Nutrition Reauthorization Act of 1998 (P.L. 105-336).

Other information: Income Eligibility

Eligibility for rates of payment in the Child Nutrition Programs is tied to family income with free meal eligibility set at 130 percent of the Federal poverty level and reduced price meals at 185 percent. The pertinent income levels for a family of four are shown below (rates are higher for Alaska and Hawaii):

FOOD AND NUTRITION SERVICE

Poverty Level (Family of 4)	2016-2017 School Year	2017-2018 School Year
100 Percent	\$24,300	\$24,600
130 Percent	31,590	31,980
185 Percent	44,955	45,510

PROGRAM INDICATORS					
SCHOOL LUNCH PROGRAM PROGRAM PERFORMANCE DATA	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
Lunches Served (millions):					
Above 185% of poverty	1,350.7	1,297.2	1,282.4	1,296.2	13.8
130% - 185% of poverty	336.3	316.8	286.4	284.4	-2.0
Below 130% of poverty	3,365.5	3,267.1	3,405.2	3,446.8	41.6
TOTAL, Lunches	5,052.5	4,881.1	4,974.0	5,027.4	53.4
Average Daily Participation (millions):	30.4	30.0	30.4	30.7	0.3
Lunch Rate per meal (blended) (cents):					
Above 185% of poverty	35.2	36.2	37.1	38.4	1.3
130% - 185% of poverty	274.7	283.6	291.3	298.6	7.3
Below 130% of poverty	314.9	323.8	331.5	338.8	7.3
Snacks Served (millions):					
Above 185% of poverty	7.7	7.4	7.6	7.7	0.1
130% - 185% of poverty	0.6	0.6	0.6	0.6	0.0
Below 130% of poverty	202.8	197.7	211.0	213.1	2.1
TOTAL, Snacks	211.1	205.7	219.2	221.4	2.2
Snack subsidy per meal (blended)(cents):					
Above 185% of poverty	7.0	7.1	8.0	8.0	0.0
130% - 185% of poverty	42.2	43.2	44.2	45.2	1.0
Below 130% of poverty	84.4	86.5	89.4	91.3	1.9
TOTAL, Lunches and Snacks	5,227.0	5,263.2	5,193.2	5,248.8	55.6
TOTAL, Meal Reimbursement (millions)	\$12,259.7	\$12,302.5	\$12,916.7	\$13,303.2	\$386.6

School Breakfast Program: This program will require an increase of \$274,390,000 (about 5.7 percent) for an appropriation of \$5,081,770,000 in FY 2019 (\$4,807,380,000 estimated for FY 2018). The current estimate projects an increase of 92.8 million breakfasts in FY 2019. This increase is largely a result of increased take up of the breakfast program and the increased use of alternative meal service techniques such as breakfast after the bell, making school breakfasts more available to students. The estimate of total breakfast meals to be served in FY 2019 is 2.61 billion.

Additionally, changes in the reimbursement rates, reflecting increases in the CPI for Food Away from Home, contributed to the need for increased funding.

FOOD AND NUTRITION SERVICE

PROGRAM INDICATORS					
SCHOOL BREAKFAST PROGRAM PROGRAM PERFORMANCE DATA	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
Meals Served (millions):					
Above 185% of poverty	363.7	362.8	381.2	395.2	14.0
Reduce Price, Regular	9.0	9.1	9.5	9.8	0.3
Reduce Price, Severe Need	133.2	126.5	129.2	133.9	4.7
130%-185% of poverty, Total	142.2	135.6	138.7	143.7	5.0
Free, Regular	62.4	62.7	65.1	67.5	2.4
Free, Severe Need	1,880.1	1,844.8	1,936.8	2,008.2	71.4
Below 130% of poverty, Total	1,942.5	1,907.5	2,001.9	2,075.7	73.8
TOTAL, Meals	2,448.4	2,405.9	2,521.8	2,614.6	92.8
Average Daily participation (millions)	14.6	14.7	15.0	15.2	0.2
Average Subsidy Per Meal (cents):					
Paid	28.2	29.2	30.2	31.0	0.8
Reduced Price:					
Regular	132.9	141.7	145.7	150.0	4.3
Severe Need	164.4	175.0	180.0	184.9	4.9
Free:					
Regular	163.0	171.8	175.8	179.7	3.9
Severe Need	194.6	205.1	210.1	215.0	4.9
PROGRAM TOTAL (millions)	\$4,241.5	\$4,385.5	\$4,789.4	\$5,081.8	\$292.3

Child and Adult Care Food Program (CACFP): This program will require an increase of \$100,645,000 (about 2.6 percent) for an appropriation of \$3,933,393,000 in FY 2019 (\$3,832,748,000 estimated available for FY 2018). The current estimate projects 2.21 billion meals served in childcare centers, family day care homes and adult care centers in 2019. This represents an increase of almost 50 million meals (or 2.4 percent) above the FY 2018 estimate of 2.16 billion meals.

The change is the net result of an anticipated 3.2 percent increase in meals provided in centers (an increase of almost 53 million meals) and a -0.6 percent decrease in meals provide in family day care homes (decrease of nearly 3 million meals). A modest -0.3 percent decrease in meals (1.1 million less than in FY 2018) is forecast for Tier 1 (low-income) family day care homes, while meals reimbursed at Tier 2 (upper income) homes are projected to fall -3.9 percent from FY 2018, continuing the current trend.

Year to year funding fluctuations are also affected by changes in the CPI for Food Away from Home (for centers) and for Food at Home (for homes).

FOOD AND NUTRITION SERVICE

PROGRAM INDICATORS					
CHILD AND ADULT CARE FOOD PROGRAM PROGRAM PERFORMANCE DATA	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
Meals Served (millions):					
Centers:					
Above 185% of poverty	380.1	380.2	398.6	411.2	12.6
130% - 185% of poverty	81.8	81.1	86.4	89.1	2.7
Below 130% of poverty	1,109.2	1,100.2	1,176.7	1,213.9	37.2
TOTAL, Centers	1,571.1	1,561.5	1,661.7	1,714.2	52.5
Family Day Care Homes:					
Tier 1 (Low Income)	451.1	429.6	447.6	446.5	-1.1
Tier 2 (Upper Income)	59.9	55.2	46.3	44.5	-1.8
TOTAL, Family Day Care Homes:	511.0	484.9	493.9	491.0	-2.9
Total Child & Adult Care Program Meals:	2,082.1	2,046.4	2,155.6	2,205.2	49.6
Average Subsidy per meal (cents): 1/					
Centers:					
Above 185% of poverty	20.3	20.7	21.5	21.8	0.3
130% - 185% of poverty	147.3	150.7	154.7	158.3	3.6
Below 130% of poverty	203.5	211.3	217.3	221.5	4.2
Family Day Care Homes					
Tier 1 (Low Income)	157.3	156.6	157.9	159.6	1.7
Tier 2 (Upper Income)	70.0	71.2	71.9	73.4	1.5
Funding: (millions)					
Meal Reimbursement	\$3,282.4	\$3,467.3	\$3,453.9	\$3,745.2	\$291.3
Sponsor Admin	112.6	112.4	113.8	115.6	1.8
Audits	54.1	64.9	67.6	70.0	2.4
Training & Tech. Assistance	2.5	2.5	2.6	2.6	0.0
TOTAL (millions)	\$3,451.6	\$3,647.1	\$3,637.9	\$3,933.4	\$295.5

1/ Rates are a blend of all meals types.

Summer Food Service Program: This program will require a decrease of \$44,356,000 (about 7.9 percent) for an appropriation of \$519,461,000 in FY 2019 (\$563,817,000 estimated available for FY 2018). This decrease reflects anticipated carryover funds due to lower than expected participation in FY 2017. The current estimate projects 156.2 million meals, which is an increase of approximately 3.4 million meals (or 2.2 percent) above the estimate for FY 2018. In addition, the reimbursement rates will increase because of projected changes in the CPI for Food Away from Home.

PROGRAM INDICATORS					
SUMMER FOOD SERVICE PROGRAM PROGRAM PERFORMANCE DATA	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
Meals Served (millions):					
Summer Food Program	154.2	151.9	152.8	156.2	3.4
Average Subsidy Per Meal (cents):					
Lunch	339.0	347.0	355.0	363.0	8.0
Breakfast	194.0	199.0	204.0	208.0	4.0
Supplements	79.0	81.0	83.0	84.0	1.0
PROGRAM TOTAL (millions)	\$539.9	\$505.7	\$501.8	\$519.5	\$17.7

FOOD AND NUTRITION SERVICE

Special Milk Program: Funding needed for this program will increase by \$10,000 (0.1 percent) for an appropriation of \$8,777,000 in FY 2019 (\$8,767,000 estimated available for FY 2018). The cash reimbursement rate for milk served is adjusted annually on July 1 to reflect changes in the Producer Price Index for fresh processed milk.

PROGRAM INDICATORS					
SPECIAL MILK PROGRAM PROGRAM PERFORMANCE DATA	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
Half Pints Served (millions):					
Paid (Above 130% of poverty)	40.9	37.5	35.8	35.0	-0.8
Free (130% of poverty or below)	4.3	4.0	4.3	4.2	-0.1
TOTAL, Half pints	45.2	41.5	40.1	39.2	-0.9
Reimbursement Rates (cents):					
Paid	19.9	19.9	20.5	21.4	0.9
Free	20.8	21.0	21.4	22.3	0.9
PROGRAM TOTAL (millions)	\$9.2	\$8.5	\$8.4	\$8.8	\$0.4

- (2) An increase of \$5,628,000 for State Administrative Expenses (\$297,278,000 estimated available for FY 2018).

An appropriation of \$302,906,000 is needed in FY 2019 for State Administrative Expenses. The base amount of State Administrative Expenses available for allocation to States is equal to at least 1.5 percent of Federal cash program payments for the National School Lunch (excluding snacks), School Breakfast, CACFP (including snacks) and Special Milk Programs in the second previous fiscal year (i.e., FY 2017 for FY 2019). The request for funding increases is due to a rise in the actual program obligations for FY 2017, which is the base year for calculating the availability of funds for this program in FY 2019. State Administrative Expense funds are support State employee salaries, benefits, and other allowable administrative expenses necessary to implement and oversee program operations.

- (3) An increase of \$12,119,000 for Commodity Reimbursement/Procurement (\$1,461,755,000 estimated available for FY 2018).

An appropriation of \$1,473,874,000 is needed to fund commodity reimbursement and procurement costs in FY 2019. The increase in funding is due to the increase in the number of meals served. Funding is provided for commodity purchases used in the School Lunch, Child and Adult Care Food, and the Summer Food Service Programs, including the costs of procuring those commodities. The estimate is in addition to FNS receiving \$465 million each year in support for entitlement commodities from Section 32 or Commodity Credit Corporation funds.

Section 6(e)(1) of the Richard B. Russell National School Lunch Act requires that not less than 12 percent of the total assistance provided under Sections 4, 6, and 11 of the Act be provided in commodities. The FY 2019 request includes funds to cover the 12 percent requirement and procurement costs.

FOOD AND NUTRITION SERVICE

COMMODITY COST DATA (\$ MILLIONS)					
COMMODITY PURCHASES :	2016 ACTUAL	2017 ACTUAL	2018 ESTIMATE	2019 ESTIMATE	CHANGE
CN Appropriation:					
AMS/CCC Commodities	\$465.0	\$465.0	\$465.0	\$465.0	\$0.0
Section 6 Commodities/Cash/Procurement Cost:	712.3	857.0	807.9	763.7	-44.2
12% Commodity Floor Requirement	482.1	422.1	473.5	518.7	45.2
SCHOOL LUNCH TOTAL	1,659.4	1,744.1	1,746.4	1,747.4	1.0
Child & Adult Care Food Program:					
Commodities/Cash	154.5	147.5	179.0	190.1	11.1
Summer Food Service Program:					
Commodities	1.8	1.5	1.4	1.4	0.0
TOTAL COMMODITY COSTS	1,815.7	1,893.1	1,926.8	1,938.9	12.1
APPROPRIATION	\$1,350.7	\$1,428.1	\$1,461.8	\$1,473.9	\$12.1

- (4) An increase of 1,092,000 in Mandatory Other Program Costs (\$74,235,000 estimated available for FY 2018) as shown below.

Changes in Mandatory Other Program Costs
(thousands of dollars)

Project	2018 Estimate	Non-Pay Cost Change	Pay Cost Change	2019 Estimate
Mandatory Other Program Costs				
Food Safety Education	\$2,880	\$49	0	\$2,929
Coordinated Review	10,000	0	0	10,000
Computer Support	11,921	203	0	12,124
Training and Technical Assistance	13,702	233	0	13,935
CN Studies	21,277	362	0	21,639
CN Payment Accuracy	11,016	187	0	11,203
Farm to School	3,439	58	0	3,497
Total Mandatory Other Program Costs	74,235	1,092	0	75,327

The overall change consists of the following:

- a. An increase of \$49,000 for Food Safety Education (\$2,880,000 estimated available for FY 2018).

Food safety education funds are used to reinforce and expand FNS' efforts to provide Child Nutrition Programs operators with continuous, effective training and technical assistance in food safety and food defense for schools, summer feeding sites, childcare centers, family day care homes and adult care centers. FNS develops materials, ensures their delivery at all appropriate levels, makes training available at all possible levels, and facilitates the implementation of food safety requirements into the operators' food service operations. The funds provide resources to help ensure the safety of foods served to school children, including training for State and local staff. The change includes \$49,000 for estimated inflation.

- b. No change for the Coordinated Review Program (\$10,000,000 available in FY 2018).

These funds are used to provide training and technical assistance for State agencies responsible for reviewing local school food authorities that participate in the school meal programs. The Coordinated Review Effort (CRE) helps ensure that school children are offered meals that meet regulatory standards and that the financial claims associated with those meals are appropriate. CRE reviews have the following goals: (1) determine if free and reduced-price meal benefits are provided in accordance with the regulations; (2) determine if proper meal counts are being taken at the point of service, and (3) determine if complete reimbursable meals are being offered.

FOOD AND NUTRITION SERVICE

- c. An increase of \$203,000 for Computer Support (\$11,921,000 estimated available for FY 2018).

This line supports the essential systems needed to administer the Child Nutrition Programs, including the federal staff required to operate and maintain those systems. These systems include the Web-Based Supply Chain Management System (WBSCM), which is used by State agencies and school food authorities to order commodities for the NSLP, and computer systems that support the activities of federal staff. This increase would provide continued maintenance for these vital systems. The change includes \$203,000 for estimated inflation.

- d. An increase of \$233,000 for Training and Technical Assistance (\$13,702,000 available for FY 2018).

Effective and continual training and technical assistance are necessary to help States properly administer the Child Nutrition Programs, including, but not limited to, the National School Lunch, School Breakfast, Child and Adult Care Food Programs, and to ensure States are equipped to identify and prevent fraud and abuse. This change reflects \$233,000 for estimated inflation.

- e. An increase of \$362,000 for CN Studies (\$21,277,000 estimated available for FY 2018).

FNS conducts a variety of studies, evaluations, and related activities that respond to the needs of policy makers and managers and help ensure that nutrition assistance programs achieve their goals effectively. This line supports the critical evaluations needed for the Child Nutrition Programs, including the federal staff needed to oversee this vital work. The change consists of \$362,000 for estimated inflation.

- f. An increase of \$187,000 for CN Payment Accuracy (\$11,016,000 estimated available for FY 2018).

This funding supports FNS' robust Federal oversight, monitoring and technical assistance, which are essential to the identification, prevention and resolution of erroneous payments. The change consists of \$187,000 for estimated inflation.

- g. An increase of \$58,000 for the Farm to School Team (\$3,439,000 estimated available for FY 2018).

The Farm to School initiative is an effort to connect schools (K - 12) with regional or local farms in order to serve healthy meals using locally produced foods. USDA recognizes the growing interest among school districts and communities to incorporate regionally and locally produced farm foods into the Child Nutrition Programs. The Farm to School Team supports local and regional food systems by facilitating alliances between program operators and their local food producers. Working with local and state authorities, school districts, farmers, and community partners, the Farm to School Team provides guidance to and develops mechanisms for assisting program operators in accessing local markets, enabling food producers to effectively service their local schools and communities, and facilitating communication between interested stakeholders. The change includes \$58,000 for estimated inflation.

FOOD AND NUTRITION SERVICE

- (5) A decrease of \$26,131,000 in Discretionary Other Program Costs (\$64,563,000 available in FY 2018).

Changes in Discretionary Activities
(thousands of dollars)

Project	2018 Estimate	Pay Costs	Other Changes	2019 Estimate
Team Nutrition	\$15,399	0	\$76	\$15,475
Healthier US School Challenge (HUSSC)	1,490	0	-1,490	0
Summer EBT Demonstration	22,844	0	113	22,957
School Meals Equipment Grants	24,830	0	-24,830	0
Total Discretionary Other Program Costs	64,563	0	-26,131	38,432

Explanation of Change:

- a. An increase of \$76,000 for Team Nutrition (\$15,399,000 available in FY 2018).

Team Nutrition supports the Child Nutrition Programs through training and technical assistance for food service, nutrition education for children and their caregivers, and school and community support for healthy eating and physical activity. Team Nutrition is an integrated, behavior-based, comprehensive plan for promoting the nutritional health of the Nation's children. This plan involves schools, parents, and the community in efforts to continuously improve school meals, and to promote the health and education of school children nationwide. The funding supports FNS' efforts to establish policy, develop materials that meet needs identified by FNS and its state and local partners, disseminate materials in ways that meet state and local needs, and develop partnerships with other Federal agencies and national organizations. The \$76,000 change reflects the across the board rescission of 0.6791 under the Continuing Appropriations Act, 2018 (P.L.115-56) not being applied in FY 2019.

- b. A decrease of \$1,490,000 for Healthier US School Challenge (HUSSC)

FNS proposes to eliminate the Healthier U.S. Schools Challenge, and instead will work with non-profit organizations to determine how other nutrition-related recognition programs may be maintained.

- c. An increase of \$113,000 for the Summer EBT Demonstration (\$22,844,000 available for FY 2018).

General Provision 749 of the 2010 Agriculture Appropriations Act (P.L. 111-80) authorized demonstration projects to develop and test alternative methods of providing access to food for low-income children during the summer months when schools are not in regular session, as well as rigorous independent evaluations of each project's effectiveness. As part of those demonstrations, FNS implemented the Summer Electronic Benefits Transfer for Children (Summer EBT) pilots in 11 States and Indian Tribal Nations providing the families of low-income children more resources on debit cards to use at retail food stores in their communities. The evaluation of Summer EBT proved it to be a successful program. In FY 2019, funding will focus on new projects. The \$113,000 reflects the across the board rescission 0.6791 under the Continuing Appropriations Act, 2018 (P.L.115-56) not being applied in FY 2019.

- d. A reduction of \$24,830,000 for School Meals Equipment Grants (\$24,830,000 available in FY 2018).

Between FY 2009 and FY 2016, FNS has distributed \$215 million in grants to help schools purchase the equipment needed to serve healthier meals, improve food safety, expand access and/or improve energy efficiency. The grants were targeted to schools, particularly in low-income areas, that needed additional assistance to meet updated meal standards. In FY 2016, over 99 percent of schools reported that they were successfully meeting the updated meal standards, reducing the need for additional equipment funds. However, necessary school equipment remains an allowable use of funds within school food authority accounts. In addition, there are non-Federal sources of funds for school equipment.

FOOD AND NUTRITION SERVICE

Geographic Breakdown of Obligations and Staff Years (SY)

(Dollars in thousands)

Child Nutrition Programs--Federal Salaries, Benefits & All Other Expenses								
	<u>2016 Actual</u>		<u>2017 Actual</u>		<u>2018 Estimate</u>		<u>2019 President's Budget</u>	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
	Arizona	0	0	\$140	1	0	0	\$148
Arkansas	\$140	1	0	0	\$152	1	0	0
California	2,776	20	3,072	22	3,013	20	3,254	22
Colorado	3,526	25	3,413	24	3,828	26	3,615	24
District of Columbia	0	0	107	1	0	0	113	1
Florida	200	1	279	2	217	1	296	2
Georgia	2,724	20	2,768	20	2,956	20	2,932	20
Illinois	2,364	17	2,621	19	2,566	17	2,775	19
Indiana	140	1	140	1	152	1	148	1
Maryland	112	1	0	0	121	1	0	0
Massachusetts	3,051	22	3,175	23	3,312	22	3,362	23
New Jersey	2,596	19	2,600	19	2,818	19	2,753	19
New York	116	1	29	0	126	1	30	0
North Carolina	140	1	119	1	152	1	126	1
Oregon	140	1	62	0	152	1	65	0
South Carolina	140	1	0	0	152	1	0	0
Tennessee	32	0	0	0	35	0	0	0
Texas	1,949	14	2,111	15	2,115	14	2,236	15
Virginia	67,538	140	80,774	146	81,738	146	81,980	146
Washington	76	1	0	0	82	1	0	0
Undistributed	0	0	0	0	0	0	0	0
TOTAL	\$87,760	286	101,410	294	103,687	293	103,833	294

FOOD AND NUTRITION SERVICE

Child Nutrition Programs - Appropriation

Classification by Objects

(Dollars in Thousands)

	2016	2017	2018	2019
	Actual	Actual	Estimate	President's Budget
Personnel Compensation:				
Washington D.C.....	\$11,432	\$12,288	\$13,620	\$13,671
Field.....	13,420	14,424	15,988	16,048
11.0 Total personnel compensation.....	24,852	26,712	29,608	29,719
12.0 Personnel benefits.....	7,848	8,119	9,350	9,385
13.0 Benefits for former personnel	0	0	0	0
Total personnel comp. and benefits.....	32,700	34,831	38,958	39,104
Other Objects:				
21.0 Travel and transportation of persons.....	1,975	2,048	2,083	2,118
22.0 Transportation of things.....	1	1	1	1
23.2 Rental payments to others.....	102	527	536	545
24.0 Printing and reproduction.....	814	830	844	859
25.2 Other services from non-Federal sources.....	40,018	38,333	38,985	39,647
26.0 Supplies and materials.....	1,029,243	1,376,047	1,385,696	1,473,874
31.0 Equipment.....	491	247	251	255
41.0 Grants.....	21,105,117	21,214,165	22,263,166	23,180,776
Total, Other Objects.....	22,177,761	22,632,198	23,691,562	24,698,076
99.9 Total, new obligations.....	22,210,461	22,667,029	23,730,520	24,737,180
Position Data:				
Average Salary (dollars), GS Position.....	\$92,669	\$97,918	\$99,778	\$99,778
Average Grade, GS Position.....	12.3	12.5	12.5	12.5

FOOD AND NUTRITION SERVICE

Child Nutrition Programs - Permanent Appropriation

Classification by Objects

(Dollars in Thousands)

	2016	2017	2018	2019
	Actual	Actual	Estimate	President's Budget
Personnel Compensation:				
Washington D.C.....	\$1,590	\$1,270	\$1,535	\$1,535
Field.....	1,866	1,491	1,803	1,803
11.0 Total personnel compensation.....	3,456	2,761	3,338	3,338
12.0 Personnel benefits.....	1,092	831	1,054	1,054
Total personnel comp. and benefits.....	4,548	3,592	4,392	4,392
Other Objects:				
21.0 Travel and transportation of persons.....	162	78	80	81
23.2 Rental payments to others.....	9	4	4	4
24.0 Printing and reproduction.....	1	1	1	1
25.2 Other services from non-Federal sources.....	16,620	2,972	3,031	3,089
26.0 Supplies and materials.....	20	10	10	10
31.0 Equipment.....	12	12	12	13
41.0 Grants.....	178,896	193,358	182,719	185,659
Total, Other Objects.....	195,720	196,436	185,858	188,858
99.9 Total, new obligations.....	200,268	200,028	190,250	193,250
Position Data:				
Average Salary (dollars), GS Position.....	\$94,655	\$98,551	\$100,423	\$100,423
Average Grade, GS Position.....	12.4	12.5	12.5	12.5

FOOD AND NUTRITION SERVICE

Child Nutrition Programs

Status of Programs

The Child Nutrition Programs account provides funding for the following meal programs: National School Lunch Program, School Breakfast Program, Special Milk Program, Child and Adult Care Food Program, Summer Food Service Program, and Fresh Fruit and Vegetable Program.

Program Mission

The Child Nutrition Programs improve the diets of children when they are away from home through nutritious meals and snacks based on the Dietary Guidelines for Americans. The National School Lunch and School Breakfast Programs (School Meal Programs) provide such benefits in public and private elementary, middle and secondary schools, and in residential child care institutions. The Special Milk Program provides fluid milk to any participating public or non-profit private school or child care institution that does not participate in other Federally-subsidized meal programs. The Child and Adult Care Food Program provides food for the nutritional well-being of young children and adults in day care homes and non-residential centers, and for children and teenagers in at-risk afterschool care programs and in emergency shelters. The Summer Food Service Program provides nutritious meals to children in low-income areas and in residential camps during the summer months, and at other times when school is not in session. In participating elementary schools, the Fresh Fruit and Vegetable Program provides fresh fruits and vegetables outside of the regular meal service to all students. These programs are administered in most States by the State education agency, and in some States, by the State agriculture or health agencies. Where State laws prohibit the State from disbursing funds to private schools and institutions, USDA administers the program directly through its Food and Nutrition Service Regional Offices.

The Child Nutrition Programs were reauthorized by the Healthy, Hunger-Free Kids Act of 2010 (HHFKA, P.L. 111-296) on December 13, 2010. The HHFKA amended the Richard B. Russell National School Lunch Act (NSLA) and the Child Nutrition Act of 1966 (CNA) in the areas of program access, improved school meals, healthy school nutrition environments, and integrity. While the HHFKA extension technically expired at the end of FY 2015, most Child Nutrition Programs and provisions have continued operating via the annual appropriations.

NATIONAL SCHOOL LUNCH PROGRAM

Program Mission

The National School Lunch Program (NSLP) provides funds to States for lunches served to students during lunch periods at school and for snacks served to children participating in after school care programs. The lunches must be consistent with statutory and regulatory nutrition standards, which are based on the *Dietary Guidelines for Americans*.

States are generally reimbursed on the basis of the number of qualifying lunches and snacks served to children in participating schools at designated reimbursement rates. These reimbursement rates are adjusted annually, and reflect three categories: free, reduced, or paid meals. In accordance with Section 17A of the NSLA, reimbursement for snacks served by schools in needy areas is paid at the free snack rate.

Section 4 of the NSLA authorizes a base reimbursement for all qualifying meals served, including lunches to children whose family income is above 185 percent of the Federal poverty guidelines. In addition, Section 11 of the NSLA authorizes additional reimbursement for meals served to children from families with incomes at or below 130 percent of the Federal poverty level (these children qualify for free meals), and for those from families with incomes between 130 and 185 percent (they qualify for reduced price meals). For school year (SY) 2017-2018, a child from a family of four with an annual income of \$31,980 or less is eligible for free meals, and a child from a family of four with a family income of no more than \$45,510 is eligible for reduced price meals. The reimbursement rates for meals are revised on July 1 of each year. The cash reimbursement for a free or reduced price lunch is the sum of Section 4 (base) and Section 11 (supplemental) reimbursement rates. School food authorities (SFAs) that served 60 percent or more free and reduced price lunches during the second preceding school year receive increased assistance at the rate of 2 cents per meal served. SFAs that demonstrated the meals offered met the updated nutrition standards received an additional 6 cents per lunch served. In addition to the cash reimbursements, Section 6 of the NSLA also

FOOD AND NUTRITION SERVICE

provides base funding for the purchase of USDA Foods to be used in the meal service, based on lunches served in the previous year.

For SY 2017-2018, the Consolidated Appropriations Act, 2017 (P.L. 115-31) provided flexibilities related to flavored milk, whole grains, and sodium in school meals. The Secretary also affirmed USDA's commitment to provide more flexibility for these specific requirements, and to permit more local control for Program operators. For the long-term, USDA is exploring ways to reduce the burden of the school meal regulations and allow more flexibility to ensure program efficiency and effectiveness, and encourage student participation and meal consumption.

Facts in Brief

On an average school day in FY 2017, more than half of all school children in America were provided an NSLP lunch. At participating schools and Residential Child Care Institutions (RCCIs), approximately 58.13 percent of the enrolled students participated in the NSLP on a daily basis in FY 2017; this is a slight decrease from 58.99 percent in FY 2016.

- In FY 2017, more than 4.88 billion lunches were served in the NSLP, a decrease of 171 million from FY 2016. Average daily participation in 2017 was 30.0 million, a slight decrease from 30.4 million in FY 2016.
- In FY 2017, approximately 73.4 percent of total lunches served were provided free or at a reduced price, up from 73.3 percent in FY 2016.
- A total of 98,596 schools and RCCIs participated in the NSLP in FY 2017, compared to 99,294 in FY 2016 (320 fewer schools and 378 fewer RCCIs).

SCHOOL BREAKFAST PROGRAM

Program Mission

The School Breakfast Program (SBP) provides funds to States for qualifying breakfasts served to students at or close to the beginning of their day at school. Like school lunches, the breakfasts must be consistent with statutory and regulatory nutrition standards, which are based on the Dietary Guidelines for Americans. The SBP is available to the same schools and institutions that are eligible to participate in the NSLP.

For each eligible breakfast served, schools are reimbursed at established rates for free, reduced price, and paid meals. Schools in which 40 percent of lunches served to students during the second preceding school year were served free or at a reduced price receive higher "severe need" reimbursements for breakfasts served free or at a reduced price. The meal reimbursement rates are revised on July 1 of each year.

Children from families that meet the NSLP income eligibility guidelines also qualify for free or reduced price breakfasts. The income eligibility guidelines for the NSLP and SBP are the same.

The availability of different service methods, such as Breakfast in the Classroom, Grab-and-Go kiosk, and Breakfast in the Bus, is contributing to the nationwide expansion of the SBP, more flexibility at the local level, and better customer service.

Facts in Brief

- In FY 2017, the School Breakfast Program was available at 91,267 schools and institutions (a decrease of 0.13 percent from FY 2016) with an enrollment of 48.66 million students (an increase of 368,585 from FY 2016).
- Average daily participation in FY 2017 was 14.7 million students, an increase of approximately 1 percent from the prior year. The program was available to 94.1 percent of the students enrolled in schools participating in the lunch program in FY 2017, as compared to 50 percent in FY 1990.
- The proportion of total meals served free or at a reduced price was about 84.9 percent during FY 2017, about the same as in FY 2016. Approximately 2.4 billion school breakfasts were served in FY 2017, a decrease of 1.7 percent from FY 2016. This is an increase of 240 percent from 707 million in FY 1990.

FOOD AND NUTRITION SERVICE

FNS continues to partner with State agencies to support best practices in implementing effective school breakfast programs that ensure low-income children have access to nutritious breakfasts to support learning during the school day.

Improving the Nutrition Environment in Schools

By law, USDA was required to update the meal patterns and nutrition standards for the National School Lunch and School Breakfast Programs to align them with the most recent Dietary Guidelines for Americans. Beginning in SY 2012-2013, schools participating in the lunch and breakfast programs began to offer healthier meals with more fruits and vegetables, whole grains, and lower fat milk.

In order to help schools meet the requirements, USDA provides an extra six cent reimbursement per lunch for schools certifying compliance with the standards. In addition, USDA works in partnership with the State agencies and school food authorities (SFAs) to address operational challenges and provide additional flexibility. For example, since SY 2014-2015, State agencies have been granting exemptions from the whole grain-rich requirement to SFAs facing significant difficulty offering whole grain-rich products (50 percent whole grains and the rest of the grain content enriched). For SY 2016-2017, 49 State agencies offered exemptions to SFAs for specific food items, and approximately 2,500 SFAs were approved for such exemptions. For SY 2017-2018, in addition to continuing the whole grain-rich exemptions, USDA is allowing flexibilities related to flavored milk and sodium, as required by the Consolidated Appropriations Act, 2017 (P.L. 115-31). SFAs that implement these flexibilities are considered in compliance with the requirements and continue to earn the extra six cent reimbursement per lunch.

USDA also provides other financial and technical assistance support, including the Team Up for School Nutrition Success initiative and the Team Nutrition grants. Furthermore, USDA is actively engaged with State agencies, with a strong focus on providing training and technical assistance for SFAs to operate the National School Lunch and School Breakfast Programs efficiently and effectively.

Team Up for School Nutrition Success (Team Up) is a FNS initiative, in collaboration with the Institute of Child Nutrition (ICN), that provides tailored technical assistance to school food authorities across the country via workshops and peer-to-peer mentoring to assist schools with meeting the meal pattern requirements, enhancing the food operations, and maintaining a healthy meals program. These workshops have equipped thousands of program operators with essential job skills such as increasing program participation, financial management, human resources management, leadership, menu-planning, reducing plate waste, maintaining food safety, and handling special food and nutrition needs. Nearly a dozen national allied organizations offered support of *Team Up* efforts, participating on *Team Up* resource panels and State agencies have leveraged their own partnerships and included organizations that will enhance the learning and resource needs of their State's participants and mentors. In FY 2015, FY 2016, and FY 2017, between the in-person trainings and webinars, the *Team Up* initiative reached nearly 16,000 school nutrition professionals across the 50 States, DC, Puerto Rico, and the Virgin Islands.

Training: FNS, in cooperation with the ICN, provides training on the use of Team Nutrition materials to local program operators at State agency and Child Nutrition Program association meetings. In addition, trainings and hands-on technical assistance have equipped Child Nutrition program administrators and operators with essential job skills such as increasing program participation, menu planning, food procurement, financial management, leadership, and culinary skills. Current training efforts emphasize the implementation of the new meal pattern, tailored technical assistance to enhance school food operations, as well as the management for school nutrition program directors. Several online training programs are available on the ICN website at www.theicn.org, including procurement training for State agency personnel. In FY 2016 and FY 2017, approximately 38,000 child nutrition program administrators and operators have attended nearly 940 trainings through the ICN.

Additional Tools and Technical Assistance: Increased emphasis has been placed on providing tools to help schools improve their programs through technology, such as a Food Buying Guide calculator, webinars, and online courses. In addition, ICN has a toll-free help desk that provides technical assistance and information to school food service personnel with questions about menu planning, nutrient requirements, food purchasing, nutrient analysis and additional child nutrition topics. USDA Recipes for Schools, Recipes for Healthy Kids, and USDA Recipes for Child Care are available on the ICN website at www.theicn.org under School Nutrition Programs. ICN also collects, preserves, and hosts the Child Nutrition Archives, which contain collections of archived materials and oral histories.

FOOD AND NUTRITION SERVICE

Team Nutrition

The Team Nutrition initiative supports the Child Nutrition Programs by: 1) providing training and technical assistance to food service staff that prepare meals for the programs; 2) developing nutrition education resources that help children learn about agriculture and become self-sufficient in making informed food choices; and 3) providing the programs with resources to support healthy school and child care environments. The Team Nutrition initiative helps States and local program operators apply meal pattern requirements to their school and child care menus, while accommodating local and regional food preferences and optimizing the use of USDA Foods as well as locally produced foods. Due to the professional standards requirements the turnover among food service and child care staff, and the changing tastes and food preferences of today's youth, the demand for Team Nutrition's evidence-based training and nutrition education materials remains high.

Grants: Team Nutrition provides grants to State agencies to expand and enhance statewide sustainable infrastructure and training systems to assist local agencies in implementing USDA's nutrition requirements and support healthy environments for the nation's youth. In FY 2017, 11 of the 23 States that applied received a 3-year 2017 Team Nutrition Training Grant of up to \$500,000 – \$5.4 million in total. These grants are being used by States to create jobs for Local School Wellness Coordinators and culinary trainers and to provide jobs training to food service staff to help them prepare wholesome meals that children want to eat. Many States also use part of their grant funds to provide sub-grants directly to School Food Authorities and CACFP Sponsoring Organizations, which use the funds to support local training efforts and nutrition education. Grants that were provided to States in FY 2014 and FY 2015 are nearing completion of their grant cycles and have shown positive gains in school meal participation rates, student selection and consumption of vegetables, student perceptions of school meals, and staff knowledge of culinary skills and food presentation techniques. During FY 2014-15, 35,000 individuals participated in job skills training through grant activities. In addition, Team Nutrition helped to create over 40 jobs for individuals working as State agency project coordinators, local school wellness coordinators, social scientists, education specialists and trainers, and more, to implement the FY 2014 and FY 2015 Team Nutrition Training Grant-funded activities.

Materials: Team Nutrition responds to needs for additional training and educational resources as identified by the release of new regulations and policy guidance, areas of concerns identified by States and FNS Regional Offices during Administrative Reviews, and information provided in the Dietary Guidelines for Americans. During FY 2017, Team Nutrition responded to a need for resources to support implementation of the Local School Wellness Policy Final Rule. A Local School Wellness Policy Outreach Toolkit was developed and released on November 10, 2016, to School Food Authorities to assist them in their efforts to engage school staff and parents in the development, implementation, and evaluation of their school wellness policy. This ready-to-go toolkit of materials includes customizable flyers, presentations, newsletter articles, and social media posts to make it easy for Local Education Agencies (LEAs), districts, and schools to share news about the specifics of their Local School Wellness Policy. As of January 8, 2018, the Local School Wellness Policy Outreach Toolkit has been viewed nearly 24,500 times on the Team Nutrition Web site. Team Nutrition also provided training at national conferences and webinars on how to use the toolkit for audiences including school nurses, Registered Dietitians, School Nutrition Professionals, and the Parent Teacher Association.

To further support children's consumption of healthy school meals and to equip them with the knowledge and skills to make informed food and beverage choices later in life, Team Nutrition also developed new nutrition education resources for middle schools during FY 2017. These dynamic resources utilize classroom technology to engage tweens in learning about the importance of breakfast, how to choose foods with less added sugar and sodium, and what comprises a healthy snack. These resources are expected to be released during FY 2018.

In total, FNS provided 359 online resources and 85 printed publications to States, School Food Authorities and CACFP Program operators during FY 2017. The most commonly downloaded Team Nutrition publication was the Guide to Smart Snacks in Schools with over 19,000 downloads.

Almost 629,000 printed training and nutrition education materials were requested by and distributed to State agencies, schools, school districts, and CACFP operators during FY 2017. The most commonly requested printed training tools include the Take a Healthier Summer Break infographic (20,176 copies) and Nutrition and Wellness Tips for Young Children: Provider Handbook for the Child and Adult Care Food Program (14,938 copies). Team

FOOD AND NUTRITION SERVICE

Nutrition also responded to 4,300 emails from program operators and the public about Team Nutrition materials and training opportunities.

Web Site: Team Nutrition maintains a Professional Standards Training Database with 500 free or low-cost trainings available to help school nutrition professionals boost their essential job-related skills and knowledge related to program operation, program administration, nutrition, and communications and marketing. From May to September 2017, the professional standards training database website received nearly 8,000 visitors. The most popular training topic categories are nutrition (4,500 visitors), program operations (2,500 visitors), and program administration (1,800 visitors). In addition, Team Nutrition facilitates sharing of State-developed menu planning and culinary training resources and best practices through the Healthy Meals Resource System web site.

Smart Snacks in Schools

In addition, as required by law, USDA has established nutrition standards for all foods sold during the school day to ensure they are consistent with the most recent Dietary Guidelines for Americans. These standards are intended to improve the nutritional quality of competitive foods available in schools and complement the efforts of parents to promote healthy choices at home and at school, reinforce school-based nutrition education and promotion efforts, and contribute to the overall effectiveness of the school nutrition environment in promoting healthful food and physical activity choices.

The standards for competitive foods and beverages represent minimum standards for local educational agencies, school food authorities, and schools. However, State agencies and/or local school districts have the discretion to establish additional local standards for non-program foods sold to children. State agencies also have the flexibility to establish policies that exempt local fundraisers from these nutrition standards.

These standards went into effect for SY 2014, through an interim final rule. A final rule was published on July 29, 2016, titled “National School Lunch Program and School Breakfast Program: Nutrition Standards for All Foods Sold in School as Required by the Healthy, Huger-Free Kids Act of 2010.” The final rule maintained as interim the standard on total fat and requested comments on this standard. FNS has not yet made a final determination on this standard.

Improving School Meal Program Integrity

Ensuring the integrity of the school meal programs by minimizing improper payments and other errors is a key priority for FNS. As stewards of the Federal funds that support these programs, the agency has a responsibility to maintain the public’s trust while guaranteeing that program benefits are available to the eligible households who rely on them.

FNS’ efforts to enhance program integrity in the school meal programs fall under three categories: research, process improvements, and monitoring/compliance.

Research

FNS released its latest study on improper payments in the school meal programs in May 2015. The *Access, Participation, Eligibility, and Certification Study II* (APEC-II) offers a rigorous examination of program error in the process of certifying children for free or reduced-price meal benefits, as well as in the process of identifying and claiming meals for Federal reimbursement. These findings motivated much of the agency’s integrity work in FY 2017

APEC-II identifies applicant error in the certification process as one of the key sources of improper payments. In response to this finding, USDA is using multiple avenues to improve applicants’ understanding of the forms, and using behavioral science techniques to improve accuracy when completing applications. In 2016, FNS reached agreement with the United States Census Bureau for a cognitive testing study to better understand the underlying causes of household misreporting on free and reduced price meal applications. The testing, which included FNS prototype application designs as well as formats developed by State and local agencies, occurred in 2017 and produced a series of recommendations and findings, which will be considered by an applications working group responsible for making revisions to the existing FNS prototype designs.

FOOD AND NUTRITION SERVICE

Looking ahead, FNS and its contractor commenced data collection for the *Access, Participation, Eligibility, and Certification Study III* (APEC-III). APEC-III builds upon the methodologies employed by APEC-II, and will provide updated, nationally-representative estimates of program errors and improper payments in the school meal programs. The project will also seek to develop State-specific error rates for the largest States and groups of smaller States, and explore means to update error estimates with more frequent and limited indicator data.

The agency awarded several additional research contracts in FY 2017 that will add to our understanding of school meal program errors and the effectiveness of steps already in place to reduce it. These include an evaluation of the Independent Review of Applications process, which will examine the efficacy of additional reporting requirements for SFAs identified as having high certification error rates on their most recent Administrative Review. FNS also awarded an additional year of the Child Nutrition Operations Study–II (CN-OPS-II), which collects and analyzes data on select operational aspects of the Child Nutrition programs. This study encompasses a wide range of descriptive information from the State and school district levels, as well as data on special topics of current interest, such as the level of State and local subsidies beyond Federal reimbursements, nutrition education and promotion in schools, policies regarding unpaid meal balances, professional standards and training requirements, and compliance with the Buy American provision.

Process Improvements

Following a multi-year development process, in FY 2017, FNS released its first web-based prototype application for free and reduced price school meals. This prototype is a research-backed model that State and local agencies can use to aid in the development of their own free and reduced price applications. The prototype incorporates a number of key integrity improvements, most notably a ‘turbo tax’ style income interview based on the same detailed household survey used to identify errors in the APEC studies, and also draws on other research that targets applicant reporting error. FNS partnered with the White House Presidential Innovation Fellows (PIFs) to develop the final product. Collaborating with the PIFs allowed FNS to take advantage of a team of established technology professionals with advanced skills in application programming, whose broad expertise and interest in public service brought additional value to the project. The prototype application has been enthusiastically received by program stakeholders, and for SY 2017-2018, two major, multi-state vendors of application software are already using some or all of its integrity elements in their live products. As a result, households will now apply for school meal benefits using an application that features the more rigorous income interview of the APEC survey. FNS anticipates that adoption will continue to increase in future school years.

FNS tested a series of strategies aimed at reducing non-response in the free and reduced price school meal application verification process, and developed a collection of new policy documents and guidance materials in support of that effort. This included a review of data from a SY 2016-2017 pilot to conduct the verification process on a ‘rolling’ basis. Five of the nation’s largest SFAs participated in the pilot, which explored the benefits of beginning the verification process earlier than October 1, which is currently the norm for most school districts. Benefits of this approach includes evidence of higher household response rates (analysis of results is ongoing), reduced administrative burden, and less concentrated workload, and shorter ‘lag time’ between when a household submits an application and when they are selected for verification. Participating districts reported such success with the pilot that four of the five repeated their use of rolling verification during the SY 2017-2018.

Throughout the current and prior fiscal year, FNS contacted and interviewed over 50 SFAs identified as high verification response “outliers” through a detailed quantitative analysis of data from the School Food Authority (SFA) Verification Collection Report (form FNS-742), an annual participation verification report from each SFA operating the National School Lunch and/or School Breakfast Programs. A follow-up, qualitative review of notes and transcripts stemming from the interview process was completed in 2017. Findings and insights included a series of recommended practices for SFAs when conducting initial outreach to households and when initiating follow-up communications.

FNS also hosted a Challenge.gov ideation project to support verification non-response reduction efforts. This Challenge solicited ideas and best practices on increasing verification response rate from State and local stakeholders. Thirty complete entries were received, and awardees were selected by an expert panel of judges in the categories of ‘Game Changer,’ ‘Best Documented,’ and ‘Honorable Mention.’ The results of the challenge were showcased at a corresponding presentation session at the School Nutrition Association Annual National Conference in July, 2017, and contributed substantially to guidance materials currently under development by FNS.

FOOD AND NUTRITION SERVICE

The numerous insights, observations, and results from these projects will be incorporated into a ‘Verification Non-response Toolkit,’ a resource geared towards local level program operators, currently under development and slated for release in 2018. The purpose of the toolkit is to provide relevant and customer-oriented guidance on reducing verification non-response, while encouraging wider adoption of practices with demonstrated value. The toolkit will include revised household communications and detailed guidance on recommended verification outreach strategies.

Program Oversight

FNS and State agencies conduct reviews to assess the operation of the school meal programs, evaluate the accuracy of local meal service data, and provide training and technical assistance to help ensure local program accountability. Funds allocated for these reviews support the identification of errors that result in improper claims and the development of corrective action plans, which assist SFAs in identifying needed improvements. Ultimately, the corrective action plans result in more accurate and efficient distribution of program benefits to eligible children.

As required by statute, FNS developed a unified accountability system for State agency oversight of the School Meal Programs, referred to as the Administrative Review (AR). Through the AR, State agencies conduct comprehensive evaluations of SFAs participating in NSLP, SBP, and other Federal meal programs. The AR provides for a robust review of program operations. FNS provides forms, instructions, and guidance to State agencies in order to standardize the review process.

Regulations require State agencies to recover Federal funds for errors related to certification and benefit issuance, as well as meal pattern and nutritional quality requirements. Regulations also allow State agencies to recover Federal funds or withhold payments for other areas of noncompliance in program operation. The AR generates valuable information at the State and Federal levels, which informs technical assistance and the development of initiatives to improve integrity across the programs.

Direct Certification

Direct certification is the process of matching data from other means-tested programs to automatically certify students for school meal benefits, without requiring families to apply. Direct Certification is a key error-reduction strategy for the school meals programs; a recent USDA study shows that eligibility determinations based on direct certification are more accurate than those based on the household application process. By eliminating applications, direct certification not only reduces program errors, but also reduces burden on families and schools. State agencies were required to reach direct certification with SNAP rates of 95 percent by SY 2013-2014, and must continue to meet the 95 percent benchmark in subsequent years to maximize program efficiency. States that do not reach the direct certification benchmarks are required to develop and implement continuous improvement plans to ensure that eligible children are directly certified for school meals. The “*National School Lunch Program: Direct Certification Continuous Improvement Plans Required by the Healthy, Hunger-Free Kids Act of 2010*” final rule was published on February 22, 2013.

For SY 2014-2015, 24 of the 52 State agencies achieved direct certification rates at or above the 95-percent performance target, and the National SNAP-DC rate increased to 91 percent. FNS is continuing robust technical assistance efforts with State agencies to help them improve their direct certification performance. In FY 2017, the technical assistance team conducted ten intensive State agency site visits.

To support states’ direct certification efforts, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2010 (P.L. 111-80) provided funding for grants to State agencies that administer the NSLP. FNS has awarded 52 Direct Certification grants to States to support direct certification process improvements totaling approximately \$22 million.

Demonstrations to Evaluate Direct Certification with Medicaid Data

Section 9(b)(15) of the Richard B. Russell National School Lunch Act, as amended, authorizes FNS to conduct demonstration projects in selected States and Local Education Authorities (LEA) to evaluate the effectiveness of using Medicaid data to directly certify students for school meals. The original demonstrations were implemented in seven states--California, Florida, Illinois, Kentucky, Massachusetts, New York, and Pennsylvania. The Healthy Hunger-Free Kids Act of 2010 provided \$5 million in funds to study and evaluate the projects, and a rigorous

FOOD AND NUTRITION SERVICE

evaluation provided evidence that direct certification using Medicaid data has the potential for reducing error and increasing efficiency in school meals administration.

Based on these findings, USDA decided to examine the potential additional efficiencies of directly certifying students for both free and reduced-price meals. Seven States began demonstrations in SY 2016-2017, and eight additional States have been approved to begin demonstrations in SY 2017-2018. An evaluation is underway to examine the impact of direct certification with Medicaid on key program outcomes.

Special Provision Options

In an effort to reduce paperwork and other administrative burdens at the local level, Congress has incorporated into Section 11(a)(1) of the Richard B. Russell National School Lunch Act (42 USC 1759a) alternative Provisions to the traditional requirements for annual determinations of eligibility for free and reduced price school meals and daily meal counts by type. These alternatives are commonly referred to as Provision 1, Provision 2, Provision 3, and the Community Eligibility Provision. Congressionally authorized Special Provisions have been an option for SFAs since 1980. Provisions 1,2, and 3 as well the Community Eligibility Provision were enacted to decrease the administrative and household burden resulting from completing and processing school meal applications for districts and schools with high portions of students eligible for free and reduced priced meals.

Provisions 1, 2 and 3

Provision 1 reduces application burdens by allowing free eligibility to be certified for a 2 year period in schools where at least 80 percent of the children enrolled are eligible for free or reduced price meals. All other households must be provided a meal application to apply for meal benefits each school year. There is no requirement to offer meals at no charge to all students.

Provision 2 establishes claiming percentages and offers meals to all participating children at no charge for a period of 4 years. During the first year, or base year, the school makes eligibility determinations and takes meal counts by type. During the next 3 years, the school makes no new eligibility determinations and counts only the total number of reimbursable meals served each day. Reimbursement during these years is determined by applying the percentages of free, reduced price and paid meals served during the corresponding month of the base year to the total meal count for the claiming month.

Provision 3 allows schools to receive the level of Federal cash and commodity support paid to them for the last year in which they made eligibility determinations and meal counts by type, this is the base year. Schools serve meals to all participating children at no charge for a period of 4 years. These schools do not make additional eligibility determinations and reimbursement is determined by the base year with some adjustments to reflect changes in enrollment and inflation. Schools electing provision 2 or 3 must pay the difference between Federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than Federal funds. Also, Provision 2 and 3 allow the State agency to approve 4 year extensions if the income level of the school's population remains stable.

Community Eligibility Provision

Schools and districts in low income areas may elect to use CEP, a Federal-local partnership unique to school meals. CEP streamlines program administration by using Direct Certification data for student certification. Schools access income data already collected and verified through other Federal assistance programs and apply it to the school meals certification process, rather than duplicating data collection efforts. If a minimum percentage of students qualify, the Local Education Agency (LEA) conducts its own cost-benefit analysis. Using an established equation, the LEA calculates the amount of federal reimbursement it will receive and the level of local funds required to offer no-cost meals to all enrolled students. The LEA weighs its funding contribution in comparison to anticipated savings through administrative cost and burden reductions. If it determines that CEP is more efficient than the traditional NSLP administrative structure specific to its local circumstances, the LEA can choose to move to CEP. CEP schools must pay the difference between Federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than Federal funds. As of September 2016, about 20,750 schools serving 9.7 million students have adopted the CEP structure. CEP has widespread support from State and local Program operators and stakeholders.

FOOD AND NUTRITION SERVICE

In FY 2017, FNS activities focused on two primary areas:

- (1) Continued general education to ensure LEAs interested in CEP have the information and resources necessary to make informed decisions about participation. To this end, FNS collaborated with colleagues from the Department of Education, the Federal Communications Commission, and other stakeholders to promote technical assistance resources and ensure that education funding policies are not barriers to participation.
- (2) Focused technical assistance to LEAs with highly eligible rural schools. FNS matched CEP eligibility data with data from the National Center for Education Statistics to identify schools, and worked with State agency partners to provide technical assistance, including activities such as:
 - Conference calls with school food service directors and other administrative staff (e.g., superintendents, principals, business officers) to pinpoint barriers to CEP participation, and
 - Connecting LEAs with peers from other districts who have overcome similar challenges.

FNS expects CEP participation growth to slow in SY 2017-2018. Since CEP became available nationwide in SY 2014-2015, most highly eligible school districts have already successfully adopted CEP in some or all of their schools. However, additional districts may elect to participate as their direct certification systems improve. Districts that have partially implemented CEP (i.e., in some, but not all, eligible schools) may also expand participation if CEP is operationally advantageous. Modest increases in participation may be offset by schools opting to discontinue CEP participation as their four-year cycle ends. This could be due to a decreased poverty rate in a community, which could decrease the financial viability of CEP or make a district ineligible for CEP participation.

A national evaluation of CEP is currently underway. Data was collected in SY 2016-17. This study examines characteristics of participating and non-participating schools. The study will also assess how CEP impacts student participation, revenue, attendance, and the type of breakfast program offered by the school. The study results will help FNS apply the best principles of continuous improvement, through identifying the strengths and weakness of CEP to help LEAs make determinations about CEP for their specific circumstances. FNS expects the study results to be available in 2018.

Professional Standards for School Food Service Administrators

As required by Section 7 of the Child Nutrition Act of 1966, the State agency and school food service personnel who manage and operate the National School Lunch and School Breakfast Programs must meet professional standards to ensure that these programs operate effectively and efficiently and deliver healthful meals to millions of school children. The professional standards regulations established on July 1, 2015, include hiring standards for the selection of State and local school nutrition program directors, and require all personnel in the school nutrition programs to complete annual training.

Community Food Systems

The U.S. Department of Agriculture (USDA) supports local and regional food systems as a way to build community, increase jobs, enhance economic opportunities, and strengthen American agriculture. In October 2015, FNS formally created the Office of Community Food Systems (OCFS) within FNS' Child Nutrition Programs. This office represents an expansion of ongoing Child Nutrition activities in accordance with directives in Section 9(j) of the Richard B. Russell National School Lunch Act, as amended, to increase access to local foods through the Child Nutrition Programs, and to strengthen local and regional food systems that support community health and well-being, along with economic opportunities for producers. The establishment of OCFS allows CN to extend its current focus on local foods beyond the National School Lunch Program (NSLP) and its associated programs to include both the Summer Food Service Program (SFSP) and Child and Adult Care Food Program (CACFP) and embed this approach in on-going programmatic activities throughout all CN divisions as appropriate. The integration of community food systems principles in Child Nutrition Programs encourages local control and flexibility, offering program operators opportunities to support economic development and producers in their communities.

As required by statute, FNS awarded grants, provided technical assistance, and conducted research related to farm to school.

FOOD AND NUTRITION SERVICE

Technical Assistance: FNS provides extensive training and technical assistance to program operators through in-person meetings, webinars, and new materials. In FY 2017, the team published two new fact sheets targeted at two priority stakeholders: state agencies and tribal organizations. In addition, a farm to school action planning guide was published. OCFS presented on buying local foods, school gardens, and other farm to school topics in nearly every state in FY 2017. In March, FNS hosted a Buying Local Train-the-Trainers. Over 50 participants attended, representing 17 states and all seven FNS regions and evaluations showed 100% of respondents gained new knowledge and 95% would recommend the training to a colleague.

FNS manages an E-letter, *The Dirt*, which boasts a subscriber base of over 30,000 (subscriptions grew nearly 30% from FY 2016) and 33 messages were sent through this mechanism. FNS worked to integrate community food systems information into several existing initiatives and resources such as CNPP's MyPlate, MyState Campaign and Produce Safety University.

Throughout FY 2017, OCFS worked to embed farm to CACFP and farm to summer content in routine workflows, such as the summer management and administrative plans (MAPs), annual sponsor trainings, and management evaluations. Forty-one states included community food systems information in summer and CACFP sponsor trainings and 34 state agencies integrated farm to summer activities in their management and administration plans. In addition, FNS shared farm to CACFP information at several national conferences, such as the National CACFP Sponsors Association Conference and the National Head Start Association Annual Conference. Local and seasonal foods are listed as a best practice in the final CACFP meal pattern rule. OCFS collaborated with internal and external partners to share farm to summer information at events around the country and on three webinars. Farm to summer strategies are also included in the Turnip the Beet awards. OCFS partnered with FoodCorps to develop a new resource showcasing how FoodCorps members can support farm to summer activities.

Grants: USDA's Farm to School Grant Program funds school districts, state and local agencies, tribal communities, agricultural producers, and non-profit organizations in their efforts to increase local foods served through child nutrition programs, teach children about food and agriculture through garden and classroom education, and develop schools' and farmers' capacities to participate in farm to school. Awards ranging from \$20,000 to \$100,000 are distributed in four different grant categories: Planning, Implementation, Support Service, and Training.

In June 2017, FNS awarded nearly \$5 million in grants to 65 projects. FY 2017 marks five years of the Farm to School Grant Program and in that time, FNS has awarded 365 projects totaling about \$25M, reaching all 50 states, DC, Virgin Islands, and Puerto Rico.

Research: In March 2016, FNS released final results from the [2015 USDA Farm-to-School Census](#), showing that more than 42,000 schools across the country are operating farm to school programs and another 10,000 have plans to start in the future.

FNS plans to conduct the third USDA Farm to School Census in spring 2019 and preparations for this data collection began in late FY 2017 and will continue throughout FY 2018.

FNS actively collects information about best practices and effective strategies for incorporating local food into the school cafeteria from the growing roster of USDA Farm to School Grantees. With assistance from an evaluation contractor, in FY 2014, USDA launched a multi-year evaluation plan to measure and describe outputs, outcomes, and impacts of the Farm-to-School Grant Program. To date, the team has implemented the collection of common measures in progress reporting and in final reports and plans to publish a report on grantee impacts in early FY 2018.

SPECIAL MILK PROGRAM

Program Mission

The Special Milk Program (SMP) has encouraged consumption of fluid milk since 1955. Any public or non-profit private school or child care institution may participate in the SMP, provided it does not participate in other Federal meal programs, such as NSLP, SBP, or the Child and Adult Care Food Program (CACFP). However, schools participating in the NSLP or SBP may also participate in the SMP to provide milk to children in half-day pre-kindergarten and kindergarten programs where these children would not otherwise have access to the School Meal

FOOD AND NUTRITION SERVICE

Programs. Participating schools and child care institutions are reimbursed for part of the cost of milk served to children.

Facts in Brief

- The number of half pints served as part of the SMP decreased from 45 million in FY 2016 to 41 million in FY 2017, an 8 percent decrease. Overall, the number of half pints served has decreased from 181.3 million in FY 1990, down 77 percent.
- A total of 3,445 schools, residential child care institutions, non-residential child care institutions, and summer camps participated in the SMP in FY 2017, a 6.6 percent decrease from the FY 2016 level of 3,689.
- The portion of half pints served free during FY 2017 was about 9.7 percent, as compared to 9.5 percent in FY 2016.

CHILD AND ADULT CARE FOOD PROGRAM

Program Mission

The Child and Adult Care Food Program (CACFP) provides aid to child and adult care institutions and family or group day care homes for the provision of nutritious foods that contribute to the wellness, healthy growth, and development of young children, and the health and wellness of older adults and chronically impaired disabled persons.

In order to participate, child care centers must be either public or private non-profit or for-profit centers in which at least 25 percent of their enrollment or licensed capacity receive Title XX funds or are eligible for free or reduced price school meals. Adult day care centers that provide nonresidential adult day care must be either public or private non-profit or for-profit centers in which at least 25 percent of their participants are eligible for free or reduced price meals or are receiving Title XIX or Title XX funds. All participating providers must be licensed or approved according to Federal, State or local standards. Outside-school-hours care programs and at-risk afterschool centers in areas where Federal, State, or local licensing or approval is not required may participate in CACFP by meeting State or local health and safety standards. Funds are made available to the States for audit expenses associated with the administration of the CACFP.

Centers, with the exception of at-risk centers and emergency shelters, receive reimbursements based on a free, reduced price, or paid meal rate for each eligible meal type they serve (CACFP facilities may serve breakfasts, lunches, snacks and/or suppers). Centers receive applications from parents or adult participants and make eligibility determinations based on family size and income, essentially following the same guidelines used in the NSLP. Family or group day care homes receive reimbursement under a two-tier system intended to target program funds to support low-income children, while requiring less paperwork than would be necessary if the NSLP guidelines were used. Under this system, a higher reimbursement rate is paid to day care homes located in areas where at least 50 percent of the children are eligible for free or reduced price meals or where the provider's household size and income meet the established income criteria for free or reduced price meals. The higher rate of reimbursement may also be paid to providers whose households receive SNAP benefits. All other homes receive reimbursement at a lower rate, except where individual children who are enrolled for care in the home are determined to be eligible for the higher meal rate.

The at-risk afterschool meals component of CACFP offers Federal funding to programs that: operate in low-income areas afterschool or on weekends, holidays, or vacations during the regular school year; provide an organized, regularly-scheduled activity; and serve a meal and/or snack to participating children and teens. Although reimbursement for at-risk afterschool snacks has been available since the 1990s, reimbursement for meals was previously available to only 13 States and the District of Columbia. By law, the option to serve at-risk afterschool meals was expanded to all States and the District of Columbia participating in CACFP, beginning in FY 2011. Additionally, FNS has issued guidance to streamline participation in at-risk afterschool meals for school food authorities and for sponsors already participating in the Summer Food Service Program.

FOOD AND NUTRITION SERVICE

Facts in Brief

- In FY 2017, the peak participation attendance in CACFP was approximately 5.0 million children and adults, an increase from the peak participation of 4.8 million in FY 2016.
- Of 4.23 million children in average daily attendance in FY 2017, approximately 3.5 million were in child care centers and approximately 0.75 million were in family day care homes, a slight decrease from 4.3 million children in average daily attendance, of which 3.5 million were in centers and 0.76 million were in family day care homes in FY 2016.
- On average, in FY 2017, CACFP child care centers had 56 children in attendance each day, and received about \$37,744 a year in meal reimbursement (compared to an average of 54 children and \$35,422 in FY 2016).
- On average, a family day care home cared for and fed a little more than seven children daily in FY 2017, and received slightly more than \$7,059 a year in meal reimbursement (compared to a little under seven children and slightly more than \$7,035 in FY 2016).
- Total meal service decreased 1.7 percent from FY 2016 to FY 2017, for a total of approximately 2.05 billion meals served in FY 2017.
- In FY 2017, approximately 80.9 percent of total meals served in CACFP were provided free or at a reduced price, about the same level as in 2016.
- In FY 2017, 23,553 At-Risk Child Care Center outlets provided a total of 231.32 million meals and snacks to children (compared to the 22,042 At-Risk Child Care Centers operating in FY 2016 that served a total of 239.22 million meals and snacks). This is a 6.9 percent increase in the number of operating At-Risk sites and a three percent decrease in the number of meals and snacks served to children.
- In FY 2017, CACFP At-Risk Child Care Centers had an average of 72 children daily, an increase from approximately 70 children in attendance daily during FY 2016.

Improving Nutrition

FNS has been working towards requiring meals and snacks served in the CACFP to better reflect the Dietary Guidelines for Americans, as required by law. Enhancing the nutritional quality of the CACFP meals will help children build healthy habits for life and improve the wellness of adult participants. In promulgating rulemaking, FNS relied on the recommendations from the National Academy of Medicine, the 2010 and 2015-2020 Dietary Guidelines, the American Academy of Pediatrics, and input from stakeholders.

In April 2016, FNS published a final rule, *Child and Adult Care Food Program: Meal Pattern Revisions Related to the Healthy, Hunger-Free Kids Act of 2010*, to update the CACFP nutrition standards. The updated standards went into effect on October 1, 2017. Under the updated standards, meals and snacks served include a greater variety of vegetables and fruit, more whole grains, and less added sugar and saturated fat. In addition, the standards improve access to healthy beverages, encourage breastfeeding, and better align the CACFP with the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and with other Child Nutrition Programs.

The new standards were carefully designed to make achievable and cost-neutral improvements to the nutritional quality of the meals and snacks served in CACFP. FNS focused on incremental changes that balance the science behind the diverse nutritional needs of CACFP participants with the practical abilities of participating centers and day care homes to implement these changes.

FNS is committed to providing guidance, resources, best practices, and training for CACFP centers and day care homes to support them in providing healthy, balanced meals and snacks to the children and adults they serve. In addition to the 1.5 years of preparation time before the implementation deadline, FNS has also granted one year of transition time, where CACFP sponsors and providers will not be subject to fiscal action if meal pattern requirements are not met. Instead of fiscal action, FNS is focusing on technical assistance for the first year of implementation. In FY 2017, FNS provided technical assistance to State agencies, sponsoring organizations, centers, and day care homes by hosting in-person trainings and issuing tip sheets and policy guidance. FNS issued policy memoranda to help clarify the updated meal pattern requirements, answer questions frequently asked by stakeholders, and provide some needed flexibilities.

In response to stakeholder feedback, newly extended or clarified meal pattern flexibilities (through policy memoranda) include: the option to serve a single meal pattern in situations where pre-school children are served

FOOD AND NUTRITION SERVICE

meals at the same time and place as older children; State agency discretion in how meal pattern documentation is maintained at the sponsor/provider levels; multiple options for identifying whole grain-rich items; clarification around grain-based desserts; and multiple options for calculating the amount of added sugar in breakfast cereals and yogurts.

Team Nutrition Materials and Training

The Team Nutrition initiative supports the Child Nutrition Programs by: 1) providing training and technical assistance to food service staff that prepare meals for the programs; 2) developing nutrition education resources that help children learn about agriculture and become self-sufficient in making informed food choices; and 3) providing the programs with resources to support healthy school and child care environments. The Team Nutrition initiative helps States and local program operators apply meal pattern requirements to their school and child care menus, while accommodating local and regional food preferences and optimizing the use of USDA Foods as well as locally produced foods. Due to the professional standards requirements the turnover among food service and child care staff, and the changing tastes and food preferences of today's youth, the demand for Team Nutrition's evidence-based training and nutrition education materials remains high as described below.

During FY 2017, Team Nutrition developed and provided numerous training resources to support implementation of the updated Child and Adult Care Food Program (CACFP) meal pattern requirements which went into effect October 1, 2017. To date, training resources have included meal pattern posters that convey, through photographs, sample meals and snacks for each age group. In addition, three worksheets were developed that help providers identify cereals and yogurts that meet the updated CACFP meal pattern requirements, and that review the types of milks allowed in the CACFP. Finally a Growing a Healthier Future With the CACFP infographic was developed and shared with States and CACFP sponsoring organizations to convey the major changes in the updated meal pattern requirements and how they will have an impact upon child nutrition. As of January 8, 2018, the CACFP Meal Pattern Training Tools page which houses these materials has been viewed 108,615 times since its release in FY 2017. Over 276,350 print copies of these resources have been distributed by request to CACFP program operators and State agencies.

During FY 2017, work on the development and updating of a number of additional training resources for the CACFP began and are expected to be completed and released during FY 2018. These resources will reflect additional policy guidance released during FY 2017 concerning the updated CACFP meal patterns. They include a Feeding Infants Guide for the CACFP, Breastfed Babies Welcome Here! materials, and six additional training worksheets on topics such as grain-based desserts and identifying whole grain-rich foods.

Team Nutrition has initiated a webinar series for CACFP operators based upon the above mentioned training materials. The webinar series entitled CACFP Halftime: Thirty on Thursdays is being provided in both English and in Spanish. Attendance during the first webinar in October 2017 exceeded 1,000 participants. These webinars are expected to continue monthly throughout FY 2018.

FNS also partnered with the Institute of Child Nutrition to design a training curriculum to provide State agency staff with the fundamental knowledge and skills they need to implement the updated meal patterns in every CACFP setting. Upon completion of the training, staff have all the materials they need to customize and conduct the same training for sponsoring organizations and centers in their States. From September 2016 to October 2017, 95 CACFP Meal Pattern Requirements Trainings have been conducted across the country.

CACFP Program Integrity and Simplification

FNS is committed to working with States to ensure that sponsoring organizations, centers, and day care homes meet high standards of program effectiveness and integrity. To that end, FNS has proposed a series of improvements to target systemic and significant violations to further safeguard the integrity of the Child Nutrition Programs and help ensure that taxpayer dollars are being invested as intended.

The enhanced oversight and enforcement tools included in the proposed rule, *Child Nutrition Program Integrity*, published in FY 2016, would improve the financial management of CACFP by increasing State resources, strengthening review timeframes, and establishing other requirements designed to improve oversight by State

FOOD AND NUTRITION SERVICE

agencies and sponsoring organizations. Comments on the proposed rule were analyzed and publication of a final rule is expected in FY 2018

FNS was directed, by law, to work with State agencies and institutions to examine administrative requirements and submit a report to Congress on actions taken to reduce unnecessary or duplicative paperwork in CACFP. FNS engaged a workgroup of CACFP stakeholders to explore recommendations for streamlining CACFP, which were included in a report submitted to Congress in FY 2015. The report included recommendations to promote local flexibility, embrace technology solutions, and support innovative ways to increase participation. The recommendations also emphasized potential flexibilities to make monitoring tools and reporting processes more effective at improving CACFP integrity and encourage consistency with other Child Nutrition Programs. In FY 2017, FNS continued to engage an internal working group to move forward with recommendations from the report, as feasible.

In 2017, FNS launched a qualitative research project to review implementation of the CACFP Serious Deficiency (SD) process across States. The SD process offers a systematic way for State agencies and sponsoring organizations to take actions allowing institutions and family day care providers to correct issues of non-compliance in the operation of their program. The overarching goal of the SD process is to promote positive outcomes (full and permanent corrections of all deficiencies) while enhancing program integrity. FNS began this project with a review of existing administrative materials and publicly available policy and guidance documents.

SUMMER FOOD SERVICE PROGRAM

Program Mission

The Summer Food Service Program (SFSP) was established to provide low-income children with access to nutritious meals when school is not in session. Meals meeting Federal nutrition guidelines are served at no cost to all children 18 years old and under at approved SFSP sites in areas in which at least 50 percent of children are eligible for free or reduced price school meals during the school year. Local organizations sponsoring the program must be public or private non-profit schools, government agencies, private non-profit organizations that meet certain criteria or residential camps. Meal sites are limited to two meals (which cannot include both lunch and supper) or one meal and one snack daily. However, summer camps and sites that primarily serve migrant children may be reimbursed for up to three meals or two meals and one snack served to every eligible child each day.

Sponsoring organizations receive reimbursement for each eligible meal served through SFSP, and may receive USDA Foods for use in their meals. Funds also are made available to conduct health inspections and to defray State and local administrative costs.

Facts in Brief

- During 2017, 151.9 million meals were served, a 1.5% decrease from FY 2016 at 152.2 million meals.
- During FY 2017, 40,386 feeding sites provided 151.9 million meals to needy children through the SFSP. Compared to FY 1990, meals have increased 66.5 percent from 91.2 million.
- In FY 2017, approximately 57.5 percent of the meals served were lunches (57.1 percent in FY 2016), 28.7 percent were breakfasts (28.2 percent FY 2016), and the remaining 13.8 percent were suppers and supplements (14.7 percent in FY 2016).

SFSP Integrity and Program Simplification

In FY 2017, FNS focused on providing support to States in achieving their individualized goals for success. This strategy used lessons learned from years of extensive work with State agencies, program operators, and partner organizations to continue work that decreases childhood hunger in the summer months. This approach empowers State agencies to best determine and act on the needs of their communities. Some of these strategies included reaching under-served communities, retaining experienced sponsors in good standing that have proven to operate the Program with integrity, optimizing number of sites per sponsor, and enhancing meal quality through the use of local foods. In order to support States in these individualized goals, FNS continued to publish resources to facilitate

FOOD AND NUTRITION SERVICE

easier Program implementation as well as improve Program integrity. FNS has also streamlined administrative and operational processes for State agencies and program operators, simplifying the process for institutions operating other Child Nutrition Programs to become summer meal sponsors.

Additionally, FNS has made great strides in improving data accessibility and accuracy. FNS developed and launched extensive technology innovations to help connect families to meals through the Summer Site Finder and the Capacity Builder. The Summer Site Finder is a free, web-based application that allows children, parents, and others to quickly and easily find summer meal sites near them. Through extensive technical assistance to State agencies, FNS was able to streamline the data collection process for the Site Finder while at the same time make advances in the accuracy and timeliness of the data. The data used to populate the site has been made publicly available for download on FNS' website and is also utilized by the National Hunger Clearinghouse hotline and multiple text numbers, increasing the reach and accessibility of information. The Capacity Builder is a vital tool for empowering local communities to identify key areas of need and determine the optimal locations for summer meal sites using data-driven technology.

FNS is working to develop and implement strategies to improve program integrity and accountability in SFSP. Efforts have included unannounced oversight visits across FNS' seven regions, analysis of State oversight reports to identify common issues for action, and development and dissemination of best practices to improve integrity for State agencies, sponsors, and sites.

Summer EBT Demonstrations

In the 2010 Agriculture Appropriations Act (P.L. 111-80), Congress authorized demonstration projects to develop and test alternative methods of providing access to food for low-income children during the summer months when schools are not in regular session, as well as rigorous independent evaluations of each project's effectiveness. To address the challenges associated with providing food to children over the summer, particularly those living in rural areas and Indian Country, where families often live longer distances from meal sites and lack access to public transportation, USDA has supported the Summer Electronic Benefits Transfer for Children (Summer EBT) demonstration projects each year since 2011. Through these projects, States and Tribes provide food benefits on EBT cards, using either a food package model or a debit card model, to eligible low-income families with school-aged children during the summer months, giving them resources to use at retail food stores in their communities. For States that elect to use the food package model, participating households are able to purchase specific types and quantities of healthy foods at WIC-authorized retailers. In States that elect the debit card model, participating households can redeem benefits for SNAP-eligible foods at any SNAP-authorized retailer.

Data-driven evaluations of these projects found that Summer EBT eliminated very low food security among children, the most severe form of food insecurity, by one-third. In addition, Summer EBT was able to improve the diets of young, low-income Americans during the summer. Evaluations have also illustrated the success of the Summer EBT projects across diverse project areas. Beginning in 2015, FNS placed a special focus on rural projects because Summer EBT has the potential to most benefit low-income children in rural areas who may have few options for summer nutrition assistance. FNS has continued this focus on rural areas as well as on testing ways to maximize Summer EBT as a proven resource for providing benefits over the summer months.

The size of the Summer EBT projects varied by year as a result of the program evaluation and the availability of funding.

- In 2016, FNS received additional funds in the 2016 appropriations bill and awarded \$28.6 million to 2015 grantees to continue their Summer EBT efforts and to further expand to reach more children in rural areas or areas of significant need. In total, 209,000 children participated in summer 2016 compared to 11,400 in 2011.
- In 2017, FNS received additional funds in the 2017 appropriations bill and awarded \$31.5 million in grants to eleven grantees. Of these, nine experienced grantees were awarded \$30.3 million to operate projects in 2017: Connecticut, Delaware, Michigan, Missouri, Nevada, Oregon, Virginia, and the Chickasaw and Cherokee nations. An additional two new grantees were awarded \$1.2 million in administrative funds to begin building infrastructure for their Summer EBT projects and will offer benefits in 2018 subject to the availability of funds for food benefits: Tennessee and Texas.

FOOD AND NUTRITION SERVICE

FRESH FRUIT AND VEGETABLE PROGRAM

Program Mission

The Fresh Fruit and Vegetable Program (FFVP) provides fresh fruits and vegetables to all children in participating elementary schools located in low-income areas as snacks outside of the regular meal service. USDA provides a limited amount of funding to States, which select schools to participate based on statutory criteria. States rank schools based on the percentage of children eligible for free and reduced price meals, and distribute the funds to schools with the highest percentage of students eligible for free and reduced price meal benefits. The program includes the requirement that each student receives between \$50 and \$75 worth of fresh produce over the school year.

Section 19 of the NSLA authorizes the FFVP and provides a steady source of funding through an annual transfer from the Agricultural Marketing Service's (AMS) Section 32 funds. Funding is allocated among States using a statutory formula that provides base funding equally to each of the 50 States and the District of Columbia, and provides additional funding to all States operating a school lunch program (including Guam, Puerto Rico, and the Virgin Islands) on the basis of population. FNS recently restructured the timing of the funding allocation for FFVP to align with the federal fiscal year helping to ensure States and locals are better able to spend FFVP funds and bring nutritious fruits and vegetable to children. USDA:

- Provides implementation guidance and technical assistance as needed;
- Provides training to program operators as needed;
- Developed an FFVP Handbook, which is available at <http://www.fns.usda.gov/cnd/FFVP/handbook.pdf>, to reflect statutory authority and address questions provided by State agencies; and
- Published a proposed rule on February 24, 2012, to codify the requirements for the operation of the program (a final rule is currently under development); and developed an online toolkit, which is available at <http://www.fns.usda.gov/cnd/FFVP/toolkit.htm>, to encourage participation and aid in the understanding of the FFVP.

Fresh Fruit and Vegetable Program, Pilot for Canned, Frozen and Dried Fruits and Vegetables

Section 4214 of the Agricultural Act of 2014 (P.L. 113-79) directed USDA to conduct a Pilot in SY 2014-2015 allowing schools participating in the FFVP to offer canned, frozen or dried fruits and vegetables, starting January 1, 2015. The purpose of the Pilot was to target FFVP schools with barriers beyond normal situations that limit their ability to efficiently and effectively operate the FFVP with only fresh produce. The barriers may include:

- Limited distribution and delivery of fresh fruits and vegetables;
- Isolation of schools;
- Space restrictions which hinders storage of fresh fruits and vegetables;
- High cost of fresh fruits and vegetables; and/or
- Limited ability to prepare fresh fruits and vegetables for the FFVP.

USDA was directed to conduct an evaluation of the impacts, implementation, acceptance and other outcomes of the pilot. Schools were authorized to use their SY 2014-2015 FFVP allocation to purchase fruits and vegetables allowed under the Pilot.

Alaska, Maine, Kansas, and Delaware were accepted to participate in the pilot. Results from the evaluation were published in January 2017.

FOOD SAFETY

The Office of Food Safety (OFS) uses its food safety education funds to develop education, instruction and technical assistance resources to facilitate the implementation of food safety requirements in Child Nutrition programs and support the food safety needs of program operators at every level of program administration. These resources are supported by science-based food safety research as well as continuous collaboration with food safety partners.

FOOD AND NUTRITION SERVICE

Food Safety and Food Defense in Schools

In FY 2017, OFS continued to promote food safety through the distribution and development of food safety resources. OFS re-printed two popular food safety information booklets for the school nutrition community. *The Stomach Bug Book* explains how to respond to a Norovirus outbreak in the school community and *The Food Allergy Book* discusses how to properly manage food allergies in the school environment. Over 20,000 English copies and over 2,000 Spanish copies of each resource were distributed to State Agencies across the nation. OFS continued to distribute copies of the *Food-Safe Schools Action Guide: Creating a Culture of Food Safety* – a tool that guides school nutrition directors in creating a gold standard food safety program and published a new online interactive version of the *Food-Safe Schools Action Guide*. In FY 2017 OFS produced and made available a video series *A Flash of Food Safety* (available in both English and Spanish) to provide on-the-spot training to school nutrition professionals. The video series received over 10,000 views.

OFS also continued its food defense efforts by offering Food Defense Tabletop Exercises through the Institute of Child Nutrition. In FY 2017 OFS revised the existing Food Defense Tabletop Exercise and collaborated with external stakeholders to begin development of two new scenarios for this exercise.

Produce Safety

Produce Safety University (PSU), a week-long course offered by OFS that immerses school nutrition professionals into the produce industry and highlights food safety concerns across the supply chain, was offered five times in FY 2017 resulting in the direct development of 149 Child Nutrition program operators from 45 States, DC, American Samoa, Northern Mariana Islands, and Puerto Rico. On average, graduates train 50 other school nutrition professionals within the first six months of graduation. In FY 2017, the curriculum was expanded to include the Buy American policy, and emphasize methods to increase the variety of produce served in Child Nutrition Programs. Classes were held across the country in Davis, CA; Ft. Lauderdale, FL; Beltsville, MD; and Chicago, IL.

As a result of their experience at PSU, graduates increased the number of meals containing locally-sourced produce by 48 percent. Additionally, 79 percent of graduates made changes to receiving, storing, or handling practices. In FY 2017, OFS published a video series with quick tips on improving food safety in quality in institutional settings, *Produce Safety Hacks*, in both English and Spanish.

Food Allergies

Through cooperative agreements with the Center of Excellence for Food Safety in Child Nutrition Programs at Kansas State University and the ICN at the University of Mississippi, FNS guided the development of a research-based educational video that addresses the importance of safe food practices in the management of food allergies in schools. This tool, specifically designed to motivate behavior change, will be integrated into ICN's *Managing Food Allergies in Child Nutrition* – a training course supported by a cooperative agreement with the Office of Food Safety. In FY 2017, *Managing Food Allergies in Child Nutrition Programs* was offered at no cost to child nutrition professionals eight times in multiple locations across the United States, reaching more than 260 individuals.

OFS also manages a cooperative agreement with the National Academies of Sciences, Engineering, and Medicine, Health and Medicine Division (HMD) (formerly the Institute of Medicine (IOM)) to support the Global Consensus Study on Food Allergies. This alliance highlighted the importance of food allergies in schools and developed a study focused on the issue and shaped related research questions. The final study was published in 2017 and OFS collaborated on subsequent summary publications, web content, and infographics.

Center of Excellence

FNS, through a cooperative agreement, supports the Center of Excellence for Food Safety in Child Nutrition Programs (the Center) at Kansas State University. The Center is the only entity that focuses on science-based food safety research in schools, child care, and other Child Nutrition programs. In this capacity, the Center contributed, as an expert body in food safety, to numerous outreach events including the International Association of Food Protection (IAFP) Annual Meeting, School Nutrition Association Annual (SNA) National Conference (ANC), The National Environmental Health Association Annual Educational Conference (NEHA AEC), The Child and Adult

FOOD AND NUTRITION SERVICE

Care Food Program (CACFP) Conference, and various webinars and regionally based conferences. In FY 2017, the Center delivered three sessions of *Serving up Science: The Path to Safe Food in Schools*. This food science immersion course teaches child nutrition directors and operators food science and food safety principles as they apply to the National School Lunch Program and other child nutrition programs.

The Center's research is applied to FNS's food safety education resources developed through ICN. In FY 2017, the Center published the results of a produce wash study in *Food Control* as well as the results of a study on observed food safety practices in the Summer Food Service Program in *The Journal of Child Nutrition and Management*. Additionally, the Center continues to conduct research in the areas of behavior assessment, safe cooling practices, the application of food safety practices in child care programs, and the relationship between food safety and food waste.

Institute of Child Nutrition

The ICN at the University of Mississippi delivers food safety training, resources and technical assistance in a variety of easy-to-use formats to operators of federally funded Child Nutrition Programs through a cooperative agreement with OFS. These resources and trainings enhance the food safety knowledge base of child nutrition personnel and help ensure that all foods served in Child Nutrition Programs are safe. The ICN offers face-to-face and on-site food safety training seminars at little or no cost to participants, and provides free online food safety courses designed to support the professional development of child nutrition program and child care personnel at all levels of responsibility. In FY 2017, through the OFS cooperative agreement, ICN offered 84 in-person food safety training courses that reached more than 2,700 child nutrition professionals on subjects that included Norovirus, Food Allergies, Food Defense, Food Safety Basics, Food Safety in Schools, and Food Safety in Child Care. In FY 2017, OFS worked with ICN and the Center to design a resource for Summer Food Service Program participants at non-traditional service sites that contains a training manual along with other food safety tools to make sure meals are safe to serve.

Food Safety Promotion, Coordination and Support

OFS provided technical assistance on food safety issues to internal and external stakeholders, including backgrounders, talking points, briefings and assessments of issues such as the use of beef heart meat, the *Dietary Guidelines for Americans*, *USDA-FNS Accommodating Children with Disabilities in the School Meal Programs Guidance for School Food Service Professionals*, *The Food Buying Guide for Child Nutrition Programs*, and the *USDA Foods Factsheets*. OFS also delivered presentations to these stakeholders and liaised with multiple agencies and offices within USDA and Department of Health and Human Services (DHHS) on behalf of FNS. The OFS hosted an outreach booth at the National Environmental Health Association Annual Educational Conference in Grand Rapids, MI.

In FY 2017, OFS provided technical food safety assistance that informed FNS nutrition policy, including collaboration with the Office of Community Food Systems to produce School Garden Food Safety factsheets. OFS also provided expert technical review for nutrition education projects such as the *WIC Infant Feeding Guide*, *Feeding Infants in the Child and Adult Care Food Program*, and the *Summer Food Service Program Nutrition Guide*.

Hold and Recall Actions

OFS stay abreast of food recalls affecting FNS nutrition assistance programs, and communicated with food safety regulatory agencies (USDA Food Safety and Inspection Service and Food and Drug Administration, DHHS) to determine the impact of food recalls on USDA Foods. OFS participated in a multi-agency table top exercise with AMS and FSIS to simulate a food recall. In addition, OFS responded to over 200 food safety complaints regarding USDA Foods and worked with internal and external partners to resolve complaints.

In FY 2017, OFS continued to host the USDA State Emergency Notification System (SENS) – an alert system that allows State agencies to rapidly notify local agencies about food safety emergencies, such as recalls. At the end of FY 2017, there were 30 active SENS accounts across the 27 States/territories.

FOOD AND NUTRITION SERVICE

ACQUISITION AND DISTRIBUTION OF USDA FOODS

Eight nutrition assistance programs incorporate USDA Foods as part of the overall assistance provided to recipient agencies. AMS and FNS work together to provide USDA Foods to these programs in the types, forms, and quantities needed to meet planned levels of assistance. In addition to providing food to people who need it, purchases of USDA Foods support domestic agricultural markets.

The USDA Foods subsidy for the NSLP and CACFP is authorized by the NSLA in Sections 6(c) and 17(h), respectively, and is based on a "rate per meal" concept which is adjusted each July 1 to reflect changes in the Producer Price Index for food used in schools and institutions. Similarly, Section 13(h) of the NSLA authorizes USDA Foods for the SFSP. Additionally, Section 6(e) of the NSLA requires that in each school year, not less than 12 percent of all Federal nutrition assistance in the NSLP be provided in the form of USDA Foods. When available, USDA also provides bonus foods acquired through the price support and surplus removal programs (Section 32). The value of bonus food is counted towards the 12 percent requirement.

The Agricultural Act of 2014 (P.L. 113-79, the 2014 Farm Bill) increased funding for the purchase of fruits, vegetables, and nuts for USDA's domestic nutrition assistance programs from \$390 million in FY 2008 to \$406 million in FY 2012 and subsequent fiscal years. At least \$50 million of these funds, annually, must be used to purchase fresh fruits and vegetables for distribution to schools and service institutions.

FY 2017 USDA Foods Assistance Rate

For SY 2016-2017, schools, daycare centers and residential institutions were authorized to receive an average of 23 cents worth of USDA Foods per lunch/supper served. The rate for USDA Foods increased to 23.25 cents on July 1, 2017, for SY 2017-2018. USDA Foods provided to Child Nutrition Programs (excluding bonus and cash in lieu of entitlement USDA Foods) totaled \$1.6 billion for FY 2017.

USDA Foods in Schools

USDA strengthens the Nation's nutrition safety net and supports American agriculture by distributing high quality, 100 percent American-grown USDA Foods to schools. The distribution of USDA Foods to schools is managed at the State level by a State distributing agency, which works with local school districts to ensure the effective use of these foods in school meal programs. USDA offers over 200 different products to schools. These foods are low in added sugar, sodium and fat and support the updated meal pattern requirements for the National School Lunch and Breakfast Program. In FY 2017, FNS continued to ensure schools had access to a wide variety of healthy foods by adding new products such as frozen butternut squash, frozen diced potatoes, frozen sliced strawberries, whole grain-rich Alaska Pollock fish sticks, and high protein peach yogurt. FNS also reformulated a number of items to continue to improve the nutrition quality and to better meet the needs of school programs. To ensure effective use of USDA Foods in schools and improve knowledge of best practices for USDA Foods utilization, FNS provided education sessions at national conferences, local meetings, and webinars, and circulated a quarterly USDA Foods e-letter targeting the school foodservice population.

USDA Department of Defense Fresh Produce Project

FNS and the Department of Defense (DoD) work together to enable school districts to obtain fresh produce. Under this joint venture, schools can use their USDA Foods entitlement to order fresh produce through DoD's contracting and distribution network. DoD uses its large-scale buying power to help meet the demand for consistent, weekly deliveries of a wide variety of fresh produce to school cafeterias, central kitchens, and State and Tribal organization distribution. This project has grown steadily since its beginning in SY 1994-1995, all 50 States, Puerto Rico, the District of Columbia, Guam and the Virgin Islands spent a combined total of over \$239 million in entitlement funds on produce through this program in SY 2016-2017.

The Fresh Fruits and Vegetables Order Receipt System (FFAVORS) web application offers participating agencies in NSLP, SFSP and the Food Distribution Program on Indian Reservations the ability to order and receive shipments of fresh produce to their location. In support of Farm-to-School initiatives, State of origin information is captured so customers may determine if the products are provided by their local agricultural businesses. In FY 2017, FNS

FOOD AND NUTRITION SERVICE

implemented four software releases to the FFAVORS web application providing enhancements and code fixes to existing functionality.

Pilot Project for Procurement of Unprocessed Fruits and Vegetables

Section 4202 of the Agricultural Act of 2014 (P.L. 113-79, the 2014 Farm Bill) authorized a Pilot Project for Procurement of Unprocessed Fruits and Vegetables. States applied through a competitive process in September 2014 based on criteria outlined in the 2014 Farm Bill, which required the selection of (1) not more than eight States receiving funds under Section 6 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(f)); and (2) at least one project in a State in each of the Pacific Northwest, Northeast, Western, Midwest, and Southern Regions. Consistent with 2014 Farm Bill requirements, California, Connecticut, Michigan, New York, Oregon, Virginia, Washington, and Wisconsin were selected for participation in the pilot, with all States receiving deliveries in FY 2017 and spending approximately \$10.5 million in USDA Foods entitlement funds for SY 2016-2017.

The pilot provides selected States with additional flexibility in the procurement of unprocessed fruits and vegetables using existing USDA Foods National School Lunch Program (NSLP) entitlement funds. It also allows for the use of geographic preference. States and school food authorities can use pre-existing commercial distribution channels and develop new relationships with growers, produce wholesalers, and distributors to procure these items.

USDA is conducting an evaluation of the pilot that is expected to be published in 2018.

USDA Foods Administrative Expenses

Web Based Supply Chain Management System (WBSCM) is the demand-driven food ordering system used by State Agencies and their Recipient Agencies to place USDA Foods requests in support of the programs run within the State Agency. Demand requests are reviewed by FNS HQ and Regional Office staff and forwarded onto AMS for procurement activities. FNS funds WBSCM operational costs as part of a tri-agency partnership (AMS, FNS, and FSA).

Cash in Lieu of USDA Foods

Section 6 of the NSLA authorizes funds to be used to provide cash in lieu of USDA Foods, in accordance with sections 16, 17(h), and 18(b) of the NSLA. The State of Kansas is permanently receiving cash payments in lieu of USDA Foods as a result of the NSLA and Child Nutrition Act amendments of 1975. Cash is also being received by school districts that began participating during the 1980s and early 1990s in alternative demonstration projects that provided cash or Commodity Letters of Credit in lieu of USDA Foods. Some nonresidential child care institutions participating in CACFP have also elected to receive their USDA Foods entitlements in cash.

STATE ADMINISTRATIVE EXPENSE FUNDS

Section 7 of the CNA authorizes funds to the States for program administration and for supervision and technical assistance in local school districts and child care institutions. In FY 2017, \$279 million was appropriated for State Administrative Expenses (SAE). Funds appropriated for SAE are available to States for obligation over a two-year period. The State agency may carry over up to 20 percent of the initial allocation. Each fiscal year, carryover exceeding the 20 percent limit is recovered by USDA.

CHILD NUTRITION PROGRAMS STUDIES AND EVALUATIONS

FNS published eight reports related to the Child Nutrition Programs during FY 2017, which are available at: <http://www.fns.usda.gov/ops/child-nutrition-programs>. These reports include:

- **Child and Adult Care Food Program (CACFP): Assessment of Sponsor Tiering Determinations – 2015:** This annual study reports on errors in CACFP FDCH tiering in response to IPERA reporting requirements.

FOOD AND NUTRITION SERVICE

- **Evaluation of the Elementary Schools Pilot Project for Canned, Frozen, or Dried Fruits and Vegetables in the Fresh Fruits and Vegetable Program:** This report presents results from a pre/post study comparing the fall of 2014 with the spring of 2015, to evaluate the impacts of a Pilot project under which States had the option to serve canned, frozen, and dried fruits and vegetables.
- **Direct Certification in the National School Lunch Program Report to Congress: State Implementation Progress, School Year 2014-2015:** This report responds to the requirement of Public Law 110-246 to assess the effectiveness of State and local efforts to directly certify children for free school meals. The report presents information on the outcomes of direct certification for SY 2014-2015.
- **The Second Access, Participation, Eligibility, and Certification Study (APEC II): Estimating and Validating Statistical Models for Updating Estimates of Improper Payments in the NSLP and SBP:** The second Access, Participation, Eligibility and Certification Study (APEC II) included a follow-on report that provided statistically-derived State-level estimates of school meals erroneous payments. Statistical models were designed to estimate national improper payments due to certification error on an annual basis using district-level data. This enables FNS to update its estimates of national improper payment rates for the NSLP and SBP in future years without having to conduct full rounds of primary data collection.
- **The Second Access, Participation, Eligibility, and Certification Study (APEC II): Estimating and Validating Statistical Models for Generating State Estimates of Improper Payments in the NSLP and SBP:** Statistical models were also developed to estimate State-level improper payments by building on the national models. The process of developing State-level models involved (1) modifying the statistical models of national improper payments of each type to be appropriate for State-level estimates and (2) validating these modified models.
- **School Nutrition Program Operations Study, School Year 2012-13:** The Special Nutrition Program Operations Study is a multiyear study designed to provide the Food and Nutrition Service with a snapshot of current State and School Food Authority policies and practices of the school meal programs, including information on school meal standards, competitive foods standards, professional standards, school lunch pricing and accounting, and standards for school wellness policies. The information in this second year report (School year 2012-13), the first year new lunch standards were implemented, will provide data for observing the improvements resulting from the implementation of the Healthy, Hunger-Free Kids Act. Data was collected from a survey of all State Child Nutrition Directors and a nationally representative sample of School Food Authorities (SFAs).
- **Special Nutrition Program Operations Study, School Year 2013-14:** The information in this third year study (School Year 2013-14), the year of the first implementation phase of new breakfast standards, will provide data for observing the improvements resulting from the implementation of the Healthy, Hunger-Free Kids Act. Data was collected from a survey of all State Child Nutrition Directors and a nationally representative sample of School Food Authorities (SFAs).
- **Examining the Potential to Expand Data Matching in the School Meal Program Eligibility and Verification Processes:** This White Paper examines whether any additional means-tested programs might be feasible for use in the direct certification of school-age children participating in school meals or for verification of household income on meal applications.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

FINANCING FOR FISCAL YEAR 2017

STATE OR TERRITORY	Special Milk	School Lunch	School Breakfast	State Administrative Expenses	Commodities and Cash In-Lieu of Commodities	Child And Adult Care	Summer Food Service	Total Program Contribution
Alabama	\$23,039	\$212,288,192	\$78,169,255	\$5,059,198	\$27,168,697	\$53,471,198	\$9,158,002	\$385,337,582
Alaska	0	37,764,047	13,002,421	1,309,908	2,410,395	9,358,960	1,580,045	65,425,776
Arizona	43,611	280,630,634	94,309,820	4,577,112	28,143,670	49,935,278	2,877,652	460,517,776
Arkansas	0	135,798,063	53,961,816	3,252,706	19,329,772	56,151,206	4,324,797	272,818,360
California	306,654	1,491,132,558	513,899,772	29,249,918	183,064,038	444,874,634	21,668,010	2,684,195,584
Colorado	150,394	133,458,980	48,526,059	3,087,173	17,337,005	26,285,413	4,796,505	233,641,529
Connecticut	110,705	101,995,779	31,879,613	2,021,449	12,503,650	17,832,820	4,785,198	171,129,213
Delaware	16,344	36,931,916	14,283,335	1,019,711	6,315,978	17,186,883	2,101,998	77,856,165
District of Columbia	1,891	28,338,576	11,349,038	735,368	2,567,739	9,999,475	2,422,009	55,414,095
Florida	15,182	770,725,126	244,080,465	12,497,068	104,323,814	254,988,036	41,570,834	1,428,200,524
Georgia	17,133	520,708,700	189,244,922	9,701,913	52,178,097	116,415,601	16,414,628	904,680,993
Hawaii	0	44,355,474	11,067,808	937,435	2,568,094	7,032,211	684,900	66,645,922
Idaho	92,153	51,430,927	18,266,058	1,085,902	7,816,992	7,766,111	4,257,937	90,716,081
Illinois	1,924,616	460,371,735	138,628,673	9,817,808	58,225,296	145,354,555	14,028,299	828,350,981
Indiana	132,937	259,469,025	78,949,183	4,317,185	48,202,151	59,146,783	9,120,844	459,338,108
Iowa	64,740	112,838,576	28,154,932	2,618,050	15,492,140	27,563,040	4,462,060	191,193,539
Kansas	64,445	107,307,499	31,941,561	1,960,552	13,688,970	32,494,457	4,688,693	192,146,177
Kentucky	19,318	227,723,795	91,614,194	4,362,344	26,138,131	39,658,112	9,040,509	398,556,403
Louisiana	18,333	245,747,335	86,009,298	5,567,172	30,814,173	97,850,663	8,162,288	474,169,261
Maine	12,685	34,158,965	12,657,546	1,473,032	6,189,502	9,966,093	2,416,919	66,874,742
Maryland	272,043	170,431,054	67,418,096	4,202,506	26,933,099	55,671,255	10,516,960	335,445,014
Massachusetts	213,108	195,197,264	62,826,332	3,970,359	27,715,620	66,082,628	8,105,137	364,110,448
Michigan	216,617	302,154,330	112,151,787	5,117,343	35,267,873	69,596,699	11,657,344	536,161,992
Minnesota	737,446	169,678,130	53,065,743	3,521,045	26,991,316	65,355,077	10,020,517	329,369,275
Mississippi	3,260	173,632,902	64,499,885	2,731,130	21,486,864	46,065,921	7,455,744	315,875,706
Missouri	397,245	210,388,123	76,689,283	3,643,074	32,886,844	51,515,736	14,901,206	390,421,511
Montana	10,781	28,105,699	9,642,986	1,178,285	4,545,951	11,013,202	2,148,089	56,644,993
Nebraska	76,125	74,008,009	18,915,333	2,872,853	11,401,605	31,786,967	2,929,297	141,990,190
Nevada	62,830	100,843,309	40,704,820	1,730,696	10,415,950	12,651,213	1,888,045	168,296,863
New Hampshire	141,133	22,100,647	5,245,825	565,213	4,788,733	4,777,688	1,323,667	38,942,905
New Jersey	267,363	259,668,829	95,465,957	7,822,550	31,233,381	79,787,803	11,681,243	485,927,125
New Mexico	0	101,489,652	43,693,747	2,714,981	10,392,189	32,722,195	5,971,974	196,984,738
New York	600,397	708,843,023	232,306,571	15,583,946	77,259,730	240,346,505	62,493,941	1,337,434,113
North Carolina	97,658	387,631,455	138,821,356	6,823,356	51,495,320	94,740,577	14,463,888	694,073,609
North Dakota	22,618	21,036,310	5,523,799	1,131,345	5,046,867	10,368,918	897,918	44,027,775
Ohio	326,130	372,933,590	126,493,570	6,869,189	45,225,955	90,349,612	12,526,695	654,724,740
Oklahoma	20,279	169,154,962	60,387,439	4,640,975	21,305,038	59,489,673	4,911,773	319,910,139
Oregon	82,973	114,980,611	38,464,919	3,190,754	15,906,705	35,074,875	6,317,130	214,017,966
Pennsylvania	277,305	386,088,739	117,435,782	7,346,736	59,440,752	118,095,953	14,684,245	703,369,512
Rhode Island	42,569	31,242,650	10,282,259	559,028	3,928,903	9,769,519	1,557,544	57,382,472
South Carolina	5,292	204,310,230	78,041,441	3,988,467	21,137,486	35,606,854	9,717,313	352,807,084
South Dakota	26,046	28,823,149	7,595,822	910,218	3,365,092	8,496,085	1,705,520	50,921,933
Tennessee	17,559	286,129,635	114,074,862	5,204,507	34,765,318	65,618,382	10,230,398	516,040,662
Texas	13,647	1,436,548,681	560,671,394	26,348,644	174,578,650	377,024,352	37,866,106	2,613,051,474
Utah	53,798	100,772,648	22,787,858	2,435,634	18,032,912	28,090,451	1,215,800	173,389,100
Vermont	16,127	15,715,682	6,235,641	487,274	2,469,944	6,629,711	1,339,592	32,893,970
Virginia	105,917	248,637,102	90,024,777	4,402,022	26,446,595	48,766,909	10,584,433	428,967,755
Washington	209,842	199,848,069	55,475,927	3,697,567	25,472,453	47,725,348	5,598,872	338,028,078
West Virginia	12,938	80,382,125	42,666,563	2,342,295	10,953,469	16,971,338	1,867,141	155,195,869
Wisconsin	960,518	169,243,625	52,030,509	3,614,845	28,995,573	36,867,598	7,844,435	299,557,103
Wyoming	23,507	15,076,009	3,975,095	1,080,771	2,244,899	4,731,689	952,380	28,084,350
American Samoa	0	0	0	0	0	0	0	0
Guam	0	8,405,955	3,044,380	371,295	27,815	416,224	0	12,265,668
North Mariana Islands	0	0	0	0	0	0	0	0
Puerto Rico	0	105,944,320	28,230,674	1,956,013	14,442,457	24,942,880	10,406,346	185,922,691
Trust Territory (excluding CNM)	0	0	0	0	0	0	0	0
Virgin Islands	0	4,590,664	1,014,858	315,431	801,686	1,480,319	504,271	8,707,230
Indian Tribe Set Asi	0	0	0	0	0	0	0	0
Indian Tribes	0	0	0	0	0	0	0	0
Freely Associated Sts	0	0	0	0	0	0	0	0
DOD/AF/USMC/Navy	0	6,788,322	0	0	246,187,193	0	0	252,975,515
AMS/WBSCM Admin	0	0	0	0	11,849,000	0	0	11,849,000
Perfect Truck Pilot	0	0	0	0	0	0	0	0
AAFES	0	0	0	0	1,250,082	0	0	1,250,082
Anticipated Adjustment	163,750	98,519,593	149,600,943	47,592,649	-435,120,620	275,090,313	30,847,915	166,694,543
TOTAL	\$8,491,000	\$12,302,521,000	\$4,385,502,000	\$295,614,000	\$1,376,047,000	\$3,647,052,000	\$505,695,000	\$22,520,922,000

NOTE: Data based on obligations as reported September 30, 2017. Commodities are based on food orders for fiscal year 2017. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAM

Value of Commodities to States

Entitlement and Bonus

Fiscal Year 2017

STATE OR TERRITORY	Entitlement	Bonus	Total
Alabama	\$24,591,232	\$0	\$24,591,232
Alaska	2,066,472	0	2,066,472
Arizona	25,636,500	0	25,636,500
Arkansas	16,910,951	0	16,910,951
California	158,447,249	0	158,447,249
Colorado	16,124,490	0	16,124,490
Connecticut	11,680,529	0	11,680,529
Delaware	5,504,964	0	5,504,964
District of Columbia	2,045,292	0	2,045,292
Florida	91,794,760	0	91,794,760
Georgia	46,628,848	0	46,628,848
Hawaii	2,104,684	0	2,104,684
Idaho	7,409,557	0	7,409,557
Illinois	51,327,675	0	51,327,675
Indiana	45,365,444	0	45,365,444
Iowa	13,997,531	0	13,997,531
Kansas*	0	0	0
Kentucky	24,110,799	0	24,110,799
Louisiana	26,168,229	0	26,168,229
Maine	5,765,162	0	5,765,162
Maryland	24,195,203	0	24,195,203
Massachusetts	24,989,491	0	24,989,491
Michigan	31,913,191	0	31,913,191
Minnesota	23,753,324	0	23,753,324
Mississippi	19,641,787	0	19,641,787
Missouri	30,309,884	0	30,309,884
Montana	4,016,423	0	4,016,423
Nebraska	9,765,001	0	9,765,001
Nevada	9,872,438	0	9,872,438
New Hampshire	4,667,382	0	4,667,382
New Jersey	27,840,917	0	27,840,917
New Mexico	8,855,462	0	8,855,462
New York	65,270,804	0	65,270,804
North Carolina	46,873,455	0	46,873,455
North Dakota	4,463,195	0	4,463,195
Ohio	40,793,159	0	40,793,159
Oklahoma	18,888,733	0	18,888,733
Oregon	14,140,549	0	14,140,549
Pennsylvania	53,883,206	0	53,883,206
Rhode Island	3,477,956	0	3,477,956
South Carolina	19,442,130	0	19,442,130
South Dakota	2,871,777	0	2,871,777
Tennessee	31,454,259	0	31,454,259
Texas	153,595,817	0	153,595,817
Utah	16,357,781	0	16,357,781
Vermont	2,164,801	0	2,164,801
Virginia	23,715,878	0	23,715,878
Washington	23,011,944	0	23,011,944
West Virginia	10,105,822	0	10,105,822
Wisconsin	26,778,428	0	26,778,428
Wyoming	1,969,509	0	1,969,509
Puerto Rico	13,553,032	0	13,553,032
Virgin Islands	744,087	0	744,087
AAFES	1,250,082	0	1,250,082
DoD Fresh	246,187,193	0	246,187,193
AMS/WBSCM Admin Expenses	11,849,000	0	11,849,000
Undistributed	3,179,098	0	3,179,098
Anticipated Adjustment	-450,196,292	0	-450,196,292
TOTAL	\$1,183,326,276	\$0	\$1,183,326,276

Source: WBSCM -- Sales Order and contract information.

*Note: Figures include Farm Bill Procurements; Kansas receives all assistance as cash in lieu.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAM

Quantity and Value of Commodities

Fiscal Year 2017

ENTITLEMENT COMMODITIES	Pounds	Value
APPLES, BULK FOR PROCESSING	34,426,171	\$13,022,322
APPLES, CANNED, UNSWEETENED	5,929,404	4,388,070
APPLES, FRESH	2,739,198	1,581,195
APPLES, FROZEN, UNSWEETENED	1,267,200	701,184
APPLESAUCE, CANNED, UNSWEETENED	27,372,377	12,466,775
APPLESAUCE, CUPS, UNSWEETENED	28,840,590	15,311,197
APRICOTS, CUPS, FROZEN	1,625,712	2,829,227
APRICOTS, SLICES, FROZEN	76,000	116,451
APRICOTS, CANNED, EXTRA LIGHT SYRUP	1,551,312	1,317,074
BEANS, CANNED, BABY LIMA, LOW-SODIUM	349,920	125,047
BEANS, CANNED, BLACK TURTLE, LOW-SODIUM	3,044,304	1,015,699
BEANS, CANNED, BLACK-EYED PEA, LOW-SODIUM	1,433,862	519,724
BEANS, CANNED, GARBANZO, LOW-SODIUM	1,679,616	627,601
BEANS, CANNED, GREAT NORTHERN, LOW-SODIUM	664,848	221,928
BEANS, CANNED, GREEN, LOW-SODIUM	19,024,624	6,841,106
BEANS, CANNED, KIDNEY, LOW-SODIUM	2,591,352	910,741
BEANS, CANNED, PINK, LOW-SODIUM	594,864	199,947
BEANS, CANNED, PINTO, LOW-SODIUM	8,361,873	2,746,284
BEANS, CANNED, REFRIED, LOW-SODIUM	4,824,204	1,961,985
BEANS, CANNED, SMALL RED, LOW-SODIUM	1,294,704	424,691
BEANS, CANNED, VEGETARIAN, LOW-SODIUM	10,111,878	3,380,736
BEANS, DRY, GREAT NORTHERN	40,000	20,300
BEANS, DRY, PINTO	440,320	183,215
BEANS, DRY, PINTO, BULK FOR PROCESSING	396,000	165,290
BEANS, GREEN, FROZEN, NO SALT ADDED	5,979,600	3,081,469
BEEF, BULK FOR PROCESSING	84,160,000	200,694,406
BEEF, CANNED	684,000	1,777,781
BEEF, CRUMBLES, WITH SOY PROTEIN, COOKED, FROZEN	3,878,760	11,368,876
BEEF, FINE GROUND, 85/15, FROZEN	25,839,160	64,864,507
BEEF, FINE GROUND, 85/15, FROZEN, LFTB OPTIONAL	1,120,000	2,842,384
BEEF, PATTIES, 85/15, FROZEN	1,444,000	3,667,608
BEEF, PATTIES, 85/15, WITH SOY PROTEIN, FROZEN	1,596,000	3,474,473
BEEF, PATTIES, 90/10, FROZEN	570,000	1,678,221
BEEF, PATTIES, COOKED, WITH SOY PROTEIN, FROZEN	3,827,640	11,255,356
BEEF, PATTIES, LEAN, FROZEN	608,000	1,890,333
BEFF, PATTIES, COOKED, FROZEN	2,052,000	8,924,148
BLUEBERRIES, FROZEN, HIGHBUSH, UNSWEETENED	3,655,800	3,536,146
BLUEBERRIES, FROZEN, WILD, UNSWEETENED	2,566,080	1,937,718
BROCCOLI, FROZEN, NO SALT ADDED	11,056,500	14,329,678
CARROTS, CANNED, LOW-SODIUM	3,782,520	1,518,982
CARROTS, FROZEN, NO SALT ADDED	7,246,800	3,517,091
CATFISH, WHOLE GRAIN-RICH BREADED, FILLET STRIPS, FROZEN	1,040,000	4,702,400
CHEESE, AMERICAN, LOAVES	1,069,200	1,920,636
CHEESE, AMERICAN, SLICES	9,226,170	16,179,071
CHEESE, BLENDED AMERICAN, REDUCED FAT, SLICES	9,504,000	14,283,280
CHEESE, CHEDDAR, BULK FOR PROCESSING	51,000,000	94,554,661
CHEESE, CHEDDAR, REDUCED FAT, SHREDDED	7,872,000	15,362,826
CHEESE, CHEDDAR, SHREDDED	3,147,750	6,225,273
CHEESE, MOZZARELLA, BULK FOR PROCESSING	59,015,049	99,411,820
CHEESE, MOZZARELLA, LITE, SHREDDED	3,427,200	6,422,803
CHEESE, MOZZARELLA, LOW MOISTURE, PART SKIM, LOAVES	4,757,760	8,268,415
CHEESE, MOZZARELLA, LOW MOSITURE, PART SKIM, SHREDDED	6,290,910	11,762,654
CHEESE, MOZZARELLA, LOW MOSITURE, PART SKIM, STRING	2,872,800	6,886,800

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAM

Quantity and Value of Commodities

Fiscal Year 2017

ENTITLEMENT COMMODITIES	Pounds	Value
CHERRIES, CANNED, WATER PACKED	246,550	169,112
CHERRIES, DRIED	118,272	539,228
CHERRIES, FROZEN, UNSWEETENED	1,036,800	727,804
CHICKEN, BULK FOR PROCESSING	188,892,000	160,245,256
CHICKEN, CANNED, WHITE MEAT	975,000	2,035,684
CHICKEN, CUT UP, FROZEN	4,359,800	4,072,542
CHICKEN, DICED, COOKED, FROZEN	9,799,160	22,907,666
CHICKEN, FAJITA STRIPS, COOKED, FROZEN	10,256,250	18,079,002
CHICKEN, OVEN ROASTED, COOKED, FROZEN	3,060,000	7,369,943
CHICKEN, UNSEASONED STRIPS, COOKED, FROZEN	5,498,400	11,950,190
CORN, CANNED, NO SALT ADDED	16,311,810	6,303,590
CORN, FROZEN, NO SALT ADDED	16,235,400	8,068,976
CRANBERRIES, DRIED	589,050	872,487
CRANBERRIES, DRIED, INDIVIDUAL PORTION	3,131,565	6,456,941
DoD FRESH PRODUCE	0	246,187,193
EGGS, BULK FOR PROCESSING	10,176,000	4,433,088
EGGS, LIQUID WHOLE, FROZEN	3,697,560	2,169,914
FLOUR, BULK FOR PROCESSING	24,109,200	5,186,856
FLOUR, WHITE WHOLE WHEAT/ENRICHED BLEND	5,149,080	1,555,655
FLOUR, WHOLE WHEAT	387,000	85,035
FRUIT MIX, CANNED, EXTRA LIGHT SYRUP	33,423,350	21,794,111
FRUIT MIX, DRIED	581,900	1,617,271
MILK, 1% LOW-FAT	546,417	244,055
MUSHROOMS, DICED, FROZEN, NO SALT ADDED	110,880	87,826
OATS, ROLLED	360,288	153,002
OIL, SOYBEAN	517,440	316,137
OIL, VEGETABLE	2,845,920	1,522,201
OIL, VEGETABLE, BULK FOR PROCESSING	1,296,000	538,824
ORANGE JUICE, INDIVIDUAL, FROZEN, UNSWEETENED	16,654,080	10,199,471
ORANGE JUICE, BULK FOR PROCESSING	62,400	184,080
PANCAKES, WHOLE GRAIN-RICH	1,519,398	1,440,090
PASTA, WHOLE GRAIN	732,000	312,147
PASTA, WHOLE GRAIN-RICH	3,391,900	1,355,997
PEACHES, CANNED, EXTRA LIGHT SYRUP	51,780,536	34,309,639
PEACHES, CUPS, FROZEN	22,915,200	34,339,265
PEACHES, SLICED, FROZEN	988,000	1,091,018
PEANUT BUTTER	2,624,160	2,863,048
PEANUT BUTTER BULK FOR PROCESSING	3,640,000	3,321,132
PEANUT BUTTER, INDIVIDUAL PORTION	550,853	1,412,793
PEANUTS, BULK FOR PROCESSING	3,520,000	2,047,628
PEARS, CANNED, EXTRA LIGHT SYRUP	44,236,485	29,285,570
PEARS, FRESH	1,174,500	740,106
PEAS, CANNED, LOW-SODIUM	2,808,885	1,244,000
PEAS, FROZEN, NO SALT ADDED	5,186,700	3,007,670
PEPPER/ONION BLEND, FROZEN	2,257,200	2,518,349
POLLOCK, ALASKA, BULK FOR PROCESSING	3,405,600	3,737,915
POLLOCK, ALASKA, BREADED STICKS, FROZEN	1,862,000	4,011,888
PORK, BULK FOR PROCESSING	14,856,900	17,058,755
PORK, CANNED	864,000	1,330,859
PORK, HAM, FROZEN	9,278,800	17,268,556
PORK, LEG ROAST, FROZEN	3,280,000	4,427,312

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAM

Quantity and Value of Commodities

Fiscal Year 2017

ENTITLEMENT COMMODITIES	Pounds	Value
PORK, PULLED, FROZEN	4,080,000	10,769,064
POTATO WEDGES, FAT FREE, LOW-SODIUM, FROZEN	2,455,200	1,623,178
POTATO WEDGES, LOW-SODIUM, FROZEN	3,405,600	2,134,512
POTATOES, BULK FOR PROCESSING	170,794,857	16,569,173
POTATOES, DICED, FROZEN	1,227,600	571,388
POTATOES, OVEN FRIES, LOW-SODIUM, FROZEN	8,751,600	5,455,057
POTATOES, RUSSET, FRESH	320,000	80,360
RAISINS, INDIVIDUAL BOX, UNSWEETENED	4,128,240	5,935,664
RICE, BROWN	8,568,000	3,629,396
SALSA, CANNED/POUCH, LOW-SODIUM	5,495,040	2,430,425
SPAGHETTI SAUCE, CANNED/POUCH, LOW-SODIUM	7,017,624	2,500,483
SPINACH, FROZEN	595,608	476,194
SQUASH, BUTTERNUT, DICED, FROZEN	1,227,600	668,131
STRAWBERRIES, CUPS, FROZEN	20,298,600	31,272,101
STRAWBERRIES, SLICED, FROZEN	5,583,600	6,501,000
STRAWBERRIES, WHOLE, FROZEN, UNSWEETENED	2,970,000	3,685,132
SUNFLOWER SEED BUTTER	1,145,760	2,033,166
SWEET POTATOES, FRESH	160,000	85,520
SWEET POTATOES, BULK FOR PROCESSING	13,569,844	2,811,002
SWEET POTATOES, CANNED, LIGHT SYRUP	1,699,056	966,847
SWEET POTATOES, CRINKLE FRIES, FROZEN, LOW-SODIUM	1,386,000	1,847,446
SWEET POTATOES, FROZEN, CHUNKS, NO SALT ADDED	1,108,800	724,192
TOMATO PASTE, BULK FOR PROCESSING	13,007,400	5,501,292
TOMATO PASTE, CANNED/POUCH, NO SALT ADDED	1,682,143	932,255
TOMATO SAUCE, CANNED/POUCH, LOW-SODIUM	3,119,580	1,080,392
TOMATOES, CANNED, DICED, NO SALT ADDED	4,255,083	1,455,943
TORTILLAS, WHOLE GRAIN- RICH	1,983,960	1,151,325
TUNA, CANNED	2,334,197	5,276,959
TURKEY HAM, FROZEN	1,920,000	3,568,400
TURKEY, BULK FOR PROCESSING	35,496,000	42,881,796
TURKEY, DELI BREAST, FROZEN	9,240,000	22,283,232
TURKEY, ROAST, FROZEN	7,320,000	11,957,957
TURKEY, TACO FILLING , COOKED, FROZEN	6,044,250	9,540,524
TURKEY, WHOLE, FROZEN	76,000	88,643
YOGURT, CUP, BLUEBERRY, HIGH PROTEIN	498,756	621,700
YOGURT, CUP, STRAWBERRY, HIGH PROTEIN	872,304	1,088,426
YOGURT, CUP, PEACH, HIGH PROTEIN	279,624	352,982
YOGURT, CUP, VANILLA, HIGH PROTEIN	298,998	371,216
YOGURT, TUB VANILLA, HIGH PROTEIN	107,100	132,505
YOGURT, TUB, PLAIN, HIGH PROTEIN	3,672	4,113
SUBTOTAL	1,373,798,415	\$1,621,673,568
Anticipated Adjustment		-\$450,196,292
AMS/WBSCM Admin Expenses		11,849,000
TOTAL COMMODITY ENTITLEMENT	1,373,798,415	\$1,183,326,276
Bonus Commodities		\$0
TOTAL BONUS COMMODITIES		0
TOTAL -ALL COMMODITIES	1,373,798,415	\$1,183,326,276
Cash In-Lieu of Commodities		\$192,720,724
GRAND TOTAL	1,373,798,415	\$1,376,047,000

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

**SCHOOL LUNCH PROGRAM
LUNCHES SERVED**

FISCAL YEAR 2017

STATE OR TERRITORY	TOTAL LUNCHES SERVED			
	PAID (000)	REDUCED PRICE (000)	FREE (000)	TOTAL (000)
Alabama-----	19,505	4,455	58,676	82,636
Alaska-----	1,916	501	6,476	8,893
Arizona-----	23,123	7,846	75,100	106,070
Arkansas-----	11,501	4,702	36,147	52,350
California-----	102,378	55,672	387,959	546,008
Colorado-----	20,678	6,062	33,069	59,809
Connecticut-----	17,227	2,372	26,912	46,511
Delaware-----	4,958	444	10,368	15,770
District of Columbia-----	1,279	133	7,892	9,304
Florida-----	40,430	12,929	216,082	269,441
Georgia-----	43,705	10,943	142,910	197,558
Hawaii-----	6,279	1,611	9,288	17,178
Idaho-----	8,387	2,348	12,686	23,422
Illinois-----	37,535	5,522	131,699	174,757
Indiana-----	47,599	9,887	64,726	122,213
Iowa-----	32,475	4,119	27,215	63,808
Kansas-----	21,751	5,193	25,642	52,585
Kentucky-----	15,002	1,419	66,638	83,058
Louisiana-----	14,851	2,248	70,655	87,754
Maine-----	5,796	1,167	8,717	15,680
Maryland-----	20,381	4,973	45,658	71,012
Massachusetts-----	29,245	2,684	53,563	85,492
Michigan-----	37,733	8,860	80,365	126,958
Minnesota-----	51,070	8,974	38,067	98,111
Mississippi-----	9,187	3,562	48,887	61,635
Missouri-----	33,388	7,023	54,247	94,658
Montana-----	5,077	947	7,144	13,168
Nebraska-----	18,543	3,672	17,277	39,492
Nevada-----	6,555	3,378	27,192	37,125
New Hampshire-----	7,335	847	5,173	13,354
New Jersey-----	37,631	7,429	67,710	112,770
New Mexico-----	4,813	1,180	29,070	35,063
New York-----	61,579	13,315	192,792	267,687
North Carolina-----	29,585	7,455	108,213	145,253
North Dakota-----	9,401	961	4,530	14,891
Ohio-----	52,889	9,667	99,640	162,195
Oklahoma-----	17,112	5,243	44,865	67,220
Oregon-----	11,658	3,154	31,074	45,885
Pennsylvania-----	55,127	6,183	106,962	168,272
Rhode Island-----	3,938	906	8,264	13,109
South Carolina-----	16,109	3,475	56,780	76,364
South Dakota-----	8,567	1,232	6,781	16,580
Tennessee-----	22,167	4,461	80,448	107,075
Texas-----	119,294	34,246	393,302	546,842
Utah-----	26,592	5,361	23,161	55,114
Vermont-----	3,111	621	3,879	7,611
Virginia-----	41,310	9,343	63,478	114,131
Washington-----	25,887	8,047	51,076	85,010
West Virginia-----	8,187	730	22,866	31,783
Wisconsin-----	35,787	4,815	43,369	83,970
Wyoming-----	3,765	976	3,345	8,087
Guam-----	404	39	2,506	2,949
Puerto Rico-----	5,276	2,855	24,580	32,711
Virgin Islands-----	240	119	1,310	1,668
DOD Army/AF/USMC/Nav-----	1,875	528	627	3,029
TOTAL-----	1,297,190	316,831	3,267,056	4,881,077

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**SCHOOL BREAKFAST PROGRAM
SCHOOLS, ENROLLMENT, AND PARTICIPATION
FISCAL YEAR 2017**

STATE OR TERRITORY	NUMBER OF SCHOOLS AND INSTITUTIONS	ENROLLMENT (000)	PEAK PARTICIPATION (000)
Alabama-----	1,421	739	282
Alaska-----	387	105	27
Arizona-----	1,701	1,046	320
Arkansas-----	1,098	479	192
California-----	8,880	5,880	1,767
Colorado-----	1,457	712	189
Connecticut-----	874	452	107
Delaware-----	248	146	53
District of Columbia-----	206	86	36
Florida-----	3,783	2,874	859
Georgia-----	2,360	1,611	676
Hawaii-----	296	175	36
Idaho-----	660	298	80
Illinois-----	3,399	1,587	425
Indiana-----	1,934	1,060	290
Iowa-----	1,281	522	108
Kansas-----	1,398	463	124
Kentucky-----	1,279	705	318
Louisiana-----	1,438	761	294
Maine-----	594	180	52
Maryland-----	1,468	930	277
Massachusetts-----	1,813	823	208
Michigan-----	3,048	1,440	412
Minnesota-----	1,765	826	234
Mississippi-----	859	457	216
Missouri-----	2,305	921	294
Montana-----	731	140	35
Nebraska-----	778	306	80
Nevada-----	573	466	145
New Hampshire-----	404	164	22
New Jersey-----	2,140	1,054	330
New Mexico-----	835	317	151
New York-----	5,623	2,770	767
North Carolina-----	2,525	1,572	480
North Dakota-----	366	109	27
Ohio-----	3,208	1,598	466
Oklahoma-----	1,817	672	240
Oregon-----	1,258	575	149
Pennsylvania-----	3,082	1,614	397
Rhode Island-----	369	152	35
South Carolina-----	1,190	778	276
South Dakota-----	738	139	31
Tennessee-----	1,758	984	405
Texas-----	8,291	5,332	1,974
Utah-----	853	586	89
Vermont-----	321	98	25
Virginia-----	1,887	1,260	334
Washington-----	1,954	1,085	200
West Virginia-----	729	280	161
Wisconsin-----	1,949	777	192
Wyoming-----	290	97	16
Guam-----	45	33	9
Puerto Rico-----	1,553	416	100
Virgin Islands-----	48	14	4
TOTAL-----	91,267	48,662	15,016

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**SCHOOL BREAKFAST PROGRAM
BREAKFASTS SERVED
FISCAL YEAR 2017**

STATE OR TERRITORY	TOTAL BREAKFASTS SERVED					TOTAL (000)
	PAID (000)	REDUCED PRICE		FREE		
		REGULAR (000)	SEVERE NEED (000)	REGULAR (000)	SEVERE NEED (000)	
Alabama-----	6,365	85	1,731	564	35,213	43,958
Alaska-----	578	7	174	55	3,672	4,486
Arizona-----	7,309	151	3,218	1,197	41,089	52,964
Arkansas-----	4,715	69	2,428	536	23,087	30,835
California-----	43,566	632	25,500	3,420	219,552	292,671
Colorado-----	6,219	186	2,911	725	19,588	29,627
Connecticut-----	2,621	115	567	858	13,924	18,086
Delaware-----	1,664	23	163	159	6,455	8,463
District of Columbia-----	752	12	49	59	5,336	6,208
Florida-----	16,174	103	5,461	908	111,443	134,089
Georgia-----	14,406	183	5,187	1,626	84,339	105,741
Hawaii-----	1,192	49	421	186	3,905	5,752
Idaho-----	3,017	49	958	271	7,418	11,712
Illinois-----	4,667	77	1,393	753	65,168	72,058
Indiana-----	8,194	320	2,983	1,894	32,985	46,376
Iowa-----	3,699	355	767	2,108	10,550	17,479
Kansas-----	3,191	196	1,603	743	13,006	18,739
Kentucky-----	5,068	39	529	366	43,180	49,181
Louisiana-----	3,445	55	786	1,092	39,836	45,214
Maine-----	2,029	43	585	191	5,210	8,058
Maryland-----	11,417	119	2,905	758	28,145	43,344
Massachusetts-----	3,505	108	699	1,314	28,438	34,064
Michigan-----	11,019	219	3,512	4,927	45,980	65,658
Minnesota-----	11,751	1,042	2,736	2,983	18,710	37,221
Mississippi-----	2,538	9	1,456	107	29,747	33,857
Missouri-----	9,322	275	2,959	1,921	31,780	46,256
Montana-----	1,313	57	302	213	4,051	5,936
Nebraska-----	3,629	210	1,066	830	6,963	12,699
Nevada-----	3,515	21	1,675	99	17,854	23,165
New Hampshire-----	908	61	188	388	1,908	3,453
New Jersey-----	9,062	171	2,873	1,453	41,604	55,163
New Mexico-----	2,955	27	579	187	20,225	23,972
New York-----	15,876	353	4,726	3,713	103,906	128,574
North Carolina-----	10,215	122	3,434	949	62,557	77,277
North Dakota-----	1,569	239	128	969	1,388	4,292
Ohio-----	11,811	260	3,189	2,130	55,386	72,777
Oklahoma-----	5,871	141	2,276	811	25,914	35,013
Oregon-----	3,941	39	1,408	271	16,790	22,448
Pennsylvania-----	8,378	284	1,453	4,159	51,274	65,549
Rhode Island-----	1,016	13	325	98	4,515	5,967
South Carolina-----	5,744	76	1,505	688	35,375	43,388
South Dakota-----	885	148	166	630	2,814	4,643
Tennessee-----	8,579	96	2,080	2,265	50,666	63,686
Texas-----	44,734	912	15,963	6,191	248,013	315,813
Utah-----	3,153	217	1,185	1,028	8,655	14,238
Vermont-----	1,021	73	277	264	2,394	4,030
Virginia-----	10,766	405	3,851	2,334	36,927	54,283
Washington-----	4,761	119	3,062	0	23,371	31,313
West Virginia-----	5,757	39	459	276	19,351	25,881
Wisconsin-----	6,346	408	1,246	2,435	21,142	31,577
Wyoming-----	652	50	267	188	1,429	2,586
Guam-----	146	0	12	0	1,454	1,612
Puerto Rico-----	1,673	1	1,096	3	10,634	13,408
Virgin Islands-----	81	0	40	0	451	571
DOD Army/AF/USMC/Navy-----	0	0	0	0	0	0
TOTAL-----	362,783	9,059	126,509	62,744	1,844,767	2,405,862

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**CHILD AND ADULT CARE FOOD PROGRAM
PARTICIPATION AND MEALS SERVED
FISCAL YEAR 2017**

STATE OR TERRITORY	NUMBER OF CENTERS/HOMES	PARTICIPATION PEAK MONTH (000)	TOTAL MEALS SERVED					DAY CARE HOMES (000)	TOTAL (000)
			CHILD CARE AND ADULT CENTERS						
			PAID (000)	REDUCED PRICE (000)	FREE (000)	TOTAL (000)			
Alabama	1,915	75	5,091	1,202	22,040	28,333	3,287	31,620	
Alaska	510	12	1,513	229	1,587	3,329	914	4,244	
Arizona	2,990	45	6,387	1,392	15,141	22,920	8,063	30,983	
Arkansas	1,812	75	6,583	2,400	24,009	32,992	2,383	35,376	
California	22,111	680	18,748	7,029	127,552	153,329	65,531	218,859	
Colorado	2,099	51	5,415	818	9,081	15,314	3,735	19,049	
Connecticut	1,170	25	1,665	515	5,559	7,739	2,788	10,527	
Delaware	917	23	2,379	260	5,856	8,494	2,229	10,723	
District of Columbia	350	32	788	222	3,864	4,874	154	5,028	
Florida	6,826	339	29,078	9,437	105,753	144,268	8,886	153,154	
Georgia	3,763	167	21,160	4,659	47,356	73,174	6,240	79,414	
Hawaii	475	12	3,210	400	1,551	5,161	689	5,850	
Idaho	465	14	1,785	243	2,608	4,636	1,083	5,719	
Illinois	8,844	159	14,614	3,049	41,086	58,749	32,555	91,304	
Indiana	3,264	107	7,095	1,211	15,983	24,289	15,675	39,964	
Iowa	2,359	46	8,605	624	5,864	15,092	8,190	23,282	
Kansas	3,610	51	6,105	819	5,018	11,941	12,483	24,424	
Kentucky	1,631	76	8,097	1,504	16,433	26,034	1,272	27,306	
Louisiana	9,633	112	4,025	889	18,714	23,628	28,024	51,653	
Maine	1,031	12	947	146	1,442	2,534	4,255	6,789	
Maryland	4,335	115	5,015	413	16,507	21,935	10,962	32,898	
Massachusetts	4,972	87	4,453	1,294	19,340	25,086	14,914	40,000	
Michigan	5,496	107	5,968	1,012	17,758	24,738	18,304	43,041	
Minnesota	7,420	99	6,793	584	10,101	17,477	30,768	48,245	
Mississippi	1,858	59	3,719	1,249	20,267	25,235	2,406	27,641	
Missouri	2,420	79	9,572	1,012	18,110	28,694	6,611	35,305	
Montana	931	15	1,628	199	2,523	4,350	2,943	7,293	
Nebraska	2,609	47	6,124	556	7,032	13,712	9,668	23,380	
Nevada	513	26	1,322	159	4,481	5,962	431	6,393	
New Hampshire	291	12	1,827	167	1,890	3,884	377	4,260	
New Jersey	2,101	98	5,373	1,982	33,493	40,849	1,473	42,322	
New Mexico	2,687	41	3,279	673	9,655	13,607	5,415	19,022	
New York	13,463	341	13,537	2,890	62,912	79,339	50,631	129,970	
North Carolina	4,025	137	20,098	4,445	37,312	61,854	6,924	68,778	
North Dakota	1,183	19	3,058	126	1,304	4,488	4,893	9,382	
Ohio	4,387	129	14,076	2,254	33,530	49,859	9,161	59,021	
Oklahoma	2,640	64	6,856	1,509	21,312	29,677	8,027	37,703	
Oregon	2,795	56	1,804	201	7,352	9,357	9,327	18,684	
Pennsylvania	5,209	176	16,728	3,548	47,279	67,555	7,169	74,725	
Rhode Island	469	10	1,237	251	3,283	4,772	991	5,763	
South Carolina	1,271	52	3,916	665	14,243	18,824	2,358	21,181	
South Dakota	753	17	2,507	140	1,902	4,548	2,697	7,245	
Tennessee	3,232	105	7,524	1,582	23,312	32,418	7,870	40,288	
Texas	12,563	703	42,532	12,877	140,492	195,901	24,273	220,174	
Utah	1,986	36	3,456	372	5,041	8,869	9,138	18,007	
Vermont	653	13	763	116	1,632	2,510	1,597	4,108	
Virginia	3,696	117	9,268	1,152	15,345	25,764	8,446	34,210	
Washington	3,055	92	10,104	1,194	15,800	27,099	7,833	34,932	
West Virginia	1,512	28	2,694	290	4,934	7,918	2,960	10,879	
Wisconsin	2,745	63	9,943	755	11,405	22,102	6,309	28,411	
Wyoming	406	8	1,180	219	1,008	2,406	1,344	3,751	
Guam	6	0	202	9	150	361	4	365	
Puerto Rico	1,310	30	234	111	12,307	12,652	219	12,871	
Virgin Islands	46	1	81	52	669	802	0	802	
TOTAL	178,813	5,095	380,157	81,103	1,100,179	1,561,439	484,877	2,046,315	

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**SUMMER FOOD SERVICE PROGRAM
NUMBER OF SITES, PARTICIPATION AND MEALS SERVED
FISCAL YEAR 2017**

STATE OR TERRITORY	NUMBER OF SITES	PARTICIPATION (JULY) (000)	TOTAL MEALS SERVED (000)
Alabama-----	978	52	2,902
Alaska-----	157	5	288
Arizona-----	266	12	825
Arkansas-----	382	24	1,440
California-----	2,254	152	7,182
Colorado-----	536	27	1,463
Connecticut-----	537	33	1,464
Delaware-----	310	16	720
District of Columbia-----	295	15	758
Florida-----	3,447	210	14,128
Georgia-----	1,282	89	5,301
Hawaii-----	91	6	203
Idaho-----	278	21	1,174
Illinois-----	1,814	96	4,751
Indiana-----	1,314	56	2,889
Iowa-----	447	18	1,306
Kansas-----	499	28	1,396
Kentucky-----	1,628	70	2,740
Louisiana-----	528	28	2,640
Maine-----	416	15	736
Maryland-----	1,357	68	3,186
Massachusetts-----	1,071	58	2,557
Michigan-----	1,671	88	3,440
Minnesota-----	832	60	3,173
Mississippi-----	499	39	2,384
Missouri-----	720	44	4,697
Montana-----	216	9	639
Nebraska-----	186	10	875
Nevada-----	242	8	577
New Hampshire-----	184	14	420
New Jersey-----	1,783	62	3,773
New Mexico-----	620	25	1,698
New York-----	2,444	416	19,600
North Carolina-----	2,010	88	4,593
North Dakota-----	80	4	274
Ohio-----	1,604	64	3,927
Oklahoma-----	528	13	1,560
Oregon-----	785	38	1,898
Pennsylvania-----	2,369	80	5,006
Rhode Island-----	215	11	462
South Carolina-----	1,803	35	3,492
South Dakota-----	92	6	524
Tennessee-----	1,410	67	3,322
Texas-----	2,964	115	12,270
Utah-----	103	8	351
Vermont-----	270	9	419
Virginia-----	1,216	72	3,438
Washington-----	874	41	1,768
West Virginia-----	411	9	573
Wisconsin-----	692	47	2,755
Wyoming-----	70	5	292
Puerto Rico-----	2,606	21	3,422
Virgin Islands-----	0	0	200
TOTAL-----	49,386	2,606	151,870

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**SPECIAL MILK PROGRAM
NUMBER OF PARTICIPATING OUTLETS AND OBLIGATIONS BY STATE
FISCAL YEAR 2017**

STATE OR TERRITORY	OUTLETS			TOTAL	OBLIGATIONS (000)
	SCHOOLS	NON-RESIDENTIAL CHILD CARE INSTITUTIONS	SUMMER CAMPS		
Alabama-----	1	0	1	2	\$23
Alaska-----	0	0	0	0	0
Arizona-----	31	0	0	31	44
Arkansas-----	0	0	0	0	0
California-----	97	2	19	118	307
Colorado-----	56	0	4	60	150
Connecticut-----	53	0	6	59	111
Delaware-----	4	0	0	4	16
District of Columbia-----	2	0	0	2	2
Florida-----	4	0	2	6	15
Georgia-----	2	0	0	2	17
Hawaii-----	0	0	0	0	0
Idaho-----	61	0	6	67	92
Illinois-----	476	0	10	486	1,925
Indiana-----	33	0	12	45	133
Iowa-----	42	0	9	51	65
Kansas-----	83	0	3	86	64
Kentucky-----	2	0	0	2	19
Louisiana-----	6	0	0	6	18
Maine-----	1	0	7	8	13
Maryland-----	70	29	3	102	272
Massachusetts-----	68	26	19	113	213
Michigan-----	48	0	30	78	217
Minnesota-----	235	85	55	375	737
Mississippi-----	1	0	0	1	3
Missouri-----	142	0	6	148	397
Montana-----	11	0	2	13	11
Nebraska-----	51	0	5	56	76
Nevada-----	1	10	0	11	63
New Hampshire-----	26	2	22	50	141
New Jersey-----	77	0	6	83	267
New Mexico-----	0	0	0	0	0
New York-----	147	25	44	216	600
North Carolina-----	16	0	8	24	98
North Dakota-----	19	0	12	31	23
Ohio-----	93	1	10	104	326
Oklahoma-----	5	0	1	6	20
Oregon-----	32	0	9	41	83
Pennsylvania-----	48	16	22	86	277
Rhode Island-----	11	7	5	23	43
South Carolina-----	1	0	0	1	5
South Dakota-----	23	0	0	23	26
Tennessee-----	1	0	4	5	18
Texas-----	2	0	0	2	14
Utah-----	36	0	16	52	54
Vermont-----	6	0	1	7	16
Virginia-----	30	0	1	31	106
Washington-----	46	5	7	58	210
West Virginia-----	7	0	0	7	13
Wisconsin-----	471	169	7	647	961
Wyoming-----	6	8	2	16	24
Virgin Islands-----	0	0	0	0	0
Anticipated Adjustment-----	0	0	0	0	164
TOTAL-----	2,684	385	376	3,445	\$8,491

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

**SPECIAL MILK PROGRAM
HALF-PINTS OF MILK SERVED
FISCAL YEAR 2017**

STATE OR TERRITORY	AVERAGE SERVED DAILY			TOTAL SERVED		
	FREE (000)	PAID (000)	TOTAL (000)	FREE (000)	PAID (000)	TOTAL (000)
Alabama-----	0	1	1	6	109	115
Alaska-----	0	0	0	0	0	0
Arizona-----	0	1	1	9	209	218
Arkansas-----	0	0	0	0	0	0
California-----	0	5	5	87	1,439	1,527
Colorado-----	0	4	4	61	690	752
Connecticut-----	0	2	2	43	507	550
Delaware-----	0	1	1	0	82	82
District of Columbia-----	0	0	0	9	0	9
Florida-----	0	0	0	6	69	76
Georgia-----	0	1	1	31	54	84
Hawaii-----	0	0	0	0	0	0
Idaho-----	0	2	2	22	437	459
Illinois-----	10	45	54	1,655	7,927	9,582
Indiana-----	0	3	3	41	622	663
Iowa-----	0	1	1	10	314	324
Kansas-----	0	2	2	43	278	321
Kentucky-----	0	1	1	6	91	97
Louisiana-----	0	1	1	0	93	93
Maine-----	0	0	0	6	56	62
Maryland-----	0	8	8	2	1,364	1,367
Massachusetts-----	0	3	3	23	1,033	1,055
Michigan-----	0	4	4	37	1,036	1,073
Minnesota-----	0	12	12	12	3,675	3,687
Mississippi-----	0	0	0	1	15	16
Missouri-----	1	11	11	94	1,894	1,988
Montana-----	0	0	0	7	46	53
Nebraska-----	0	1	1	14	364	378
Nevada-----	0	0	0	0	316	316
New Hampshire-----	0	2	2	32	662	693
New Jersey-----	1	8	9	150	1,190	1,340
New Mexico-----	0	0	0	0	0	0
New York-----	1	11	12	1,092	1,852	2,943
North Carolina-----	0	2	2	0	486	486
North Dakota-----	0	0	0	2	111	112
Ohio-----	0	8	8	52	1,577	1,630
Oklahoma-----	0	0	0	0	101	101
Oregon-----	0	2	2	18	393	412
Pennsylvania-----	1	3	3	115	1,250	1,365
Rhode Island-----	0	0	0	7	202	209
South Carolina-----	0	0	0	0	26	26
South Dakota-----	0	0	0	82	44	126
Tennessee-----	0	0	0	0	88	88
Texas-----	0	0	0	0	69	69
Utah-----	0	1	1	7	262	269
Vermont-----	0	0	0	10	70	80
Virginia-----	0	3	3	0	533	533
Washington-----	0	4	4	6	1,037	1,044
West Virginia-----	0	0	1	11	54	64
Wisconsin-----	1	23	24	193	4,614	4,806
Wyoming-----	0	0	0	0	117	118
Virgin Islands-----	0	0	0	0	0	0
TOTAL-----	18	173	191	4,001	37,458	41,459

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

The estimates include appropriations language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), [~~\$6,312,650,000~~] \$5,750,000,000, to remain available through September 30, [2019] 2020: Provided, That notwithstanding section 17(h)(10) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(10)), not less than \$60,000,000 shall be used for breastfeeding peer counselors and other related activities, and \$13,600,000 shall be used for infrastructure: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act: Provided further, That upon termination of a federally mandated vendor moratorium and subject to terms and conditions established by the Secretary, the Secretary may waive the requirement at 7 CFR 246.12(g)(6) at the request of a State agency.

Lead-Off Tabular Statement

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

Budget Estimate, 2019.....	\$5,750,000,000
2018 Annualized Continuing Resolution.....	<u>6,312,650,000</u>
Change in Appropriation.....	<u>-562,650,000</u>

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Project	2016 Actual		2017 Actual		2018 Estimate		Increase or Decrease		2019 President's Budget	
		SY		SY		SY				SY
Grants to States (Food & NSA)	\$6,260,000		\$6,250,000		\$6,212,650		-\$552,650	(1)	\$5,660,000	
Infrastructure Grants	13,600		13,600		13,600		0	(2)	13,600	
Technical Assistance	400	2	400	2	400	2	0	(3)	400	2
Breastfeeding Peer Counselors	60,000		60,000		60,000		0	(4)	60,000	
Management Information Systems	220,000		0		0		0		0	
Program Evaluation & Monitoring	5,000	6	15,000	6	15,000	6	-10,000	(5)	5,000	6
Federal Admin. Oversight	11,000	38	11,000	36	11,000	36	0	(6)	11,000	36
WIC Contingency Funds	0		0		0		0		0	
UPC Database (Direct Approp.)	1,000		1,000		1,000		0		1,000	
Total Adjusted Appropriation	6,571,000	46	6,351,000	44	6,313,650	44	-562,650		5,751,000	44
Rescissions	-220,000		-850,000		-850,000		635,000		-215,000	
Sequester	-68		-69		-66		66		0	
UPC Database (Direct Approp.)	-932		-931		-934		-66		-1,000	
Total Appropriation	6,350,000	46	5,500,000	44	5,462,650	44	72,350		5,535,000	44

FOOD AND NUTRITION SERVICE

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Project	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	2019 President's Budget	SY
Grants to States:								
Supplemental Food	\$4,711,000		\$4,428,635		\$4,420,680		\$3,848,800	
Nutrition Services and Admin. Costs	2,019,000		2,084,063		2,080,320		1,811,200	
Subtotal, Grants to States	6,730,000		6,512,698		6,501,000		5,660,000	
Infrastructure Grants	9,852		9,011		13,600		13,600	
Technical Assistance	5,594		10,936		400		400	
Breastfeeding Peer Counselors	60,292		59,937		60,000		60,000	
Management Information Systems	62,051		63,129		20,000		20,000	
Program Evaluation & Monitoring	3,272		3,125		15,000		5,000	
Federal Admin. Oversight	8,603		6,459		11,000		11,000	
WIC Contingency Funds	0		0		0		0	
UPC Database (Direct Appropriation)	234		0		1,000		1,000	
Total Obligations	6,879,898		6,665,295		6,622,000		5,771,000	
Recovery of Prior Year Obligations:								
WIC Program	-349,766		-249,946		-150,000		-82,000	
Unobligated Balances:								
Available Start of Year								
WIC Program	-665,000		-505,868		-441,519		-283,169	
WIC Contingency	-125,000		-125,000		-125,000		-125,000	
Available End of Year								
WIC Program	705,868		441,519		283,169		345,169	
WIC Contingency	125,000		125,000		125,000		125,000	
Lapse								
Total Adjusted Appropriation	6,571,000	46	6,351,000	44	6,313,650	44	5,751,000	44
Rescission	-220,000		-850,000		-850,000		-215,000	
Sequester	-68		-68		-66		0	
UPC Database (Direct Appropriation)	-932		-932		-934		-1,000	
Total Appropriation	6,350,000	46	5,500,000	46	5,462,650	44	5,535,000	44

Justification of Increases and Decreases

FNS makes funds available to participating State health agencies and Indian Tribal Organizations (ITOs) that, in turn, distribute the funds to participating local agencies. State and local agencies use WIC funds to pay the costs of specified supplemental foods provided to WIC participants, and to pay for specified nutrition services and administration (NSA) costs, including the cost of nutrition assessments, blood tests for anemia, nutrition education, breastfeeding promotion and health care referrals.

- (1) A decrease of \$552,650,000 for WIC Grants to States for supplemental food, nutrition services and administrative costs (\$6,212,650,000 estimated in FY 2018).

The funding requested will support benefits for all eligible women, infants, and children, who seek WIC benefits – currently estimated to be about 6.9 million individuals in FY 2019. The average monthly food cost per person is estimated to increase from \$41.60 in FY 2018 to \$42.80 in FY 2019. The increase in the food package cost is being driven by food inflation costs (anticipated changes in the Thrifty Food Plan are used to estimate food package inflation from the current year to the budget year).

FOOD AND NUTRITION SERVICE

The average nutrition services and administrative (NSA) cost per person is estimated to increase from \$24.15 in FY 2018 to \$25.05 in FY 2019. NSA funds are used by State agencies to provide non-food benefits to participants, including nutrition education, health screenings and referrals, and breastfeeding support; to manage the infant formula rebate system, monitor and manage relationships with retail vendors; screen applicants for nutritional risk and income eligibility; as well as a small portion for other administrative work. The increase reflects a projected increase in the State and Local Expenditure Index.

Program Performance Data	2016 Actual	2017 Actual	2018 Estimate	Increase or Decrease	2019 President's Budget
Average Participation Per Month (in millions)	7.7	7.3	7.0	-0.1	6.9
Average Food Cost Per Person Per Month	\$42.77	\$41.31	\$41.60	\$1.20	\$42.80
Average Admin. Cost Per Person Per Month	21.08	22.94	24.15	0.90	25.05
Total Benefit Costs	\$63.85	\$64.25	\$65.75	\$2.10	\$67.85

- (2) No change for Infrastructure Grants (\$13,600,000 estimated in FY 2018).
These funds are used for infrastructure for the program, for special projects to promote breastfeeding, including projects to assess the effectiveness of particular breastfeeding promotion strategies; and for special State projects of regional or national significance to improve the services of the program.
- (3) No change for Technical Assistance (\$400,000 estimated in FY 2018).
These funds are used to provide technical assistance to State agencies which allows the on-site sharing of best practices in program integrity, technology and caseload/food funds management. In addition, these funds support the development and printing of all nutrition-related training and technical assistance materials for state and local agencies.
- (4) No change for Breastfeeding Peer Counselors (\$60,000,000 estimated in FY 2018).
These funds are used to support breastfeeding peer counselor programs. For nearly all infants, breastfeeding is the best source of infant nutrition and immunologic protection, and it provides remarkable health benefits to mothers as well. The use of breastfeeding peer counselors has proven to be an effective method of increasing breastfeeding duration. State agencies are now implementing plans that institutionalize peer counseling as a core service in WIC.
- (5) A decrease of \$10,000,000 for Program Evaluation and Monitoring (\$15,000,000 estimated in FY 2018).
FNS conducts a variety of studies, evaluations, and related activities that respond to the needs of policy makers and managers and helps ensure that the WIC program effectively achieves its goals. This line supports the critical evaluations and research needed for the WIC Program, including the federal staff needed to oversee this vital work. Examples of recent WIC studies can be found on the WIC-studies FNS website: <http://www.fns.usda.gov/ops/wic-studies>.
- (6) No change for Federal Administrative Oversight (\$11,000,000 estimated in FY 2018).
Funding in this line item is used to improve Federal oversight of the EBT implementation process and to provide other technical assistance or oversight at the State level. Section 352(d) of the Healthy, Hunger-Free Kids Act of 2010 imposed a requirement that all WIC State agencies must implement EBT systems throughout the State by October 1, 2020. This is an aggressive implementation schedule and requires dedicated resources to ensure that FNS is able to provide the technical support required to assist States in meeting this Congressionally-mandated deadline. FNS is working with individual State agencies on initiatives to plan, develop and implement WIC EBT systems.

In addition, these funds enable FNS staff to provide oversight and technical assistance to States in order to improve program integrity – specifically with regard to vendor management and improper payments. A study of payment error and program violations shows that improper vendor payments constituted approximately 1.1 percent of WIC food outlays. While this report suggests that integrity problems are relatively limited, FNS staff continuously seek ways to reduce and prevent errors and program abuse. In addition to implementing EBT which provides improved integrity in the retailer side of vendor management, FNS program integrity efforts

FOOD AND NUTRITION SERVICE

include providing direct technical assistance to individual WIC State agencies to ensure the use of effective participant certification and vendor management policies such as competitive price criteria and maximum allowable reimbursement rates. Specific activities include sponsoring national, regional and state training and information conferences to facilitate the exchange of effective vendor authorization and investigation strategies, as well as strategies to identify and prevent participant abuse; performing in-depth targeted reviews of high-risk program areas; and development of model software to assist state agencies in preventing and identifying program abuse.

Geographic Breakdown of Obligations and Staff Years (SY)

(Dollars in thousands)

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) - Federal Salaries, Benefits & All Other Expenses								
	<u>2016 Actual</u>		<u>2017 Actual</u>		<u>2018 Estimate</u>		<u>2019 President's Budget</u>	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Arizona	0	0	\$144	1	0	0	\$140	1
California	\$343	3	337	2	\$338	2	328	2
Colorado	353	3	370	3	348	2	361	3
Georgia	500	4	359	2	494	3	350	2
Illinois	373	3	310	2	368	3	302	2
Massachusetts	463	3	448	3	456	3	436	3
Michigan	71	1	72	0	70	0	70	0
New Jersey	347	3	333	2	342	2	325	2
Tennessee	57	0	80	1	56	0	78	1
Texas	350	3	425	3	345	2	414	3
Virginia	15,502	23	18,393	25	18,288	27	18,302	25
Undistributed	0	0	0	0	0	0	0	0
TOTAL	\$18,359	46	\$21,271	44	\$21,105	44	\$21,106	44

FOOD AND NUTRITION SERVICE

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Program

Classification by Objects

(Dollars in thousands)

		2016	2017	2018	2019
		Actual	Actual	Estimate	President's Budget
Personnel Compensation:					
	Washington D.C.....	\$1,974	\$1,993	\$2,171	\$2,171
	Field.....	2,317	2,340	2,548	2,548
11.0	Total personnel compensation.....	4,291	4,333	4,719	4,719
12.0	Personnel benefits.....	1,355	1,408	1,490	1,490
	Total personnel comp. and benefits.....	5,646	5,741	6,209	6,209
21.0	Travel and transportation of persons.....	134	134	135	135
22.0	Transportation of things.....	2	2	2	2
25.2	Other services from non-Federal sources.....	11,000	13,574	13,574	13,574
26.0	Supplies and materials.....	604	605	605	605
41.0	Grants.....	6,862,512	6,986,831	6,610,895	5,750,475
	Total, Other Objects.....	6,874,252	7,001,146	6,625,211	5,764,791
99.9	Total, new obligations.....	6,879,898	7,006,887	6,631,420	5,771,000
	Average Salary (dollars), GS Position.....	\$95,999	\$95,763	\$97,582	\$97,582
	Average Grade, GS Position.....	12.5	12.5	12.5	12.5

FOOD AND NUTRITION SERVICE

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

Status of Programs

Program Mission

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) provides nutritious supplemental foods, nutrition education, breastfeeding promotion and support, and health care referrals at no cost to low-income pregnant, postpartum, and breast-feeding women, to infants, and to children up to their fifth birthday, who are determined by health professionals to be at nutritional risk. "Low-income" is defined as at or below 185 percent of the U.S. Poverty Income Guidelines. For the period of July 1, 2016 to June 30, 2017, this represented \$44,955 for a family of four. WIC also promotes breastfeeding as the feeding method of choice for infants, provides substance abuse education, and promotes immunization and other aspects of healthy living.

FNS makes funds available to participating State health agencies and Indian Tribal Organizations (ITOs) that, in turn, distribute the funds to participating local agencies. State and local agencies use WIC funds to pay for specified nutrition services and administration (NSA) costs, including the cost of nutrition assessments, blood tests for anemia, nutrition education, breastfeeding promotion and health care referrals.

FOOD AND NUTRITION SERVICE

Facts in Brief

Selected Characteristics of WIC Participants

Proportion of WIC Participants (Percent)

WIC Participants	April	April	April	April	April	April	April	April
	2000	2002	2004	2006	2008	2010	2012	2014
Infants	26.3	25.7	25.7	25.9	25.5	23.6	23.0	23.0
Children	49.6	50.1	49.8	48.9	49.5	52.9	53.4	53.3
Women	24.1	24.1	24.5	25.1	25	23.5	23.6	23.6
Under 18 Years Old	8.0	6.8	6.3	6.2	6.1	5.2	4.4	3.4
Breastfeeding	5.3	5.7	6.0	6.7	6.9	6.6	6.8	7.4
Race*								
Black	21.9	20.2	20.0	19.6	19.6	19.3	19.8	20.3
White	37.4	35.9	34.8	55.3	60.3	60.9	58.2	58.7
Race Not Reported	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	3.2	1.5	1.4	0.7	0.2
All Other	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	21.9	18.6	18.4	21.3	20.6
Ethnicity*								
Hispanic	35.3	38.1	39.2	41.2	42.1	42	41.5	41.6
Non-Hispanic	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	55.9	57.1	57	57.8	58.3
Ethnicity Not Reported	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	2.9	0.8	1.0	0.7	0.1
On SNAP (Food Stamps)	19.6	17.5	19.8	21.8	22.6	29.4	35.8	35.1
On Medicaid	49.5	54.3	61.1	63.2	62.0	65.6	70.8	68.8
On TANF	12.1	9.6	9.4	9.3	6.5	7.9	8.6	7.5
Poverty Status:								
0-50 Percent	26.5	26.5	28.6	29.3	29.6	31.7	33.4	34.4
51-100 Percent	29.1	27.4	28.6	30.5	31.2	32.1	33.2	33.0
101-130 Percent	13.7	13.4	13.1	13.4	13.4	12.6	11.4	11.2
131-150 Percent	7.1	6.7	6.2	6.4	6.1	5.6	5.3	5.0
151-185 Percent	8.4	8.2	7.7	7.6	7.4	6.8	6.2	5.9
Mean Income (whole \$)	\$13,819	\$14,550	\$14,758	\$15,577	\$16,535	\$16,449	\$16,842	\$17,372
Mean Household Size (persons)	4.0	4.0	4.0	4.0	4.1	4.1	4.1	4.1
One Person Households Percent	1.8	1.5	1.3	1.3	1.2	1.2	1.2	1.4
Enrollment in 1 st Trimester Percent	47.7	48.4	50.7	51.2	50.6	51.6	56.9	54.5
Enrollment in 2 nd Trimester Percent	39.0	39.8	38.4	37.9	37.4	35.4	34.7	36.0

Source: WIC Participant and Program Characteristics reports 2000-2014

* The 2006 WIC Participant and Program Characteristics Report was the first to contain data on race and ethnicity applying the new data collection procedures required by the Office of Management and Budget (OMB). Because the 2006 race/ethnicity categories differ significantly from previous reports, explicit comparison across years is not possible. <http://www.fns.usda.gov/ora/menu/Published/WIC/WIC.htm>

FOOD AND NUTRITION SERVICE

Program Participation and Costs

Average Monthly Participation (In Thousands)	2009	2010	2011	2012	2013	2014	2015	2016	2017
Women	2,182.40	2,137.90	2,096.90	2,093.70	2,046.70	1,972.80	1,922.25	1,837.41	1,738.11
Infants	2,224.20	2,173.10	2,102.80	2,067.80	2,035.50	1,964.39	1,940.00	1,874.02	1,787.34
Children <5	4,715.10	4,864.00	4,760.90	4,746.30	4,580.60	4,321.25	4,159.07	3,979.29	3,760.24
Total	9,121.70	9,175.00	8,960.60	8,907.80	8,662.80	8,258.48	8,021.32	7,690.72	7,285.69
Change from Prior Year	4.80%	0.60%	-2.30%	-0.60%	-2.80%	-4.67%	-2.87%	-4.12%	-5.30%
Food Cost Total (Million \$)	\$4,641	\$4,563	\$5,018	\$4,808	\$4,497	\$4,324	\$4,176	\$3,934	\$3,610
Avg./Person/Month	\$42.40	\$41.44	\$46.67	\$44.98	\$43.26	\$43.64	\$43.37	\$42.62	\$41.30
Change in Per Person Food Cost	-2.30%	-2.30%	12.60%	-3.60%	-3.80%	0.87%	-0.61%	-1.73%	-3.10%
Per Person Per Month Total (Food/Admin.) Cost	\$58.73	\$58.77	\$64.91	\$62.55	\$61.36	\$62.85	\$63.33	\$63.78	\$63.84

Source: Program Information Reports, November 29, 2017, National Data Bank, KD21 US FY 2017. Updates may be received in future reporting periods.

WIC Food Package

In FY 2017, the National Academies of Science, Engineering and Medicine (NASEM) released its final report, *Review of WIC Food Packages: Improving Balance and Choice* that makes recommendations for the WIC food packages. This report completed the 2-year contract with NASEM to conduct an independent, comprehensive scientific review of WIC food packages, and recommend cost-neutral changes in line with the nutritional status and food and nutrition needs of the WIC-eligible population. FNS completed its review of the NASEM food package report and assessed NASEM's recommendations to inform FNS decisions on next steps in FY 2018.

Nutrition Education

Nutrition education, including breastfeeding promotion and support, is integral to the success of the WIC Program and is an important part of the WIC benefit package. Statute requires that one-sixth of the amounts States spend for nutrition service and administration must go for nutrition education and breastfeeding promotion. Nutrition education is provided through individual or group counseling sessions. In addition, participants receive materials designed to help participants achieve a positive change in dietary and physical activity habits and improve health status. Participants also are counseled on the importance of WIC foods in preventing and overcoming specific nutrition risk conditions identified during their nutrition risk assessment. For pregnant and postpartum mothers, special emphasis is given to appropriate infant feeding practices, prenatal nutrition, and breastfeeding support and promotion. Program regulations require States to offer at least two nutrition education contacts for each participant during each six-month certification period, or quarterly for participants certified for a period in excess of six months. Program regulations also require clinics to promote breastfeeding to all pregnant women, unless medically contraindicated, and provide information on drug and other harmful substance abuse to all pregnant, postpartum, and breastfeeding women, and to parents or caregivers of infants and children.

In FY 2017, the update to the *Infant Nutrition and Feeding: A Guide for Use in the Special Supplemental Nutrition Program for Women, Infants, and Children*, was completed. The Guide is a resource to help WIC local agency staff promote good practices in the area of infant feeding, plan education classes and referral programs, and select and/or develop educational materials.

In FY 2017, FNS managed the comprehensive redesign of the WIC Works Resource System, <https://wicworks.fns.usda.gov>, to be consistent with USDA design standards, improve searchability and add other new features to the site that improve the user's experience, and performed content migration and site testing. FNS continually adds, reviews and revises the resources that the WIC Works Resource System offers. In FY 2017, FNS:

Developed a Social Media Toolkit for World Breastfeeding Week activities;

FOOD AND NUTRITION SERVICE

Posted CDC's Zika virus resources and *Learn the Signs. Act Early. Free Resources for WIC Staff* (in English and Spanish) that provide an overview of how WIC staff can raise parent awareness of child developmental milestones. Renewed the continuing education credits for WIC Learning Online courses for dietitians and nurses; and

Posted updated participant fact sheets in both English and Spanish of "*Healthy Eating for Preschoolers*", "*Tips for Pregnant Moms*", and "*Tips for Breastfeeding Moms*."

Breastfeeding Promotion Efforts

Breastfeeding promotion and support is a key component of the WIC Program, and WIC supports breastfeeding by providing comprehensive, up-to-date and culturally appropriate breastfeeding information and counseling. WIC program staff offer support, anticipatory guidance and encouragement to new mothers and the benefits of breastfeeding are explained to participants in the nutrition education information provided during pregnancy. Due to increased nutritional needs of breastfeeding women, WIC mothers who decide to breastfeed are eligible to receive WIC for a longer period of time and receive a larger food package than non-breastfeeding postpartum women.

The WIC Peer Counseling Program provides mother-to-mother support and addresses the barriers to breastfeeding that WIC mothers face. WIC State agencies continue to implement plans that institutionalize breastfeeding peer counseling as a core service in WIC. In FY 2017, FNS awarded nearly \$60 million in grants for breastfeeding peer counseling. The 2015 WIC Breastfeeding Policy Inventory, the latest data available, reported that 93 percent of State agencies there are 87 out of 90 total state agencies operating or overseeing local agencies that had peer counseling programs. Sixty-nine percent of local agencies operate a peer counseling program. Among these local agencies, the peer counseling program was available in an average of 83 percent of their clinic sites. These local agencies served 86 percent of the WIC population. Among agencies operating a peer counseling program and providing direct services to participants, there were on average four peer counselors in local agencies and seven peer counselors in State agencies that provided direct-services. The difference between breastfeeding rates among all women versus WIC participants has narrowed. WIC's strong policy and operational emphasis on promoting breastfeeding has resulted in a steady rise in WIC breastfeeding rates. According to the CDC, between 2002 and 2013, the percentage of all U.S. children who were breastfed increased from 71 percent to 81 percent. Over roughly the same period, from 2002 to 2014, the percentage of infants participating in WIC who were breastfed increased from 48 percent to 69 percent

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA), Public Law 111-296, enacted January 5, 2010, increased emphasis on breastfeeding promotion and support in WIC. The HHFKA established the provision of breastfeeding performance bonus payments. Bonus awards are legislatively designated as "program income", so State agencies have considerable flexibility in using the funds to further the objectives of the WIC Program.

Because the WIC Breastfeeding Bonus Awards have been established to recognize accomplishments in promoting and supporting breastfeeding among WIC participants, State agencies are encouraged to use these funds on breastfeeding-related activities and items which further breastfeeding promotion and support efforts within their Program. For example, these funds may be used to hire new breastfeeding staff, train staff and community partners (e.g., local hospital staff and physicians), develop and provide participant education and promotional materials, provide breastfeeding resources for staff (e.g., relevant reference materials), and staff credentials (e.g., Internal Board Certified Lactation Consultant and Certified Lactation Counselor). While these are suggestions, it is the State agencies' discretion on how the funds are used provided the purpose meets the conditions for use as program income.

In FY 2017, awards were made to three large State agencies with greater than 1,000 infant participants (Puerto Rico, Iowa, Ohio) and three small State agencies with less than 1,000 infant participants (Eastern Cherokee, NC; San Felipe, NM; Five Sandoval, NM). The performance bonuses, totaling \$100,000, build upon WIC's longstanding efforts to promote and support breastfeeding, and are intended to recognize and award State agencies that have demonstrated successful breastfeeding promotion and support efforts. These awards provide an opportunity to highlight successful WIC breastfeeding initiatives. Additionally, these awards encourage successful State agencies to continue their efforts and motivate other State agencies to strengthen their breastfeeding promotion and support services.

FOOD AND NUTRITION SERVICE

All WIC local agencies are required to implement policies and procedures to provide breastfeeding support and assistance throughout the prenatal and postpartum period. Section 231 of HRFKA requires USDA to implement a program to recognize exemplary breastfeeding support practices at WIC local agencies and clinics. The Loving Support Award of Excellence recognizes and celebrates local agencies that provide exemplary breastfeeding programs and support services. This approach allows FNS to recognize exemplary local WIC breastfeeding programs, provide models to motivate other local agencies to strengthen their breastfeeding promotion and support activities, with the goal of ultimately increasing breastfeeding initiation and duration rates among WIC participants. The award is given at three levels of performance: Gold, Gold Premiere, and Gold Elite. As part of the celebration for World Breastfeeding Week, August 1-7, 2017, WIC awarded the Loving Support Awards of Excellence to 90 WIC local agencies from all seven FNS regions.

FNS continues to collaborate with other Federal agencies and non-profit organizations to promote breastfeeding surrounding the Surgeon General's Call to Action to Support Breastfeeding (Call to Action) and the Healthy People 2020 objectives on breastfeeding. FNS partners with other member organizations to sponsor the Breastfeeding Promotion Consortium (BPC) meeting. The mission of the BPC is to be a forum for the Federal Government and breastfeeding advocacy groups to promote, protect, and support breastfeeding. The BPC comprises over 30 organizations, including professional and public health associations, government agencies, and breastfeeding advocacy groups. Additionally, FNS participates in a Federal Breastfeeding Workgroup, convened by the Department of Health and Human Services' Centers for Disease Control and Prevention, which focuses on implementation activities as well as interagency coordination of breastfeeding support efforts. The workgroup includes staff from Federal agencies that have a substantive role in breastfeeding promotion and support activities. FNS is also a government liaison to the United States Breastfeeding Committee, a national breastfeeding committee composed of representatives from relevant government departments, non-governmental organizations, and health professional associations who strategically work to support breastfeeding efforts and initiatives across the country.

Program Oversight and Monitoring

FNS works with our partners in State agencies to ensure that WIC Program resources are being used to efficiently run the program across the country. State agency compliance with WIC policy and program rules is verified through the WIC Management Evaluations (ME) process, which includes on-site reviews of State and local agency operations, as well as a thorough review of State and local agency documentation. Some items that are reviewed during the WIC ME process include: management information system (MIS) reports, financial/banking reports, internal records, redeemed food instruments, internal/external contracts, training documents, and participant and vendor files. Additionally, observation of clinic operations and on-site vendor visits are included in WIC MEs. Information gathered through the ME process provides a basis for FNS to develop strategic goals to improve service delivery and program integrity. Additionally, MEs provide the opportunity for FNS staff to target technical assistance to State agencies since any deficiencies or areas of noncompliance that are identified during the ME process are addressed through a corrective action process.

FNS regularly assesses its ME process and makes improvements, when appropriate, in order to ensure compliance with program regulations and to provide effective and efficient program management. The functional areas that are reviewed during WIC MEs include: Vendor Management; Funding and Participation; Information Systems Management; Nutrition Services; Civil Rights; Certification, Eligibility and Coordination; Food Delivery; Organization and Management; and Monitoring and Audits.

In FY 2017, FNS Regional staff completed Target Area MEs in Funding and Participation, as well as additional MEs based on assessed risk. The objective of the FY 2017-2018 Target Area ME Cycle is to conduct a national in-depth review of WIC funding and participation policy, practices, and procedures to examine how State agencies manage their funds (both food funds and nutrition services and administration (NSA) funds) as well as how they manage their caseload. FNS Regional Offices conducted 29 Funding and Participation MEs in FY 2017 and plan to conduct the remaining 26 in FY 2018. FNS will utilize the results of the MEs to determine where opportunities for targeted training and technical assistance to State agencies are needed. FNS is currently analyzing FY 2017 Funding and Participation ME data in preparation for the FY 2018 MEs.

FOOD AND NUTRITION SERVICE

In FY 2017, FNS held monthly meetings with the Regional Office Funding and Participation ME workgroup. The workgroup discussed the MEs, related policy, and potential solutions in order to ensure greater nationwide consistency in the conduct and documentation of WIC MEs. The FY 2017 review, revision, and training process will serve as the template for future efforts to update WIC ME functional areas, including Nutrition Services in FY 2018.

Cost Containment and Vendor Management

In an effort to use food grants more efficiently, most WIC State agencies have implemented cost containment strategies aimed at reducing food package costs. These strategies may include using a competitive bidding process to award rebate contracts for infant formula and other WIC foods, implementing least expensive brand policies, and authorizing lower-cost foods. State agencies use savings generated by these kinds of strategies to provide benefits to more participants within the same total budget. Due to the success of cost saving measures, average per person WIC food costs have grown much more slowly than general food inflation over the last 25 years. The average monthly food cost has increased by approximately 38.2 percent from FY 1990 to FY 2017, while general food inflation, as measured by the Thrifty Food Plan (TFP), has increased by 88.8 percent.

The most successful strategy has been competitively bid infant formula rebate contracts between State agencies and infant formula manufacturers. In addition, eight State agencies, including one multi-State contract, have rebate contracts for infant foods (cereal, vegetable, fruit, and meat). In FY 2017, States reported an estimated annual rebate savings of \$1.71 billion. Approximately 92 percent (45) of the geographic State agencies (excluding Mississippi) received a 95 to 107 percent discount on the wholesale cost of a 13-ounce can of milk-based liquid concentrate infant formula. Of the remaining geographic State agencies, three received discounts ranging from 81 to 88 percent and Vermont has a rebate that yields a discount of 33 percent. Fourteen geographic State agencies implemented milk-based infant formula contracts for FY 2017 with discounts ranging from 85 to 107 percent, with a median discount of 100 percent. FNS continues to closely monitor infant formula rebates.

In addition, FNS continued to work with State agencies to improve program integrity. In FY 2017, FNS:

Issued the WIC Vendor Management and Food Delivery Handbook to State and federal staff who operate and oversee the WIC Program. The Handbook is a comprehensive summary of regulations, policy, and guidance related to WIC Vendor Management and Food Delivery, two key components of WIC program integrity. The Handbook includes topical guidance designed to help State agencies effectively develop, assess, or implement key vendor management and cost containment system components. FNS planned and facilitated a three-day workshop in April 2017 to train FNS HQ and Regional Offices on the Handbook.

Provided targeted technical assistance to five WIC State Agencies identified as at-risk of non-compliance with federal requirements as they worked to improve their vendor management and cost containment systems.

Lifted the federal moratorium on the authorization of new WIC vendors in Louisiana after providing extensive technical assistance to improve policies and procedures related to WIC vendor management and cost containment, as well as infant formula rebate billing.

Awarded a contract to develop a new system to manage vendor compliance data (The Integrity Profile (TIP) NextGen). TIP NextGen is expected to provide better, more timely data to improve oversight of the WIC Program using technological solutions. Development work is scheduled to begin in the 2nd quarter of FY 2018.

Conducted a Regional webinar on TIP, which focused on reviewing and analyzing State agency TIP data for compliance with WIC Program regulations. Training materials were provided that serve as reference materials for identifying potential reporting errors.

Hosted technical assistance webinars for State agencies on TIP reporting. The webinars provided TIP basics to new staff on preparing and submitting annual reports, and provided information on reviewing and analyzing TIP data for compliance with WIC Program regulations. Training materials were provided that serve as reference materials for WIC State agencies as they prepare and submit their annual reports.

FOOD AND NUTRITION SERVICE

Presented four hour-long sessions at the FY 2017 National WIC Association's Technology, Program Integrity, and Vendor Management Conference. These sessions were designed to address common issues faced by WIC State agencies.

Updated the annual WIC Improper Payments Information Act (IPIA) Corrective Action Plans and corresponding reports in order to comply with relevant requirements.

Reviewed WIC rebate bid solicitations in FY 2017 for compliance with Federal requirements and provided technical assistance to ensure competitiveness of the following State agencies' infant formula rebate contracts: California, Illinois, Louisiana, Michigan, Mississippi, New Jersey, North Dakota, Puerto Rico and the Texas Alliance (Texas, Iowa, Minnesota, and Choctaw of Oklahoma).

WIC Prescreening Tool

The WIC Prescreening Tool is a web-based application that helps potential WIC applicants determine if they are likely to be eligible for WIC benefits. Users complete a series of short questions to determine eligibility; those who are likely to be WIC eligible are provided with State-specific contact information and are encouraged to make certification appointments with their WIC local agencies. Additionally, users are provided with a printable summary of their responses and a list of examples of the documentation that is required at an initial certification appointment.

The WIC Prescreening Tool is accessible to all Internet users via the "Am I Eligible for WIC Benefits?" link on the WIC homepage. The tool is accessed approximately 1,000 times per day by users across the country. Currently, the WIC Prescreening Tool is available in nine different languages: English, Spanish, Mandarin Chinese, Arabic, Haitian-Creole, Korean, Russian, Somali, and Vietnamese. Metrics gathered from the tool provide data that can be used to help inform the development of WIC initiatives and collaboration with similar programs.

State Agency Model (SAM) Project

The SAM Project is an initiative to develop model WIC management information systems (MIS) through multiple State agency consortia. It also includes the transfer of these models to other WIC State agencies in order to eliminate duplication of systems development and streamlines the MIS procurement process. The SAM Project is consistent with FNS' technology goal to improve WIC system functionality through the replacement of automated legacy systems. For many States, this step is a necessary precursor to EBT implementation.

The three SAM systems are:

- Successful Partners in Reaching Innovative Technology (SPIRIT), comprised of 17 ITOs: Acoma Canoncito & Laguna Hospital (ACL), Alaska, Chickasaw Nation, Choctaw Nation, Citizen Potawatomi Nation, Eight Northern Pueblos, Five Sandoval Pueblos, Inter-Tribal Council (ITC) of Oklahoma, Indian Township Passamaquoddy Reservation; and six geographic State agencies: Maine, Minnesota, Mississippi, Mississippi Band of Choctaw Indians, Missouri, Montana, Muscogee Creek Nation, Osage Nation, Otoe-Missouria, Pleasant Point Passamaquoddy Reservation, Pueblo of San Felipe, Santo Domingo Tribe, Wichita Caddo Delaware (WCD) Enterprises, and Zuni Pueblo;
- The Mountain Plains State Consortium (MPSC), comprised of nine State agencies: Colorado, Iowa, Nebraska, Nevada (also hosting Inter Tribal Council of Nevada), (ITCN); North Dakota, Utah, Vermont, and Wyoming; and
- Crossroads, comprised of three State agencies: Virginia, West Virginia and Alabama.

Electronic Benefit Transfer (EBT)

As required by Congress, FNS is supporting State agencies to enable them to implement EBT statewide by October 1, 2020, as required by law.

FOOD AND NUTRITION SERVICE

EBT systems have the potential to enhance benefit delivery and improve accountability of food benefits and vendor payment systems. FNS continues to work with individual State agencies to plan, develop, and implement WIC EBT systems. As of the end of FY 2017, 88 WIC State agencies are involved in some phase of EBT -- planning, development, or implementation or they are already operational Statewide. In FY 2017, 13 EBT projects were funded.

As of October 2017, 29 WIC State agencies, delivering 41% benefits, have successfully implemented EBT projects Statewide. Six State agencies (Cherokee; Pueblo of Isleta; New Mexico; Ohio; Texas and Wyoming) are using Smartcard technology and 23 (Chickasaw Nation; Citizens of Potawatomi Nation (CPN); Colorado; Connecticut; Delaware; Florida; ITCN; Indiana; Iowa; Kentucky; Maryland; Massachusetts; Michigan; Montana; Nevada; Oklahoma; Oregon; South Dakota; Virginia; West Virginia; Wichita Caddo Delaware (WCD); and Vermont and Wisconsin have successfully implemented EBT using magnetic stripe cards, or online technology.

Twenty-five WIC State agencies are currently in the planning phase for EBT. They include: Acoma Canoncito & Laguna Hospital (ACL); Cheyenne River Sioux Tribe; District of Columbia; Eastern Shoshone; Eight Northern Indian Pueblos, Inc.; Five Sandoval Indian Pueblos (Lead in ITO EBT Project); Georgia; Indian Township Passamaquoddy Reservation; Mississippi; Mississippi Band of Choctaw Indians; New Jersey; Northern Arapaho Nation; Omaha Nation; Pleasant Point Passamaquoddy Reservation; Pueblo of Zuni; Rosebud Sioux Tribe; Santee Sioux Tribe; Seneca Nation; Standing Rock Sioux; Three Affiliated Tribes; Utah; Ute Mountain Ute Tribe; and Winnebago Tribe.

Thirty-six WIC State agencies are currently in the implementing phase for EBT: Alabama; Alaska; Arkansas; American Samoa (Arizona lead); Arizona; California; Choctaw Nation; Commonwealth of the Northern Mariana Islands (CNMI) (Arizona Lead); Eastern Band of Cherokee Indians; Guam (Arizona lead); Hawaii; Idaho; Illinois; Inter Tribal Council, Inc. of Arizona; Inter Tribal Council Inc. of Oklahoma; Kansas; Louisiana; Maine; Minnesota; Missouri; Muscogee Creek Nation; Navajo Nation (Arizona lead); Nebraska; New Hampshire; New York; North Carolina; North Dakota; Osage Nation; Otoe-Missouria Tribe; Pennsylvania; Puerto Rico; Rhode Island; South Carolina; Tennessee; Virgin Islands; and Washington.

Nutrition Risk Assessment

Value Enhanced Nutrition Assessment (VENA): The VENA initiative was implemented in FY 2006 with the purpose of improving the WIC nutrition assessment process and criteria and to more closely align nutrition risk determination with WIC nutrition interventions. FNS continues to provide technical assistance to State agencies with VENA competencies and operation; including the WIC Works Resource System public website, which hosts a VENA village complete with three VENA competency online training modules, the VENA guidance document, and State developed training materials.

Revised WIC Nutrition Risk Criteria: In FY 2017, three WIC nutrition risk criteria were revised as part of the ongoing cyclical review of risk criteria and one new risk criteria was added (to be implemented in FY 2019). The following criteria were revised/added: Preterm or Early Term Delivery; History of Preterm or Early Term Delivery, Neonatal Abstinence Syndrome (new) and Inappropriate Nutrition Practices for Infants.

WIC Child Retention

In FY 2017, FNS participated in a variety of WIC child retention activities:

FNS continued participating in collaboration efforts with the U.S. Department of Health and Human Services, specifically the Maternal and Child Health Bureau and the Office of Head Start (OHS), to enhance outreach efforts to families with young children with the goal of increasing WIC participation among children one to four years of age. An updated Memorandum of Understanding between FNS and OHS is under development.

FNS awarded nearly \$2 million in WIC Special Project grants with the focus area of WIC child retention in FY 2014 and 2016. Two types of WIC Special Project Grants were awarded - Mini grants and Full grants. In FY 2017 three Mini grant (from FY 2014) final reports were finalized for publication. The remaining grants from FY 2014 (three

FOOD AND NUTRITION SERVICE

Full grants) and FY 2016 (two Mini grants and six Full grants) have progressed as planned and will be completed in FY 2018 and FY 2019, respectively.

Collaboration efforts with other programs that serve young children, e.g. child care facilities, Child and Adult Care Food Program, Head Start and Early Head Start, Office of Adolescent Health and Share Our Strength will continue in FY 2018.

WIC Studies and Evaluations

FNS published five major reports related to WIC during FY 2017, which are available at <http://www.fns.usda.gov/ops/wic-studies>. These include:

WIC Eligibles and Coverage: National and State Estimates for 2014 which updates estimates on the number of people eligible for WIC benefits in 2014, including estimates by participant category (including children by single year of age) and coverage rates, and updated estimates in U.S. territories.

Review of WIC Food Packages: Improving Balance and Choice: With support from the Food and Nutrition Service of the U.S. Department of Agriculture, the National Academies of Sciences, Engineering, and Medicine (formerly Institute of Medicine) convened an expert committee to review and assess the nutritional status and food and nutritional needs of the WIC-eligible population and provide recommendations based on its review and grounded in the most recently available science. This final report was released in January, 2017.

Planning for Future Data Collection Needs within WIC: This report explores WIC State agencies' ability to collect, store, retrieve, and report data to meet policy and program management needs now and in the future.

WIC Vendor Peer Group Study: The purpose of this study is to evaluate the effectiveness of State Agencies current peer group systems, and to provide guidance to State Agencies on how to evaluate and update their systems. Specifically, it uses empirical analysis to identify one or more effective models for establishing vendor peer groups that could apply to most State Agencies.

WIC Infant Toddler Feeding Practices Study 2: Infant Year Report: The WIC Infant and Toddler Feeding Practices Study-2 (WIC ITFPS-2)/ "Feeding My Baby" captures data on WIC caregivers and their children over the first 5 years of each child's life to address a series of research questions regarding feeding practices, the effect of WIC services on those practices, and the health and nutrition outcomes of children on WIC. Additionally, the study assesses changes in behaviors and trends that may have occurred over the past 20 years by comparing findings to the WIC Infant Feeding Practices Study-1 (WIC IFPS-1), the last major study of the diets of infants on WIC. This report focuses on breastfeeding intention, initiation and duration, and the introduction of complementary foods.

FOOD AND NUTRITION SERVICE

**SPECIAL SUPPLEMENTAL NUTRITION PROGRAM (WIC)
PARTICIPATION AND PROGRAM FINANCING
FISCAL YEAR 2017**

STATE OR TERRITORY	AVERAGE MONTHLY PARTICIPATION				PROGRAM GRANT 2/ (000)
	WOMEN	INFANTS	CHILDREN	TOTAL	
Alabama-----	30,950	33,674	59,369	123,993	\$109,820
Alaska-----	4,318	4,185	9,684	18,187	23,323
Arizona 1/-----	35,093	39,361	79,057	153,510	139,964
Arkansas-----	19,998	22,303	34,217	76,518	68,957
California-----	244,194	229,339	607,044	1,080,577	1,114,188
Colorado 1/-----	21,001	20,511	43,070	84,582	66,789
Connecticut-----	10,782	12,822	24,226	47,830	41,858
Delaware-----	4,024	4,777	8,238	17,040	15,646
District of Columbia-----	3,549	4,093	5,895	13,536	13,938
Florida-----	114,447	116,080	236,872	467,399	363,785
Georgia-----	60,199	53,426	123,469	237,093	214,266
Hawaii-----	6,473	6,608	13,774	26,856	29,499
Idaho-----	8,624	8,574	19,329	36,526	29,726
Illinois-----	51,063	59,706	100,598	211,367	224,324
Indiana-----	33,929	36,797	73,243	143,969	111,021
Iowa-----	14,482	14,760	32,754	61,996	44,610
Kansas-----	12,491	13,219	28,425	54,135	40,915
Kentucky-----	25,190	28,445	54,250	107,885	96,775
Louisiana-----	30,943	35,568	53,243	119,754	120,997
Maine 1/-----	4,139	4,532	10,696	19,367	18,453
Maryland-----	31,538	31,598	69,707	132,843	116,849
Massachusetts-----	24,875	24,863	63,026	112,764	81,398
Michigan-----	48,815	56,010	119,280	224,106	191,907
Minnesota-----	25,428	25,220	60,385	111,033	97,774
Mississippi 1/-----	20,147	24,411	39,103	83,662	83,018
Missouri-----	30,282	33,036	56,302	119,620	81,481
Montana-----	3,961	4,367	9,117	17,444	15,682
Nebraska 1/-----	8,531	8,950	19,953	37,434	33,946
Nevada 1/-----	15,295	16,744	34,021	66,060	52,566
New Hampshire-----	2,798	2,960	7,305	13,064	9,955
New Jersey-----	34,356	34,218	79,256	147,830	146,784
New Mexico 1/-----	12,295	12,392	25,287	49,974	42,702
New York 1/-----	102,755	100,388	231,918	435,061	489,442
North Carolina 1/-----	56,693	57,690	116,274	230,657	195,329
North Dakota 1/-----	2,812	3,061	6,856	12,729	12,664
Ohio-----	52,316	71,531	97,899	221,746	159,543
Oklahoma 1/-----	25,213	27,269	53,331	105,813	92,449
Oregon-----	20,354	18,881	50,299	89,534	73,201
Pennsylvania-----	50,194	59,683	116,188	226,064	189,591
Rhode Island-----	4,210	4,789	10,496	19,496	17,648
South Carolina-----	25,769	28,744	44,819	99,332	93,018
South Dakota 1/-----	4,027	4,434	9,914	18,375	20,022
Tennessee-----	36,560	39,310	60,433	136,303	123,904
Texas-----	218,681	204,132	399,061	821,873	535,487
Utah-----	12,811	12,491	28,447	53,748	43,172
Vermont-----	2,522	2,271	6,765	11,558	13,371
Virginia-----	30,297	33,066	58,822	122,184	90,736
Washington-----	35,499	32,944	89,052	157,494	133,996
West Virginia-----	9,115	10,121	19,079	38,315	34,229
Wisconsin-----	20,943	23,227	51,720	95,890	87,587
Wyoming 1/-----	2,421	2,458	5,282	10,161	9,179
American Samoa-----	1,012	934	3,738	5,684	7,356
Guam-----	1,403	1,647	3,593	6,643	10,284
North Mariana Island-----	646	573	2,054	3,272	4,778
Puerto Rico-----	26,203	23,506	90,060	139,769	225,986
Virgin Islands-----	887	855	2,101	3,843	6,799
Anticipated adjustment ---					11
TOTAL -----	1,737,549	1,787,551	3,758,394	7,283,494	\$6,512,698

1/ Includes Indian Tribal Organizations

2/ Excludes obligations for WIC infrastructure grants, technical assistance, Breastfeeding Peer Counselors, EBT/MIS, and Federal Administrative Oversight. Totals may not add due to rounding.

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

Supplemental Nutrition Assistance Program

The estimates include appropriations language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Supplemental Nutrition Assistance Program:

For necessary expenses to carry out the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), [~~\$73,613,490,000~~] \$73,218,276,000, of which \$3,000,000,000, to remain available through December 31, [2019]-2020, shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That funds provided herein shall be expended in accordance with section 16 of the Food and Nutrition Act of 2008: [*Provided further*, That of the funds made available under this heading, \$996,000 may be used to provide nutrition education services to State agencies and Federally Recognized Tribes participating in the Food Distribution Program on Indian Reservations:] *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That funds made available for Employment and Training under this heading shall remain available through September 30, [2019] 2020: *Provided further*, That funds made available under this heading for section 28(d)(1) and section 27(a) of the Food and Nutrition Act of 2008 shall remain available through September 30, [2019] 2020: *Provided further*, That funds made available under this heading may be used to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to program integrity provided that such activities are authorized by the Food and Nutrition Act of 2008.

The first change eliminates discretionary funding for FDPIR Nutrition Education.

Lead-Off Tabular Statement

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) – Current Law

Budget Estimate, 2019.....	\$73,218,276,000
2018 Annualized Continuing Resolution.....	<u>73,613,492,000</u>
Change in Appropriation	<u>-395,216,000</u>

FOOD AND NUTRITION SERVICE

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Chg Key	Inc. or Dec.	2019 President's Budget	SY
Participant Benefits:										
SNAP Benefits	\$70,124,319		\$67,754,435		\$62,638,952		(1)	-\$573,204	\$62,065,748	
Contingency Reserve	3,000,000		3,000,000		3,000,000		(2)	0	3,000,000	
State Administrative Costs	4,221,946		4,230,476		4,483,411		(3)	121,052	4,604,463	
Nutrition Ed. & Obesity Prevention Grant Prog.	408,000		411,000		421,000		(4)	7,000	428,000	
Employment and Training:										
Federal Funds 100%	110,000		110,000		110,000			0	110,000	
Federal Funds and Participant Costs 50%	345,320		346,018		366,706			9,901	376,607	
Subtotal, Employment and Training	455,320		456,018		476,706		(5)	9,901	486,607	
Subtotal, State Administrative Funding	5,085,266		5,097,494		5,381,117			137,953	5,519,070	
Mandatory Other Program Costs:										
Benefit & Retailer Redemption and Monitoring	49,809	109	51,337	124	51,149	122	(6a)	1,376	52,525	122
Certification of SSI Recipients for SNAP	19,347		19,591		19,618		(6b)	275	19,893	
Payment Accuracy and Cooperative Services	25,144	58	28,894	93	25,820	96	(6c)	694	26,514	96
Web-Based Automation of Systems	7,503	3	7,500	3	7,500	3	(6d)	0	7,500	3
Retailer Integrity and Trafficking	17,288	54	17,792	55	17,753	57	(6e)	478	18,231	57
Computer Support	10,067		10,194		10,208		(6f)	143	10,351	
Electronic Benefit Transfer Systems	15,672	37	15,807	38	15,891	38	(6g)	222	16,113	38
Nutrition Education and Program Information	17,605	49	22,056	49	18,078	50	(6h)	486	18,564	50
Program Evaluation and Modernization	14,522	6	18,055	8	14,912	8	(6i)	401	15,313	8
FMMI	3,500		3,500		3,500		(6j)	0	3,500	
IT Modernization and Support	2,000		2,000		2,000		(6k)	0	2,000	
Subtotal, Mandatory Other Program Costs	182,457		196,726		186,429			4,075	190,504	
Discretionary Other Program Costs:										
FDPIR Nutrition Education	998		998		991		(14)	-991	0	
Subtotal, Discretionary Other Program Costs	998		998		991			-991	0	
Subtotal, Other Program Costs	183,455	316	197,724	370	187,420	374		3,084	190,504	374
Subtotal, Supplemental Nutrition Assistance Program	78,393,040	316	76,049,653	370	71,207,489	374		-432,167	70,775,322	374
Nutrition Assistance for Puerto Rico	1,959,136		1,949,001		1,929,646		(7)	32,281	1,961,927	
American Samoa	7,868		7,893		7,709		(8)	170	7,879	
FDPIR:										
USDA Foods in lieu of SNAP	103,664	0	103,310	0	104,976	1		-1,738	103,238	1
Distributing Agencies Expenses and Nut. Ed.	41,527		47,690		48,024			1,738	49,762	
Subtotal, FDPIR	145,191		151,000		153,000		(9)	0	153,000	
TEFAP Commodities 1/	318,000		297,000		289,500	2	(10)	4,500	294,000	2
Commonwealth of the Northern Mariana Islands	12,148		12,148		12,148		(11)	0	12,148	
Community Food Project	9,000		9,000		9,000		(12)	0	9,000	
Program Access	5,000		5,000		5,000		(13)	0	5,000	
Total Appropriation without Sequester	80,849,383	316	78,480,695	370	73,613,492	377		-395,216	73,218,276	377
Sequestration	-9,721		-10,400		-9,564			9,564	0	
Total Appropriation with Sequester	80,839,662	316	78,470,295	370	73,603,928	377		-385,652	73,218,276	377
Proposed Legislation									-17,008	

1/ Up to 10 percent of the funding provided for The Emergency Food Assistance Program (TEFAP) for the procurement of commodities may be used for TEFAP administrative costs.

2/An additional \$19M was provided to TEFAP through General Provision 748, P.L. 115-31.

FOOD AND NUTRITION SERVICE

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Inc. or Dec.	2019 President's Budget	SY
Participant Benefits:									
SNAP Benefits	\$66,490,323		\$63,563,320		\$62,638,952		-573,204	\$62,065,748	
State Options Reimbursable	75,000		58,000		85,000		0	85,000	
Subtotal, Participant Benefits	66,565,323		63,621,320		62,723,952		-573,204	62,150,748	
Contingency Reserve	0		257		3,000,000		-3,000,000	0	
State Administrative Costs	3,771,417		3,796,002		4,483,411		121,052	4,604,463	
Nutrition Ed. & Obesity Prevention Grant Prog.	419,867		411,096		421,000		7,000	428,000	
Employment and Training:									
Federal Funds 100%	116,368		118,813		110,000		0	110,000	
Federal Funds and Participant Costs 50%	310,020		318,932		366,706		9,901	376,607	
Subtotal, Employment and Training	426,388		437,745		476,706		9,901	486,607	
Subtotal, State Administrative Funding	4,617,672		4,644,843		5,381,117		137,953	5,519,070	
Mandatory Other Program Costs:									
Benefit & Retailer Redemption and Monitoring	41,245	109	43,057	124	48,525	122	4,000	52,525	122
Certification of SSI Recipients for SNAP	18,377		22,110		18,612		1,281	19,893	
Payment Accuracy and Cooperative Services	19,185	58	25,416	93	24,495	96	2,019	26,514	96
Web-Based Automation of Systems	6,810	3	6,969	3	7,115	3	385	7,500	3
Retailer Integrity and Trafficking	16,333	54	19,067	55	16,842	57	1,389	18,231	57
Computer Support	9,513		11,071		9,684		667	10,351	
Electronic Benefit Transfer Systems	14,490	37	21,612	38	15,076	38	1,037	16,113	38
Nutrition Education and Program Information	16,282	49	18,677	49	17,151	50	1,413	18,564	50
Program Evaluation and Modernization	10,841	6	13,785	8	14,147	8	1,166	15,313	8
FMMI	3,263		3,592		3,320		180	3,500	
IT Modernization and Support	1,864		1,040		1,898		102	2,000	
Subtotal, Mandatory Other Program Costs	158,203		186,396		176,865		13,639	190,504	
Discretionary Other Program Costs:									
FDPIR Nutrition Education	986		973		991		-991	0	
Subtotal, Discretionary Other Program Costs	986		973		991		-991	0	
Subtotal, Other Program Costs	159,189	316	187,369	370	177,856	374	12,648	190,504	374
Subtotal, Supplemental Nutrition Assistance Program	71,342,184	316	68,453,789	370	71,282,925	374	-3,422,603	67,860,322	374
Nutrition Assistance for Puerto Rico	1,959,136		1,949,001		1,929,646		32,281	1,961,927	
American Samoa	7,802		7,802		7,709		170	7,879	
FDPIR:									
USDA Foods in lieu of SNAP	97,555	0	91,164	0	104,976	1	-1,738	103,238	1
Distributing Agencies Expenses and Nut. Ed.	46,625		54,410		48,024		1,738	49,762	
Subtotal, FDPIR	144,180		145,574		153,000		0	153,000	
TEFAP Commodities	320,000	0	186,018	0	289,500	2	4,500	294,000	2
Commonwealth of the Northern Mariana Islands 1/ Community Food Project	25,648		20,648		12,148		0	12,148	
Program Access	9,000		9,000		9,000		0	9,000	
Program Access	5,000		1,775		5,000		0	5,000	
Total Obligations	73,812,950		70,773,607		73,688,928		-3,385,652	70,303,276	
Recoveries	37,000		16,000		0		0	0	
Unobligated Balance Start of Year	-3,059,000		-2,809,657		-3,000,000		0	-3,000,000	
Unobligated Balance End of Year	6,028,000		6,067,000		3,000,000		0	3,000,000	
Balance Lapsing	4,095,712		4,500,344		0		3,000,000	3,000,000	
Collections from Reimbursable Obligations	-75,000		-58,000		-85,000		0	-85,000	
Total Appropriation with Sequester	80,839,662	316	78,489,294	370	73,603,928	377	-385,652	73,218,276	377
Sequestration	9,721		10,400		9,564		-9,564	0	
Total Appropriation without Sequester	80,849,383	316	78,499,694	370	73,613,492	377	-395,216	73,218,276	377
Proposed Legislation								-17,008	

FOOD AND NUTRITION SERVICE

Justification of Increases and Decreases

- 1) A decrease of \$573,204,000 for Benefit Costs (\$62,638,952,000 estimated in FY 2018).
 This decrease reflects the net effect of estimated changes in participation and food costs. SNAP participation is expected to decrease by 3.2 percent to 40.82 million participants while average food costs per person/per month are expected to increase by about 2.4 percent to \$126.71.

FNS expects program benefit costs to decline in FY 2019. This overall decline in cost reflects a projected decrease in participation, as the economy continues to recover and more participants return to work. A comparison of key program performance and cost indicators for FYs 2016 through 2019 is presented below:

Program Performance Cost Indicators

	2016 Actual	2017 Actual	2018 Estimate	2019 President's Budget
Average participation per month (000)	44,219	42,165	42,164	40,818
Average unemployment rate (percent)	4.8	4.5	4.0	3.8
Thrifty Food Plan (TFP)	\$649.50	\$640.20	\$640.80	\$654.90
Maximum Allotment (4 person hh) based on the TFP	\$649.00	\$640.00	\$640.00	\$654.00
Overall average benefit per person per month	\$125.50	\$125.99	\$123.78	\$126.71

- 2) No change for Contingency Reserve (\$3,000,000,000 estimated in FY 2018).
 The SNAP Contingency Reserve is a key element in maintaining program flexibility – the ability of the program to react to shifts in program need that were not anticipated at the time of a budget request.
- 3) An increase of \$121,052,000 for State Administrative Expenses (SAE) (\$4,483,411,000 estimated in FY 2018).
 SAE are federal matching funds for such expenses as: certification, quality control, IT systems, and fraud control. This increase is based on estimated inflationary increases in state and local government costs.
- 4) An increase of \$7,000,000 for Nutrition Education Grant Program (\$421,000,000 estimated in FY 2018).
 These funds support the Nutrition Education and Obesity Prevention Grant Program, which was established by Section 241 of the Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296). The funding is allocated among States through a statutory formula, and provides 100 percent Federal funding through two-year grants, which give States flexibility to target services where they can be most effective. This increase is based on estimated inflation as provided by the Consumer Price Index for all Urban Consumers (CPI-U) per the statute.
- 5) An increase of \$9,901,000 for Employment and Training (\$476,706,000 estimated in FY 2018).
 These matching funds provide grants to States to conduct employment and training (E&T) programs to assist SNAP participants to prepare for and find work. States use flexible SNAP E&T funding to serve lower-skilled, vulnerable adults who often have limited access to employment services or job training otherwise. SNAP E&T programs are designed to promote self-sufficiency. The E&T grants allow State agencies to choose the components that make up their particular E&T programs and meet the specific needs of their SNAP recipients, including: job search and job search training; basic education or vocational training; job retention services, and other workforce opportunities. This increase is due to estimated inflationary increases in state and local government costs, as well as increased state investment in programs.
- 6) An increase of \$4,075,000 for mandatory other program costs (\$186,429,000 estimated in FY 2018)

The overall change consists of the following:

Mandatory:

- a. An increase of \$1,376,000 for Benefit & Retailer Redemption and Monitoring (\$51,149,000 estimated in FY 2018).
 This will provide resources to support compliance specialists, investigators, quality assurance and data

FOOD AND NUTRITION SERVICE

- mining experts, as well as administrative reviewers. Funding for contracts will support benefit redemption activity, as well as most of the systems development and maintenance associated with retailer management. Additional resources are provided under this line to combat trafficking, fraud, and other forms of retailer non-compliance. The increase is due to estimated inflation (Federal costs).
- b. An increase of \$275,000 for Certification of Supplemental Security Income (SSI) Recipients for SNAP (\$19,618,000 estimated in FY 2018).
These funds are used for certifying SSI recipients for SNAP and utilizing Social Security Administration (SSA) data to ensure accurate SNAP benefit determinations. These funds are also available for data exchange and data mining efforts related to SSA and FNS data, as well as FNS oversight and technical assistance for State Agency SSA activities provided for SNAP certification and data analysis efforts. The increase is due to estimated inflation (Federal costs).
- c. An increase of \$694,000 for Payment Accuracy and Cooperative Services (\$25,820,000 estimated in FY 2018).
This line supports a wide range of activities aimed at increasing payment accuracy and promotes integrity and efficiency in State administration of the program by promoting a State exchange of ideas and information. This line also provides funding for the Federal Quality Control (QC) system, and computer systems designed to provide states with greater access to SNAP integrity tools. These activities are a core part of USDA's program integrity investments. The increase is due to estimated inflation (Federal costs).
- d. No change for Web-Based Automation of Systems (\$7,500,000 estimated in FY 2018).
This line provides funding for IT, automation, and technology based process improvement resources to improve SNAP recipient program integrity.
- e. An increase of \$478,000 for Retailer Integrity and Trafficking (\$17,753,000 estimated in FY 2018).
This line provides funding for a "strike force" of retailer investigators, for oversight of the 254,592 retailers authorized to redeem SNAP benefits, and for other activities that promote retailer integrity efforts. The increase is due to estimated inflation (Federal costs).
- f. An increase of \$143,000 for Computer Support (\$10,208,000 estimated in FY 2018).
This line supports the essential systems needed to administer SNAP, including the federal staff required to operate and maintain those systems. These systems include SNAP-specific systems, and FNS' internal computer systems that support the activities of Federal staff. The increase is due to estimated inflation (Federal costs).
- g. An increase of \$222,000 for Electronic Benefit Transfer Systems (\$15,891,000 estimated in FY 2018).
This line supports efforts associated with nationwide EBT, including staff responsible for the oversight of EBT systems, and staff and systems associated with the collection and review of EBT data. Funds strengthen oversight efforts promoting integrity and efficiency in State administration of SNAP by enabling States to travel, interact, and exchange ideas and information. Funds are also available to support the participation of farmers' markets in SNAP by providing equipment and support grants to new markets and those currently participating in the program. The increase is due to estimated inflation (Federal costs).
- h. An increase of \$486,000 for Nutrition Education and Program Information (\$18,078,000 estimated in FY 2018).
This line supports Federal costs for SNAP nutrition education initiatives, and supports national projects, including program information and educational efforts to increase awareness of the nutrition benefits of SNAP. The increase is due to estimated inflation (Federal costs).
- i. An increase of \$401,000 for Program Evaluation and Modernization (\$14,912,000 estimated in FY 2018).
FNS conducts a variety of studies, evaluations, and related activities that respond to the needs of policy makers and managers and help ensure that nutrition programs achieve their goals. This line supports efforts for SNAP, including the Federal staff needed to oversee this vital work. The increase is due to

FOOD AND NUTRITION SERVICE

estimated inflation (Federal costs).

- j. No change for the Financial Management Modernization Initiative (FMMI) (\$3,500,000 estimated in FY 2018).
Financial Management Modernization Initiative (FMMI) is an on-going project to enhance financial system transparency and reporting capabilities in advance of new OMB and Treasury initiatives to improve financial management and reporting government-wide. This transparency and advanced functionality will support ensuring integrity in SNAP.
 - k. No change for IT Modernization and Support (\$2,000,000 estimated in FY 2018).
This line provides for the operations, maintenance, and enhancement costs associated with Federal systems and equipment.
- 7) An increase of \$32,281,000 for Nutrition Assistance Program for Puerto Rico (\$1,929,646,000 estimated in FY 2018).
Section 19(b) of the Food and Nutrition Act of 2008 (as amended by P.L. 110-246), provides a block grant to Puerto Rico to administer SNAP benefits. The increase is due to the estimated increase in the Thrifty Food Plan (TFP).
- 8) An increase of \$170,000 for American Samoa (\$7,709,000 estimated in FY 2018).
Section 19(c) of the Food and Nutrition Act of 2008 (as amended by P.L. 110-246), provides a block grant to American Samoa to administer SNAP benefits. The increase is due to the estimated increase in the TFP.
- 9) No change for Food Distribution Program on Indian Reservations (FDPIR) (\$153,000,000 estimated FY 2018).
The Food and Nutrition Act of 2014 provides for an alternative program to SNAP for low-income individuals living on or near qualifying Indian reservations or service areas in Oklahoma. This line provides for the food costs and administration of this program. The program provides monthly food packages to improve nutrition as well as nutrition education. The requested level will support projected participation of about 95,000 individuals per month.

FOOD AND NUTRITION SERVICE

FDPIR Performance Table

Program Performance Data	2016 Actual	2017 Actual	2018 Estimate	Inc. or Dec.	2019 President's Budget
Resources: (\$000)					
Appropriation	\$145,191	\$151,000	\$153,000	\$0	\$153,000
Beginning Inventory (Federal and Local)	22,400	41,258	30,000	48,000	78,000
Total Resources	167,591	192,258	183,000	48,000	231,000
Program Demand:					
Average Monthly Participation	92,858	90,202	104,000	-9,000	95,000
Average Monthly Food Packages:					
FNS Purchased	\$73.97	\$76.09	\$68.36	\$2.61	\$70.97
Total Monthly Food Package	73.97	76.09	68.36	2.61	70.97
Demand: (\$000)					
FDPIR USDA Food Costs	77,424	91,313	85,309	-4,400	80,909
USDA Foods Purchases Admin.	988	900	864	17	881
Demand, USDA Foods	78,412	92,213	86,173	-4,383	81,790
State Administration	46,527	47,690	48,501	1,261	49,762
Total Demand	124,939	139,903	134,674	-3,122	131,552
Use of Resources:					
Program Demand	124,939	139,903	134,674	-3,122	131,552
Inventory Change	18,858	11,097	48,000	-26,552	21,448
Remaining Available for Upward Adjustments	1,394	0	-29,674	29,674	0
Total Funds Available	145,191	151,000	153,000	0	153,000
Balance End of Year:					
Ending Inventory	41,258	30,000	78,000	21,448	99,448
Commodity Obligations	97,270	103,310	134,173	-30,935	103,238

- 10) An increase of \$4,500,000 for The Emergency Food Assistance Program (TEFAP) (\$289,500,000 estimated in FY 2018).
 Section 27(a) of the Food and Nutrition Act of 2008 requires the Secretary to purchase USDA Foods for distribution through The Emergency Food Assistance Program (TEFAP). The section establishes a baseline funding level and a formula for annual adjustments based on food price inflation. The increase is due to an increase in the TFP.
- 11) No change for the Commonwealth of the Northern Marianas Islands (CNMI) (\$12,148,000 estimated in FY 2018).
 The CNMI nutrition program provides a diversity of activities that allow the residents of the islands access to nutritious food. There are no changes to the funding level of this line.
- 12) No change for the Community Food Project (\$9,000,000 estimated in FY 2018).
 Section 26 of the Food and Nutrition Act of 2008 (as amended) provides \$9 million per year in grants to meet the Hunger Free Communities goals as described in House Concurrent Resolution 302, 102nd Congress, agreed to October 5, 1992.
- 13) No change for Program Access (\$5,000,000 estimated in FY 2018).
 Program Access Grants are authorized by Section 11(t) of the Food and Nutrition Act of 2008.

FOOD AND NUTRITION SERVICE

Discretionary:

14) A decrease of \$991,000 for FDPIR Nutrition Education (\$991,000 estimated in FY 2018).

This discretionary funding was supplemental to regular FDPIR administrative funding and provided small grants to tribal organizations to conduct nutrition education activities. However, the activities funded through these small grants may be funded, as appropriate, through regular FDPIR administrative funding.

FY 2019 PRESIDENT’S BUDGET PROPOSED LEGISLATION

(Dollars in millions)

Project, SNAP Benefits	President's Request
SNAP Benefits:	
Convert Part of SNAP Allotments to USDA Food Packages	-\$12,086
Restrict Broad Based Categorical Eligibility to Households Receiving TANF	-1,501
Limit ABAWD Waivers to Counties with 10 percent Unemployment	-1,550
Eliminate the LIHEAP/SUA Link Creating a Single Consistent Nationwide Policy	-641
Standardize the HCSUA Levels Providing Consistent Approach Nationally	-503
Modify Age Limit Definitions for Certain SNAP Populations	0
Eliminate 15 Percent ABAWD Exemptions	-1,004
Eliminate the Minimum Benefit Default of \$16	-253
Restrict Categorical Eligibility to Households Receiving TANF	0
Cap Benefits at the Six Person Maximum Allotment	-161
Total, Benefits	-17,699
State Administrative Costs	
Cap Federal State Administrative Expenses to States on the 50th Percentile with Inflation Adjustments in Future Years	0
Eliminate Performance Bonuses	-48
Total, SAE	-48
Eliminate Nutrition Education	-428
Mandate the Use of the National Accuracy Clearinghouse	-99
Total, Supplemental Nutrition Assistance Program	-18,274
Potential Interactions Among Proposals if all Were Enacted	1,266
Total, Adjusted	-17,008

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: SNAP USDA Foods box

Rationale: USDA currently purchases a wide variety of food for several nutrition assistance programs, including the National School Lunch Program, the Commodity Supplemental Food Program, the Emergency Food Assistance Program and the Food Distribution Program on Indian Reservations. USDA’s large volume purchasing typically results in USDA paying approximately half of the retail cost of the food it purchases. Currently, SNAP benefits are redeemed for the retail value of the foods purchased.

With this proposal, participants receiving SNAP benefits would receive domestically-sourced and produced food, known as USDA Foods, in lieu of a portion of their SNAP benefits. USDA would utilize a model similar to that currently used to distribute USDA Foods to other nutrition assistance programs to provide shelf-stable staple foods to SNAP households at approximately half the retail cost, resulting in significant savings to taxpayers with no loss in food for recipients. This model would also ensure that recipients receive a portion of their benefit as healthy, nutritious foods for home consumption.

FOOD AND NUTRITION SERVICE

This proposal would save \$129.2 billion over the ten-year period between FY 2019-FY 2028. This estimate includes additional funding of about \$2.5 billion in administrative costs for States.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$12,086	-\$11,907	-\$12,163	-\$12,458	-\$12,780	-\$61,394

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Restrict categorical eligibility to households receiving TANF cash assistance

Rationale: SNAP eligibility is based on financial and non-financial requirements, including national income and asset thresholds. Some low-income households are automatically or “categorically” eligible for SNAP because they receive or are authorized to receive benefits from other specified low-income assistance programs, such as Temporary Assistance for Needy Families (TANF).

States have the option of adopting a policy called Broad Based Categorical Eligibility (BBCE), in which households may become categorically eligible for SNAP because they receive a non-cash benefit or service funded by TANF.

This proposal would restrict the categorical eligibility of TANF households to only those who receive TANF “assistance” as defined by the Department of Health and Human Services and eliminate the use of categorical eligibility for certain TANF-funded, non-cash services (i.e., BBCE). This would restore confidence that the pool of eligible applicants is consistent with eligibility limits of 130 percent gross income, 100 percent net income, and asset limits of \$2,250 for most households and \$3,250 for elderly and disabled households.

Furthermore, it would provide for a consistent nationwide policy. Over 40 States use BBCE to align income and/or asset limits to TANF requirements, but these policies vary State to State and in the proportion of the caseload to which they apply. Limiting categorical eligibility to the TANF program definition of “assistance” creates a more consistent alignment of SNAP and TANF policy nationwide.

This proposal would save \$30.6 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$1,501	-\$2,957	-\$3,020	-\$3,094	-\$3,174	-\$13,746

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Limit ABAWD waivers to counties with an unemployment rate greater than 10 percent averaged over 12 months

Rationale: Able-Bodied Adults Without Dependents (ABAWDs) are individuals from age 18

FOOD AND NUTRITION SERVICE

through 49 who are required to work or participate in a work program at least 80 hours a month, or participate in workfare, in order to receive SNAP for more than 3 months in a 36-month period. The 3-month ABAWD time limit does not apply to people who are already exempt from the general SNAP work requirements or who meet certain other exemption criteria, such as being pregnant or having a child in the household.

Under current law, States can qualify for time limit waivers in all or part of the State based upon: recent unemployment rates of over 10 percent, as demonstrated by Bureau of Labor Statistics (BLS) data; recent 24-month average unemployment rates reaching 20 percent above the national unemployment rate for that same 24-month period, as demonstrated by BLS data; designation as a Labor Surplus Area by the Department of Labor, or other measures described in the regulations.

States can request waivers that cover the entire State, or only parts of the State where unemployment is particularly high. States decide whether or not to request a time limit waiver, and generally make this assessment annually.

This proposal limits ABAWD waivers to counties with an unemployment rate greater than 10 percent averaged over 12 months. It will reduce SNAP benefit costs because fewer areas would qualify for time limit waivers and many ABAWDs residing in those areas would be required to work or train for work or participate in a work program in order to maintain SNAP eligibility. ABAWDs that do not comply would lose their benefits after 3 months. Furthermore, it would simplify the data requirements and administration of the waivers of the time limit for State agencies and FNS.

This proposal would save \$17.8 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$1,550	-\$1,694	-\$1,610	-\$1,223	-\$1,804	-\$7,881

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Eliminate the Low-Income Home Energy Assistance Program (LIHEAP) and Heating and Cooling Standard Utility Allowance (HCSUA) link

Rationale: When a State calculates a household’s eligibility and benefits for SNAP, out-of-pocket heating and cooling costs are taken into consideration. Most States opt to use a Standard Utility Allowance (SUA) in lieu of actual household utility expenses. Households with out-of-pocket heating or cooling costs qualify for the heating or cooling SUA (HCSUA). Since 1985, Federal law has required States to recognize a SNAP household’s receipt of a Low-Income Home Energy Assistance Program (LIHEAP) payment as proxy for out-of-pocket heating or cooling costs.

FNS proposes to eliminate the automatic receipt of the HCSUA when a household receives LIHEAP benefits. This would target the receipt of the HCSUA for those with actual heating and/or cooling expenses and would create a single, consistent policy nationwide.

This proposal would save \$13.1 billion over the ten-year period between FY 2019 – FY 2028.

FOOD AND NUTRITION SERVICE

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$641	-\$1,263	-\$1,290	-\$1,321	-\$1,355	-\$5,870

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Cap Federal State Administrative Expenses to States on the 50th percentile with inflation adjustments in future years

Rationale: This proposal increases accountability in administrative costs for SNAP by capping the Federal match of State administrative costs at the 50th percentile of cost per case, encouraging States to serve SNAP participants in a more efficient manner. FNS reimburses States for 50 percent of their administrative costs with Federal funds. States vary significantly in their administrative cost per case, ranging from a high of \$40.69 to a low of \$3.36 cost per case per month. This proposal would cap the Federal reimbursement of State administrative expenses at the level spent in the State with the median cost per case (\$13.45). This proposal would not cap administrative expenses related to Employment and Training, or other activities that help participants obtain and maintain employment.

This proposal is phased-in and would not go into effect until FY 2021, to provide States ample time to adjust administrative activities as necessary to implement other legislative proposals (i.e. the USDA Foods Proposal) as well as provide States above the median an opportunity to implement cost efficiencies. Additionally, the median would be adjusted in future years with inflation. Under this proposal, States would either need to lower their administrative costs or increase their share

This proposal would save \$9.8 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	\$0	\$0	-\$1,103	-\$1,136	-\$1,170	-\$3,409

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Standardize State HCSUA levels based on the 80th percentile of low-income households’ utility costs in the State

Rationale: FNS is proposing to standardize State HCSUA levels based on the 80th percentile of low-income household’s utility costs in the State. This would provide for a consistent approach nationally for determining HCSUA levels by eliminating the variation in HCSUA methodologies that currently exists from State to State. Furthermore, it would allow for closer alignment with actual out of pocket utility expenses for low-income households.

This proposal would save \$10.2 billion over the ten-year period between FY 2019-FY 2028.

FOOD AND NUTRITION SERVICE

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$503	-\$991	-\$1,012	-\$1,036	-\$1,063	-\$4,605

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Modify age limit definitions for certain SNAP populations

Rationale: This proposal aligns the definition of elderly throughout SNAP and strengthens work requirements. Current ABAWD work requirements apply to those who are 49 and under, general work requirements apply to age 59, and the current definition of elderly for other provisions is 60 years old. This proposal establishes a common definition for what constitutes elderly throughout SNAP, moving the age up to 62 for ABAWDs, general work requirements, and other provisions. This definition is more consistent with the starting age of retirement in other government programs.

The proposal would save \$5.9 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	\$0	\$0	-\$658	-\$504	-\$737	-\$1,899

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Eliminate SNAP nutrition education

Rationale: This proposal terminates funding of the SNAP nutrition education grants, which are duplicative and ineffective. Nutrition education is widely accessible through many public, non-profit government programs including the Expanded Food and Nutrition Education Program (EFNEP). The new USDA food boxes will ensure a base of nutritious staple foods for SNAP households, which will directly encourage nutritious eating, without additional education on healthy diet choices.

This proposal would save \$4.7 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$428	-\$436	-\$446	-\$456	-\$466	-\$2,232

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Eliminate 15 Percent Exemptions for ABAWDs

FOOD AND NUTRITION SERVICE

Rationale: States are allowed to exempt up to 15 percent of their ABAWD population from the time limit of 3 months in a 36-month period. This provision was designed to give States broad flexibility to deal with specific circumstances. However, these exemptions are often applied inconsistently and are contrary to the intent of the ABAWD time limit provision. This proposal would eliminate 15 percent exemptions.

The proposal would save \$3.2 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$1,004	-\$229	-\$232	-\$235	-\$237	-\$1,937

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Eliminate the minimum SNAP benefit

Rationale: When households of 1 or 2 persons qualify for a benefit below the minimum SNAP benefit (\$16 per month in the continental US, for example), the household’s benefit is rounded up to the minimum benefit.

This proposal would eliminate rounding up to the minimum SNAP benefit level and would set benefit levels in accordance with household circumstances, consistent for the majority of SNAP participants.

The proposal would save \$2.7 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$253	-\$249	-\$254	-\$260	-\$267	-\$1,283

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Cap benefits at the six person maximum allotment

Rationale: This proposal would create an overall limit on the monthly SNAP allotment per household; capped at the six person maximum allotment, reducing benefits and Federal costs for large households.

The proposal would save \$1.7 billion over the ten-year period between FY 2019-FY 2028.

Budget Impact:
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$161	-\$159	-\$162	-\$166	-\$171	-\$819

FOOD AND NUTRITION SERVICE

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Mandate use of the National Accuracy Clearinghouse (NAC)

Rationale: This proposal mandates use of a near real-time database that checks and prevents duplicate participation across State lines. Currently, NAC is a consortium of five States led by Mississippi that also includes Alabama, Florida, Georgia and Louisiana. In this small pilot, NAC identified and prevented over 300 dual participants per month and achieved \$5.6 million in cost savings. By mandating the use of NAC, this proposal expands and implements the pilot nationwide in order to improve national data sharing, prevent fraud and ensure program integrity across SNAP.

This proposal would save \$1.1 billion over the ten-year period between FY 2019-FY 2028.

**Budget
Impact:**
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$99	-\$98	-\$100	-\$102	-\$105	-\$504

**FISCAL YEAR 2019 PRESIDENT’S BUDGET
PROPOSED LEGISLATION**

Program: SNAP

Proposal: Eliminate performance bonuses

Rationale: USDA’s FNS conducted a nationwide review of the accuracy of State reported error data and found widespread underreporting of payment errors, matching similar findings from a USDA Office of Inspector General audit. Audit findings suggested that performance bonuses incentivized States to under-report errors. Furthermore, States should not receive bonus payments for effectively administering the program.

This proposal would save \$480 million over the ten-year period between FY 2019-FY 2028.

**Budget
Impact:**
(\$ in millions)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Budget Authority	-\$48	-\$48	-\$48	-\$48	-\$48	-\$240

FOOD AND NUTRITION SERVICE

Geographic Breakdown of Obligations and Staff Years (SY)
(Dollars in thousands)

Supplemental Nutrition Assistance Program--Federal Salaries, Benefits & All Other Expenses								
	2016 Actual		2017 Actual		2018 Estimate		2019 President's Budget	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Alabama	\$446	3	\$447	3	\$513	4	\$437	3
Arizona	296	2	298	2	340	2	291	2
Arkansas	230	2	298	2	264	2	291	2
California	4,086	28	4,666	31	4,699	33	4,559	32
Colorado	1,900	13	3,048	20	2,185	15	2,978	21
Delaware	145	1	149	1	167	1	146	1
Florida	1,356	9	1,447	10	1,559	11	1,414	10
Georgia	2,392	16	3,208	21	2,752	19	3,135	22
Hawaii	150	1	149	1	173	1	146	1
Illinois	3,030	20	3,926	26	3,485	24	3,836	27
Indiana	150	1	149	1	173	1	146	1
Kentucky	296	2	298	2	340	2	291	2
Louisiana	220	1	0	0	254	2	0	0
Maryland	296	2	447	3	340	2	437	3
Massachusetts	2,561	17	3,059	20	2,946	21	2,989	21
Michigan	300	2	298	2	345	2	291	2
Minnesota	591	4	596	4	680	5	583	4
Missouri	450	3	453	3	518	4	442	3
Montana	56	0	0	0	65	0	0	0
New Hampshire	150	1	149	1	173	1	146	1
New Jersey	2,528	17	2,982	20	2,908	20	2,913	20
New York	2,284	15	2,093	14	2,627	18	2,045	14
North Carolina	844	6	712	5	971	7	696	5
Ohio	516	3	596	4	593	4	583	4
Oklahoma	150	1	149	1	173	1	146	1
Oregon	586	4	729	5	674	5	712	5
Pennsylvania	549	4	767	5	631	4	750	5
South Carolina	150	1	149	1	173	1	146	1
Tennessee	474	3	453	3	545	4	442	3
Texas	2,547	17	3,473	23	2,930	20	3,394	24
Utah	446	3	447	3	513	4	437	3
Virginia	181,669	110	157,881	128	157,524	133	157,448	129
Washington	296	2	226	2	340	2	221	2
Wisconsin	296	2	431	3	340	2	421	3
Undistributed	0	0	0	0	0	0	0	0
TOTAL	\$212,436	316	\$194,173	370	\$192,910	377	\$192,910	377

Note: SNAP state performance payments -- FY 2016 = \$48M; FY 2017 = \$24M
Totals may not sum due to rounding.

FOOD AND NUTRITION SERVICE

(Classification by Objects)
(Dollars in thousands)

	2016	2017	2018	2019
	Actual	Actual	Estimate	President's Budget
Personnel Compensation:				
Washington D.C.....	\$15,113	\$18,069	\$18,861	\$18,861
Field.....	17,043	21,212	22,142	22,142
11.0 Total personnel compensation.....	32,156	39,281	41,003	41,003
12.0 Personnel benefits.....	10,155	12,405	12,948	12,948
Total personnel comp. and benefits.....	42,311	51,686	53,951	53,951
Other Objects:				
21.0 Travel and transportation of persons.....	1,545	1,545	1,545	1,545
22.0 Transportation of things.....	165	165	165	165
23.3 Communications, utilities, and misc. charges.....	234	234	234	234
24.0 Printing and reproduction.....	678	678	678	678
25.3 Other purchases of goods and services from Federal sources....	81,990	81,990	81,990	81,990
26.0 Supplies and materials.....	421,664	362,057	402,917	400,681
31.0 Equipment.....	907	907	907	907
41.0 Grants.....	73,343,456	70,332,345	73,231,539	69,848,125
Total, Other Objects.....	73,850,639	70,779,921	73,719,975	70,334,325
Subtotal, Direct Obligations.....	73,892,950	70,831,607	73,773,926	70,388,276
Reimbursable Obligations.....	80,000	58,000	85,000	85,000
99.9 Total, new obligations.....	73,812,950	70,773,607	73,688,926	70,303,276
Position Data:				
Average Salary (dollars), GS Position.....	\$91,693	\$93,618	\$95,397	\$95,397
Average Grade, GS Position.....	12.3	12.3	12.3	12.3

FOOD AND NUTRITION SERVICE

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Status of Programs

Program Mission

The Supplemental Nutrition Assistance Program (SNAP) works to raise nutrition levels of low-income households by ensuring access to a healthful diet through nutrition assistance and nutrition education. SNAP provides the opportunity for low-income recipients to purchase and consume a diet consistent with the *Dietary Guidelines for Americans* by issuing monthly allotments of benefits redeemable for food at authorized retail stores.

Eligibility and allotment amounts are based on household size, income, and expenses. Eligibility is also based on assets, citizenship or legal immigration status, work requirements, and other factors. Benefits are adjusted annually to reflect changes in the June cost of the Thrifty Food Plan (a low-cost market basket of foods that meet the recommendations of the *Dietary Guidelines for Americans* for a four-person reference family). The Federal Government pays the full cost of benefits and funds approximately half of the expenses incurred by the States to administer the program.

The SNAP account also includes the Nutrition Assistance Program for Puerto Rico (NAP), American Samoa and the Commonwealth of the Northern Mariana Islands, the Food Distribution Program on Indian Reservations (FDPIR), and the funding for USDA Foods used in The Emergency Food Assistance Program (TEFAP).

Facts in Brief

Program Participation

SNAP participation for Fiscal Year (FY) 2017 averaged 42.16 million persons per month, representing a 4.6 percent decrease from the average monthly participation in FY 2016.

The following table displays data on benefit costs and participation for FYs 2012 through 2017:

SNAP	2012	2013	2014	2015	2016	2017
Avg. Participation (Millions)	46.61	47.66	46.54	45.92	44.22	42.16
Benefit Costs (Billions)	\$74.6	\$76.1	\$70.0	\$69.6	\$66.6	\$63.6
Average/Person/Month	\$133.47	\$134.50	\$126.95	\$128.17	\$125.50	\$125.99
% Of Population Participating	14.9	15.1	14.9	14.4	13.7	13.1
Persons Unemployed (Millions)	12.5	11.5	9.7	8.5	7.8	7.0

Note:

FY 2011- FY 2014 includes ARRA funding. ARRA funding ended 10/31/2014.

Sources:

FNS National Data Bank (NDB)

Department of Labor, Bureau of Labor Statistics: Labor Force Statistics from the Current Population Survey, Unemployment not Seasonally Adjusted, Annual Average (Series LNU03000000).

Department of Commerce, United States Census Bureau, Monthly Population Estimates for the United States, Resident Population (Series: PEPMONTHN)

Participation Rates among Eligible People – The most recent figures from *Trends in SNAP Participation Rates for FY 2010 to FY 2015* shows that in 2015, 83 percent of all those who were eligible for SNAP participated in the program. This indicates that the program is effectively serving those most in need of nutrition assistance.

Characteristics of SNAP Households – The most recent analysis of household characteristics data, examining 2016 indicates that:

- 78 percent of SNAP households included a child, an elderly (age 60 or older) person, or a person with disabilities;
- The gross income of 82 percent of SNAP households was below the Federal poverty level;
- 40 percent of SNAP households had income at or below 50 percent of poverty;
- 20 percent of SNAP households had no income; and
- 44 percent of SNAP participants lived in households with earnings.

Program Integrity

Recent data demonstrates that the program integrity efforts of FNS and its State partners are yielding results and continue to trend in the right direction. Trafficking continues to be very low. Trafficking most typically occurs when SNAP benefits are traded for cash or are not used for their intended purpose. In spite of holding trafficking to a low level, more work remains. In FY 2017, FNS again increased efforts to prevent and identify fraud and hold bad actors accountable for misuse of the program.

FNS is responsible for monitoring retailers participating in SNAP and holding them accountable for abiding by the rules. Efforts to support retailer integrity included:

- Continued training of compliance staff;
- Studied thousands of authorized stores and data and determined that over 8,000 stores warranted further investigation;
- Implemented 2,523 sanctions against retailers determined to have committed violations against SNAP;
- Disqualified permanently 1,661 retailers from SNAP due to trafficking or falsifying an application; and
- Overall, traditional investigative and analytic investigation outcomes remained consistent with FY 2016.

By law, SNAP State agencies are responsible for identifying and holding accountable recipients who break the rules. FNS continued to support recipient integrity through:

- Continued implementation of a contract to employ technology-based consultation services for seven State partners to aid in the development of a comprehensive fraud prevention plan. Those seven State partners are Onondaga County, NY; Pennsylvania; South Carolina; Wisconsin; Kansas; Sacramento County, California; and Texas. Continued short-term predictive analytics services for three additional State agencies (Washington, Arizona, and Utah).
- Developed the SNAP Fraud Framework in FY 2017 and plans to release it in calendar year 2018. The Framework is a collection of procedures, promising practices, and innovative ideas to help State SNAP agencies improve fraud prevention techniques, the effectiveness of fraud detection, and fraud investigation processes. The Framework is the culmination of FNS's Business Process Reengineering (BPR) activities and data analytics efforts, from FY 2014 to FY 2016, in select State agencies (i.e., New York (Onondaga County), Pennsylvania, South Carolina, Wisconsin, Kansas, California (Sacramento County), Texas, Arizona, Utah, and Washington). FNS understands that State agencies are different; therefore, a one-size fits all solution to SNAP fraud is improbable. The Framework acknowledges State differences by providing a variety of techniques for States to consider as they improve their integrity efforts. The Framework will provide technical assistance to States in the following areas: recipient integrity education, fraud detection including integration of data analytics, investigations and dispositions, organization management, performance measurement, and employee development.
- Developed a SNAP social media guidance package, based on analysis of States' current use of social media in their detection of SNAP trafficking. This guidance will be released in FY 2018 as part of the SNAP Fraud Framework and also made available as a stand-alone technical assistance tool.
- Developed a SNAP insider threat guidance package, based on analysis of State and industry use of strategies to prevent and detect employee fraud. This guidance package will be released as part of the SNAP Fraud Framework and also made available as a stand-alone technical assistance tool.
- Awarded non-competitive SNAP Recipient Integrity Education Grants to 11 States to fund technical assistance and activities to assist States in developing and improving recipient fraud prevention education and awareness programs in September 2017.
 - District of Columbia Department of Human Services - \$272,727
 - Delaware Health and Social Services - \$272,727
 - Guam Department of Public Health & Social Services - \$272,727
 - Indiana Family and Social Services Administration (FSSA) - \$134,000
 - Michigan Department of Health and Human Services (MDHHS) - \$272,727
 - Mississippi Department of Human Services (MDHS) - \$272,727
 - Ohio Department of Job and Family Services - \$272,727
 - South Dakota Department of Social Services (DSS) - \$257,920
 - Utah Department of Workforce Services - \$199,000

FOOD AND NUTRITION SERVICE

- Washington State Department of Social and Health Services - \$272,727
- West Virginia Department of Health and Human Resources - \$272,727
- Engaged States in a dialogue about client integrity through various forums.
- Conducted management evaluations (ME) to assess State efforts related to client integrity using the ME tool developed in FY 2013.
- Continued operation of the National Accuracy Clearinghouse (NAC) consortium by the five State consortium after the close of the pilot project period and evaluation. FNS is working with the lead State, Mississippi, to explore options for expansion of the NAC to interested States.
- Continued to work with States to implement notice requirements for excessive card replacement requests.
- Improved of the type of data received from States as well as the quality, consistency, and frequency of State data reporting. Revised form FNS-366B, which now collects quarterly data on a Federal fiscal year basis, was implemented in FY 2017.

Participant Characteristics

The following data describes general characteristics of SNAP recipients during an average month in the fiscal year, in terms of both individuals and households:

Characteristics of SNAP Recipients	2009	2010	2011	2012	2013	2014	2015	2016
Individuals:								
Average Number (in Millions)	33.7	40.3	44.7	46.6	47.6	46.5	45.2	43.5
% Children	47.5	46.6	45.1	44.5	44.4	44.2	44.0	44.1
% Elderly	8.3	7.9	8.5	9.0	9.3	10.1	10.6	11.8
% Disabled Nonelderly Adults	--	--	--	9.5	9.6	9.7	9.5	9.1
% Female	57.3	56.4	56.5	56.4	56.2	56.2	56.7	56.7
% Nonelderly Adults Registered for Work	28.2	29.6	31.3	31.6	32.9	33.2	32.2	30.5
Average Household Size	2.2	2.2	2.1	2.1	2.1	2.0	2.0	2.0
Households:								
Average Number (in Millions)	15.0	18.4	20.8	22.0	23.1	22.3	22.3	21.5
% Receiving Maximum Benefit	37	40	41	40	41	42	41	39
% Certified 12 Months or More	57	59	62	66	68	69	69	71
% With Earned Income	29	30	31	31	31	31	32	32
% With AFDC/TANF Income	10	8	8	7	7	6	6	5
Average Gross Monthly Income	\$711	\$731	\$744	\$755	\$758	\$759	\$786	\$814
Average Net Monthly Income	\$329	\$336	\$338	\$343	\$344	\$335	\$354	\$374
% With Zero Gross Income	18	20	20	20	22	22	22	20
% With Zero Net Income	36	38	39	38	39	41	40	37
% With Gross Monthly Incomes Less than \$400	31	32	32	31	32	32	32	30
% Gross Income Below Poverty Guidelines	86	85	83	82	83	84	82	82
% Gross Income Below 50% of Poverty Guideline	42	43	43	42	43	43	42	40
Average Shelter Deduction	\$343	\$364	\$376	\$374	\$376	\$393	\$394	\$398
Average Shelter Expense	\$544	\$583	\$600	\$591	\$598	\$610	\$591	\$602
% at Shelter Cap (Maximum shelter deduction)	18	20	21	20	20	20	16	15

Source: Supplemental Nutrition Assistance Program Quality Control Sample – Data may not match FY data from other sources.

General Activities

Regulations Issued in FY 2017

During FY 2017, four SNAP rulemaking actions were published in the *Federal Register*:

- On December 13, 2016, FNS published a final rule on SNAP photo EBT card implementation requirements. This rule amends SNAP issuance regulations to codify and expand guidance that was issued December 2014, requiring State agencies that intend to implement the photo EBT card option to submit a comprehensive Implementation Plan that addresses certain operational issues to ensure State implementation is consistent with all Federal requirements and that program access is protected for participating households.
- On December 15, 2016, FNS published a final rule entitled Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP). This final rule enhanced criteria for the eligibility of certain SNAP retail food stores utilizing existing authority in the Food and Nutrition Act of 2008 (the Act), and codified statutory provisions of the 2014 Farm Bill intended to increase the variety of healthy food choices offered to SNAP clients. With passage of the Consolidated Appropriations Act of 2017, FNS was directed to roll back the variety and breadth of stock requirements of this final rule pending additional regulations outlining increased flexibility for retailers. As a result, FNS reverted to the variety and breadth of stock requirements that were in place prior to the 2014 Farm Bill. FNS continues with implementation of the provisions that were unaffected by the Appropriations Act.
- On December 20, 2016, FNS published a final rule, Supplemental Nutrition Assistance Program Promotion, implementing Section 4018 of the Agricultural Act of 2014 (Farm Bill). Section 4018 created new limitations on the use of Federal funds authorized in the Food and Nutrition Act of 2008 for SNAP promotion and outreach activities. This rule prohibits the use of Federal funds appropriated in the Food and Nutrition Act of 2008, as amended, from being used for: recruitment activities designed to persuade an individual to apply for SNAP benefits; television, radio, or billboard advertisements that are designed to promote SNAP benefits and enrollment (excluding Disaster SNAP); or any agreements with foreign governments designed to promote SNAP benefits and enrollment. The rule also impacts the Food Distribution Program on Indian Reservations (FDPIR) and The Emergency Food Assistance Program (TEFAP), both of which receive funding and/or foods authorized under the FNA.
- On January 6, 2017, FNS published the final rule and interim final rule SNAP: Eligibility, Certification, and Employment and Training Provisions of the Food, Conservation and Energy Act of 2008 in the Federal Register. This rule implements SNAP provisions of the 2008 Farm Bill, amending SNAP regulations to: exclude military combat pay from the income of SNAP households; raise the minimum standard deduction and the minimum benefit for small households; eliminate the cap on the deduction for dependent care expenses; index resource limits to inflation; exclude retirement and education accounts from countable resources; clarify reporting requirements under simplified reporting; permit States to provide transitional benefits to households leaving State-funded cash assistance programs; allow States to establish telephonic signature systems; permit States to use E&T funds to provide job retention services; and update E&T funding cycle requirements.

Online Purchasing Pilot

The 2014 Farm Bill mandated a pilot be conducted to test the feasibility and implications of allowing retail food stores to accept SNAP benefits through online transactions. For households to make online purchases, the Online Purchasing Pilot is required to be secure, private, easy to use, and provide similar support to that found for SNAP transactions in a retail store. Benefits cannot be used to pay for fees of any type, such as delivery, service, or convenience fees. The initial pilot will involve up to nine online retailers in up to three States. The goal is to ensure that the foundational infrastructure necessary for running SNAP transactions online operates in a safe and secure manner.

FOOD AND NUTRITION SERVICE

FNS began the process of identifying potential retailer volunteers to participate in the Online Purchasing Pilot in September, 2016 by publishing a request for volunteers (RFV) pilot application packet. The deadline for completing the pilot participant application was November 7, 2016, and FNS announced its selections on January 5, 2017. Seven retailers were originally selected and FNS has offered participation in phase one of the pilot to a few additional retailers. The selected retailers include Amazon, Dash's Market, FreshDirect, Hart's Local Grocers, Hy-Vee, Inc., Safeway, ShopRite, Wal-Mart Stores, Inc., and Wright's Markets. The selected retailers are working on system enhancements to enable SNAP online transactions. FNS anticipates the Pilot to launch in 2018, after all system enhancements are complete.

Grants to Improve Program Access and Eligibility Determination

FNS awarded Process and Technology Improvement Grants (PTIG) to local and State SNAP agencies and community partners. The grants are authorized by the Food and Nutrition Act of 2008 which provides FNS the authority to award \$5 million dollars in funds each year. The FY 2017 awarded projects focus on modernization and innovation of office operations; improved customer service; and increased efficiencies in case management. For FY 2017, FNS awarded seven grants:

Benefits Data Trust (NY)

Benefits Data Trust will leverage SNAP data from the New York City Department of Social Services to send text and phone messages to households who meet one or more of the following conditions: SNAP single issuance cases that have completed the interview but have not submitted documents required for ongoing benefits; Current SNAP enrollees who are up for recertification within the next 60 days; SNAP applicants who have not yet completed the interview; SNAP applicants who have not submitted their documents. Awarded: \$500,000

Code for America, Inc. (MI)

Code for America will work with the Michigan Department of Health and Human Services to design a mobile-enabled website that will allow Michiganders to apply for SNAP, submit verification documents, and periodic reports using their smartphone or computer. A real-time SMS chat system to support general inquiries and text reminders will also be developed. Code for America will build off of their knowledge and experience from their development of the digital enrollment system known as "GetSNAP", which is currently being used in California by people applying for CalFresh, and design a website that meets the needs of SNAP applicants and participants in Michigan. Awarded: \$1,000,000

County of Atlantic (NJ)

Atlantic County will invest grant funds in improvements to its phone management system by employing robo-calls, SMS, Interactive Voice Response (IVR), and skills based phone routing to provide more self-service options and better customer service to its clients. These improvements are designed to significantly enhance the County's ability to capture key metrics in accordance with BPR principles, automate tasks where possible for self-service information, and ultimately reduce churn. Additionally, temporary staff members will be employed to take calls as existing staff currently tasked with processing and filing using a paper based case management system is retrained. Awarded: \$746,131

County of El Paso Department of Human Services (CO)

The Counties of El Paso, Adams, and Pueblo will partner to implement the Automated SNAP Assistance Processing project (ASAP!), which includes a new workflow management system, HSConnect. HSConnect overlays with the State eligibility system so that caseworkers spend less time searching for documents and managing eligibility activities and promotes greater efficiency and transparency across divisions of the county's Department of Human Services (DHS) through use of document imaging. Arapahoe County DHS originally developed HSConnect. Arapahoe County will provide the three partnering counties with technical expertise about the configuration of the proposed system in each county, respectively. This work will also include supporting each county in its BPR work. Awarded: \$614,736

County of Fresno Department of Social Services (CA)

Fresno County Department of Social Services will establish various self-service options for their clients by providing them with the ability to check their case status and receive updates through an online portal, mobile app, or via phone using Interactive Voice Response (IVR). Clients will also be able to submit documents using an online portal or app. Awarded: \$900,000

FOOD AND NUTRITION SERVICE

Mississippi Department of Human Services (MS)

Mississippi Department of Human Services will partner with the National Strategic Planning and Analysis Research Center (NSPARC) to implement enhancements to MyDHS mobile application. These enhancements will improve the recertification process by allowing SNAP clients to receive notices, case status updates, upload verification documents, receive push notifications, and also check their EBT balance. *Awarded: \$710,000*

Wyoming Department of Family Services (WY)

Wyoming Department of Family Services (DFS) will use grant funds to create a document management system. This system will include document imaging and workflow functionality which will enable document sharing of case file records among local offices across the State and provide the capability to assign eligibility workers to various SNAP certification related tasks. Currently, DFS operates using a paper-based system to maintain and store all documents and narratives used to reach an eligibility decision for its SNAP cases. Creating an electronic based system to manage and store SNAP case file information will greatly improve overall efficiency of case management by providing SNAP eligibility workers and managers with immediate access to case material when performing reviews, discussing inquiries with clients, resolving complaints, and distributing caseloads. *Awarded: \$529,133*

State Performance Bonuses

The Farm Security and Rural Investment Act of 2002 (P.L. 107-171, the “2002 Farm Bill”) revised the performance and liability system in SNAP. This performance system replaced the former Quality Control liabilities and Enhanced Funding system, which focused solely on error rates. This performance system awards \$48 million in bonuses each year to States based on high or improved performance for actions taken to correct errors, reduce the rates of error, and improve eligibility determinations, or for other activities that demonstrate effective administration, as determined by FNS.

Section 4021 of the Agricultural Act of 2014 (P.L. 113-79) requires performance bonus payments to be used only for SNAP-related expenses such as investments in technology, improvements in administration and distribution, and actions to prevent fraud, waste, and abuse. States that receive such bonuses are encouraged to use the funds to improve program administration, particularly in the area of program integrity.

Beginning in FY 2012, FNS included several additional measures of performance in calculating the negative error rate, now referred to as the Case and Procedural Error Rate, reflecting the broader and more stringent scope of the measurement. Changes in the measurement may require States to make significant changes to their internal procedures and computer systems to improve the processing, clarity, and timeliness of their notices. FNS will continue working with States to assist them in this task.

Bonuses provided under this system link two of the program’s performance measures: increases in the program payment accuracy rate and increases in access and participation as measured by the Program Access Index. Bonuses for Program Access Index (PAI) performance in 2016 were awarded in October 2017. Payment Accuracy, Case and Procedural Error Rate, and Timeliness performance bonuses for 2016 performance were not awarded, due to unreliability in State reported data. FNS is working diligently to pursue improvements to State data collection methods. The following States received awards:

FOOD AND NUTRITION SERVICE

BEST PROGRAM ACCESS INDEX (PAI)		
State	Rate	Bonus Amount
Delaware	106.63%	\$ 542,566
Hawaii	101.56%	\$ 654,584
Oregon	100.03%	\$ 2,712,967
Rhode Island	99.94%	\$ 725,159
Maryland	99.35%	\$ 2,521,117
MOST IMPROVED PROGRAM ACCESS INDEX (PAI)		
State	Change from FY 2015 to FY 2016	Bonus Amount
<i>Delaware</i>	<i>5.09</i>	<i>Received Best PAI</i>
<i>Rhode Island</i>	<i>4.95</i>	<i>Received Best PAI</i>
Massachusetts	8.18	\$ 2,903,354
Alaska	5.64	\$ 315,671
Total		\$12,000,000

1/ The calculation of bonus payments for PAI are based on the distribution of caseloads within the qualifying States.

2/ Only States that FNS determined to have introduced no bias into the QC system were eligible for a bonus.

Treasury Offset Program

FNS continues its aggressive efforts to collect debts owed to SNAP, for example by recipients who have not repaid over issuances, by collecting delinquent recipient debts through the Treasury Offset Program (TOP), which is the collection mechanism by which Federal payments to individuals, such as tax refunds and Federal salary payments, are offset to pay outstanding debts. Approximately \$181 million in delinquent debt was collected through TOP in FY 2017. More than \$2 billion has been collected through TOP (and its predecessor, the Federal Tax Refund Offset Program) since FNS began this effort as a pilot project in 1992. These claims may not have been collected without Federal collection programs being made available to the State agencies that manage these debts.

Application Processing Timeliness

Processing applications in a timely manner remains a priority to ensure families can put food on the table as quickly as possible, thus reducing food insecurity. States are required to process all regular SNAP applications within 30 days from the date of application or within seven days for households with emergency food needs. FNS is working closely with three States that previously received warning letters as they implement corrective actions. In addition, FNS was able to release three other States from their warning letters due to their success in meeting milestones. FNS continues to monitor these States to ensure lasting improvements.

Management Evaluations

SNAP’s Management Evaluation (ME) system plays a key role in ensuring the integrity and timely access to benefits across all State agencies administering SNAP. In FY 2017, SNAP conducted a requirements gathering project to envision an electronic ME tool to streamline and improve the efficiency of the over 300 ME reviews conducted each year in every State by FNS’ Regional Office staff. The project resulted in a “ME eGuide” prototype and requirements document that FNS plans to utilize to procure a functional system. In FY 2017, SNAP focused a portion of the ME reviews conducted on examining each State’s SNAP recertification process to determine how States are interpreting and implementing SNAP recertification requirements. The results of the review will be used to inform future policy changes.

State Policy Options Report

The 13th Edition of the SNAP State Options Report was published in June 2017. SNAP’s statute, regulations, and waivers provide State agencies with numerous policy options that enable State agencies to adapt their programs to meet the unique needs of their State. State agencies use this flexibility to best meet the nutrition needs of low-income people across the Nation. Choosing certain options can facilitate program design goals, such as providing better support for those working or looking for work, targeting benefits to those most in need, streamlining

administration and field operations, and coordinating SNAP activities with those of other programs. The State Options Report provides FNS, researchers, States, and other agencies with information about options being implemented in each of the 53 State agencies that administer SNAP. The 13th edition reflects options in effect as of October 1, 2016, and covers a range of areas including reporting, simplified methods, and modernization initiatives.

SNAP Outreach

FNS strives to provide access to nutrition assistance program benefits to every eligible person who needs and seeks assistance. FNS promotes program access through appropriate outreach to program partners and potential recipients to ensure that eligible people can make an informed choice for themselves and their families. FNS works to ensure that outreach is in line with the law and policy by:

- Focusing clearly on groups who are eligible under the law.
- Emphasizing that programs provide support during times of need, not permanently.
- Avoiding messages that disparage or demean the importance of work.

Toll Free Information Line: FNS provides a SNAP toll-free information line in English and Spanish to refer callers to their State information lines for information on application procedures and eligibility requirements. During FY 2017, FNS distributed 667 packets of information in English and Spanish to toll-free number callers and answered more than 43,000 calls.

Educational Materials: Informational materials in both English and Spanish are available for States and community based organizations to order or to download through the FNS website at <https://pueblo.gpo.gov/SNAP/SNAPPubs.php>. During FY 2017, 1.27 million SNAP informational materials were distributed.

National Anti-Hunger and Opportunity Corps: USDA is in its eighth year of partnership with the Corporation for National and Community Service, with an expected 72 VISTA members serving at various non-profit organizations across the country, to improve capacity building systems and promote awareness of and access to SNAP, SNAP Employment and Training, and SNAP at farmers markets for underserved populations.

State Outreach Plans: States have the option of providing outreach as part of their program operations, and FNS reimburses up to 50 percent of the allowable administrative costs for these activities. During FY 2017, 45 States had approved outreach plans, one more than in FY 2016, and an additional State performed outreach activities.

SNAP Administration Performance Improvement Initiatives

Process Improvement Support for State Agencies: FNS continues to provide contract support in process improvement to low performing States on critical SNAP performance measures (application processing timeliness, payment accuracy and case and procedural errors). A new contract was awarded in FY 2016 for five years. The contract allows FNS to facilitate collaborative model projects with State agencies and provide direct technical assistance to State agencies to improve SNAP certification documents. In addition, the contract provides training to FNS in industry standard process improvement methodology that will help FNS assist State agencies in their own process improvement projects. In FY 2017, through the contract, FNS continued working with three county-administered State agencies (California, New Jersey, North Carolina) on a collaborative model project. The project will conclude in early 2018. In FY 2017, FNS also, through the same contract, provided direct technical assistance to the State of New Mexico to help improve the State's SNAP client notices.

SNAP Workflow Information Management System (SWIM): FNS continues to develop an online workflow and document management system to automate key business functions for State SNAP waiver requests and SNAP policy questions. The system will allow States to submit waiver requests (or modify existing waiver requests) and policy questions through an online portal. These requests will be automatically routed through FNS regional offices and the National Office for processing. The system will allow FNS to efficiently process, track, and manage waivers and policy questions while improving transparency and consistency. In FY 2017, FNS completed the user interface design of the system and developed the administrative waiver functionality for user acceptance testing. Development continues for additional functionality.

SNAP Nutrition Education and Obesity Prevention Grant Program (SNAP-Ed) - Promoting Healthier Eating Habits and Active Lifestyles

The goal of SNAP-Ed is to improve the likelihood that persons eligible for SNAP and other means tested programs will make healthy food choices and choose physically active lifestyles consistent with the current *Dietary Guidelines for Americans*. Under current regulations, State SNAP agencies provide nutrition education and obesity prevention services to eligible individuals. States seeking Federal funding for SNAP-Ed must submit a State SNAP-Ed plan to FNS for approval each year that outlines the State's SNAP-Ed activities and a corresponding budget.

FY 2018, SNAP-Ed funding was set at \$421 million, and State allocations are determined with 50 percent based on the State's percentage of national baseline SNAP-Ed expenditures and 50 percent based on the State's percentage of national SNAP participation for the 12-month period February 1, 2016 to January 31, 2017.

SNAP-Ed activities are to be evidence-based and provide nutrition education and obesity prevention activities through individual and group-based strategies, comprehensive multi-level interventions, and/or community and public health approaches. The FY 2018 SNAP-Ed Guidance, released in April 2017, continued policies from the previous year, which highlight instructions to State agencies on implementing policy, systems, and environmental interventions defined for SNAP-Ed. The Agency published the SNAP-Ed final rule March 31, 2016.

Education and Administrative Reporting System (EARS) is designed to provide uniform information about SNAP-Ed activities. EARS is not an evaluation tool, but provides FNS with national data that informs management decisions, supports policy initiatives, provides documentation for legislative, budget and other requests, and supports planning within the agency. Data collected under this reporting system include demographic characteristics of participants receiving nutrition education, topics covered, educational delivery sites, educational strategies and resource allocation. The EARS data provide a picture of SNAP-Ed trends. An online EARS training module is available for those involved in EARS reporting. A revised EARS form was implemented in 2017. The new form enables States and implementing agencies to report data on obesity prevention activities that use public health strategies, to include policy, systems, and environmental change interventions for SNAP-Ed.

Other SNAP-Ed Activities

Fostering Healthy Eating among SNAP participants: FNS awarded a contract to provide a full inventory of current nutrition education materials available via various organizations and websites, and an options paper to inform decisions on needed materials based on gaps identified through the inventory. As a result, the need for developing nutrition education materials for teens was identified. A Request for Proposal was released and the selection process to fulfill the goal of creating a multi-component nutrition education and promotion package targeted to low-income students was completed. Formative field testing for message development and teacher and student focus groups have also been completed. The Curriculum Toolkit was pilot tested in three schools. The Curriculum entitled "Power Up! Supercharge Your Food & Fitness" is now available for use by SNAP-Ed State and implementing agencies, as well as other programs.

SNAP-Ed Connection: This dynamic online resource center empowers SNAP-Ed providers to excel in program delivery. It strengthens the SNAP-Ed program by providing nutrition education and obesity prevention resources and enhancing collaboration to reduce duplication of efforts. Providers use the SNAP-Ed Library on the website to showcase and share materials. Educators receive continuing education credits from SNAP-Ed Connection webinars. Directors use the SNAP-Evaluation framework and find evaluation tools so they can measure the impact of their work. Educators and the Public use the Seasonal Produce Guide to learn about local and seasonal foods to make food dollars stretch further. This project also communicates important SNAP-Ed news to SNAP-Ed personnel and the public. SNAP has plans to update the SNAP-Ed connection platform to improve the site in the months ahead.

Incentive Programs to Increase Healthy Food Purchases in SNAP

Assisting SNAP households to make more healthful food purchases remains an important priority for FNS. In FY 2017, FNS continued to work with program partners to provide flexibilities to help improve access to healthy foods for SNAP families through incentive programs.

FOOD AND NUTRITION SERVICE

The Food Insecurity and Nutrition Incentive (FINI) grant program was established by the 2014 Farm Bill to incentivize the purchase of fruits and vegetables by SNAP clients. The FINI grant program is collaboratively administered by the FNS and the National Institute of Food and Agriculture (NIFA). Since 2015, NIFA's FINI program has awarded \$65.1 million to 91 organizations in 39 States and the District of Columbia.

The FY 2018 FINI Request for Applications (RFA) was published on September 22, 2017. The deadline for applications was December 13, 2017. NIFA will be announcing FY 2018 FINI awardees in spring 2018. During FY 2017, FNS helped develop the FY 2018 RFA and provided policy guidance to applicants and grantees that the SNAP equal treatment provisions does not apply to FINI grantees for the purposes of providing incentives. The FNS FINI webpage is a one-stop resource for participants, SNAP retailers, and FINI grantees. It includes a map of participating farmers markets and retail food stores participating in FINI grant projects.

The Farm Bill also required an independent evaluation of the FINI Grant Program. In November 2016, FNS received OMB approval for the data collection, and the contractor began data collection activities. In FY 2017, the contractor collected program data from the grantees and also conducted a pre-incentive survey and initiated post-incentive survey of a sample of SNAP participants to measure the effect of the incentive on purchase and consumption of fruits and vegetables. The interim report on early evaluation findings is expected in summer of 2018.

In June 2017, FNS approved a two year waiver for Bountiful Cities in Asheville, North Carolina, that gives SNAP households the ability to purchase more fresh produce by offering Double Up Food Bucks (DUFEB). Through two of its partner retailer stores, Bountiful Cities will provide SNAP households with a dollar for dollar matching incentive up to \$20 a day per individual to purchase fresh fruit and vegetables.

Elderly Access

Ensuring seniors have access to nutritious food continues to be a priority for FNS. Potentially eligible seniors do not apply for SNAP benefits at the same rate as the general SNAP population or other vulnerable populations. In FY 2017, FNS continued operation of three demonstration projects to improve access to the elderly. All FNS approved demonstration projects must maintain cost neutrality, an offset, and include a rigorous evaluation component.

Combined Application Projects (CAPs) are a partnership between the Social Security Administration (SSA), FNS and State and local agencies to streamline application procedures for individuals receiving SSI benefits. The projects strengthen access to nutrition benefits for the elderly and people with disabilities while improving the administration of SNAP. The combination of standardized benefits or standardized shelter deductions, reduced recertification requirements and eliminating the need for SSI recipients to visit the local SNAP office has significantly increased participation among the elderly and people with disabilities.

In FY 2017, 17 States operated CAP demonstration projects: Arizona, Florida, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Mississippi, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, South Dakota, Texas, Virginia and Washington.

Elderly Simplified Application Projects (ESAPs) are demonstration projects that support participation among the elderly and disabled population by utilizing a shorter SNAP application, waiving the recertification interview, allowing longer certification periods, and minimizing the need to provide verification. In FY 2017, California was approved to implement a new ESAP. In addition, eight other States continued to operate ESAPs (Alabama, Florida, Georgia, Maryland, Mississippi, Pennsylvania, South Carolina, and Washington).

Standard Medical Deductions are demonstration projects that ease verification requirements for senior and disabled households with out-of-pocket medical expenses over \$35 per month. In FY 2017, 20 States operated Standard Medical Deduction projects (Alabama, Arkansas, Colorado, Georgia, Iowa, Idaho, Illinois, Kansas, Massachusetts, Missouri, North Dakota, New Hampshire, Oregon, Rhode Island, South Carolina, South Dakota, Texas, Virginia, Vermont, and Wyoming). California requested and received FNS approval to operate the demo in FY 2017 and will implement in FY 2018.

SNAP Purchasing and Delivery Trial Period allowed a limited number of non-profit and governmental food purchasing and delivery services serving elderly and disabled SNAP recipients who are otherwise unable to shop for

FOOD AND NUTRITION SERVICE

food to become SNAP authorized retailers for a one-year trial period in advance of publication of a final rule establishing eligibility and participation requirements for such services. FNS published a Request for Volunteers (RFV) soliciting eligible organizations to submit applications to participate in the trial period on February 1, 2016. Final selections were made on August 31, 2016. FNS selected, trained, and authorized five organizations to participate in the trial period, which ran for one year, until August 30, 2017. The trial period has been extended for those organizations already participating until a final rule is published. FNS is currently reviewing outcomes to help inform potential rulemaking.

Payment Accuracy

The FY 2014 national average certification payment error rate, announced in June 2015, was 3.66 percent. Regulations require State agencies to analyze data and develop corrective action plans to reduce or eliminate program deficiencies when their combined payment error rate is above the 6 percent threshold or their negative error rate exceeds one percent. Corrective action is also required when underpayments result from State agency rules, practices, or procedures. In FY 2016, FNS completed thorough reviews of quality control systems in all 53 State agencies in order to improve administration of SNAP and found data integrity issues that required corrective action. In FY 2017, FNS provided technical assistance to States as they implemented corrective actions, and took additional measures, such as training for all federal QC reviewers and training-of-trainers for State QC reviewers, to improve data quality for the FY 2017 review period. While no error rate was announced for FY 2016, SNAP Quality Control plans to return to normal procedures and announce an error rate for FY 2017 in June 2018.

FNS Regional Offices work directly with States to assist them in developing effective corrective action strategies to reduce payment errors. Regional Offices provide technical assistance to States through data analysis, policy interpretation, training, development and monitoring of corrective action strategies, facilitating the information exchange with and among States through annual payment accuracy conferences, State exchange funding, and special error reduction funds.

FNS utilizes a tier system for identifying States requiring the most focused intervention, based on high error rates or a Regional Office assessment, so those States receive special attention. This ensures that technical assistance is available to States that are in first-year liability status or at risk for future liability status.

Disaster Supplemental Nutrition Assistance Program (D-SNAP)

FNS' role in D-SNAP operations includes analyzing and responding to State agency requests to operate D-SNAP, waiving applicable certification and issuance policies for ongoing SNAP households to ease program administration, providing on-site monitoring of State operations to ensure timely and accurate delivery of benefits, and providing operational guidance to States as needed. The D-SNAP waiver review process allows FNS to provide individualized technical assistance to help States most effectively serve the nutrition assistance needs of its disaster-impacted population. In addition, FNS assists States in planning for future disasters by reviewing D-SNAP requirements and sharing best practices through webinar and conference presentations throughout the year. FNS also requires each State agency to submit and annually review a D-SNAP plan.

The following summarizes State reported disaster assistance provided in FY 2017:

FOOD AND NUTRITION SERVICE

State	Disaster	Total Households (New cases and ongoing HHs)	Total Issuance (D-SNAP benefits and supplements)
North Carolina	Hurricane Matthew	256,220	\$69,988,865
Tennessee	Wildfires	75	23,190
Louisiana	Tornadoes	2,049	747,013
Missouri*	Flooding	224	203,557
West Virginia*	Flooding	116	30,799
Texas*	Hurricane Harvey	909,441	692,826,435
Florida*	Hurricane Irma	2,055,452	1,157,421,555
Hurricane Harvey Evacuee Benefits*	Hurricane Harvey	96	31,634
Hurricane Irma Evacuee Benefits*	Hurricane Irma	51	16,524
Hurricane Maria Displaced NAP Households*	Hurricane Maria	4	1,036
TOTAL		3,223,728	1,921,290,608

*Provisional figures not yet certified by submission of the FNS 292-B form

Employment and Training (E&T)

Background

The Food Security Act of 1985 required States to establish an E&T Program to help able-bodied SNAP recipients find work or gain the skills, training, and experience that lead to employment. SNAP participants who are not specifically exempted by statute are subject to work requirements as a condition of eligibility. Work requirements include:

- Registering for work.
- Participating in a SNAP E&T program or workfare program if assigned.
- Not voluntarily quitting a job or reducing work hours to less than 30 hours per week.

In addition to the work requirements, able-bodied adults without dependents (ABAWDs) must comply with additional requirements in order to receive benefits for more than three months in a 36 month period. ABAWDs in non-waived areas must meet at least one of the following requirements:

- Work at least 20 hours a week;
- Participate for at least 20 hours a week in qualifying education or training activities; or
- Participate in workfare in order to receive benefits for more than 3 months in a 36-month period.

Eligibility and Participation

A majority of SNAP participants are exempt from work requirements due to age, disability, caregiver responsibilities, or because they are already working or participating in a work training program. In FY 2016, States reported that approximately 13.4 million participants were subject to SNAP work requirements and registered for work.

SNAP E&T is State administered and States have a great deal of flexibility in designing E&T programs that meet the needs of their participants and local economy. States submit an annual plan to FNS that details what E&T services, called components, the State plans to offer, including: job search and job search training, workfare, basic education or vocational training, and job retention services.

States use flexible E&T funding to serve lower-skilled, vulnerable adults that might not otherwise receive job training or employment services. The program fills a critical gap in workforce services for this population. In FY 2016, States served an estimated 692,000 participants through their E&T programs. In FY 2016, FNS published new outcome reporting criteria established by Section 4022 of the Agricultural Act of 2014. The new outcome reporting requirements will help States, the Federal government, and the public understand the effectiveness of

FOOD AND NUTRITION SERVICE

SNAP E&T programs. The national reporting measures reflect job entry, retention, earnings and educational gains and will be broken down by key characteristics that are unique to the SNAP population. States are also required to establish reporting measures for each E&T activity designed to serve more than 100 participants. States will submit their first annual reports on FY 2017 outcomes on January 1, 2018.

Funding

SNAP E&T is funded under four funding streams:

Budget Item	Description	2017 Obligations (Thousands)
100 Percent Federal Grant	Base funding for E&T administration, allocated annually to States based on the percentage of work registrants and ABAWDs in each State.	\$101,328
ABAWD 100 Percent Federal Grant	Additional grants for States that guarantee certain activities aimed at the ABAWD population.	20,000
Federal 50 percent Administrative Grants	50 percent reimbursement for States that exceed their 100 percent Federal grant.	120,776
Federal 50 percent Participation Grants	50 percent reimbursement for transportation and childcare costs to ensure successful participation in E&T programs. States are not allowed to use 100 percent grants for participant reimbursements.	23,731
	TOTAL	265,835

Employment and Training (E&T) Pilot Grants

The Agricultural Act of 2014 provided \$200 million for up to ten 3-year pilots. The pilot projects were designed to increase the number of work registrants who obtain unsubsidized employment, increase their earned income, and reduce their reliance on public assistance. Pilot Grantees must participate in an evaluation, maintain a robust data collection system, collaborate with State workforce boards, and maintain FY 2013 State funding levels for E&T. Grants for the ten pilot projects were awarded on March 20, 2015 for innovative approaches to provide work eligible SNAP recipients with skills needed to attain meaningful work that leads to self-sufficiency and all projects were operational as of April 2016. The projects target certain populations such as those with low skills, are in both urban and rural areas, emphasize education and training as well as rapid attachment to employment, and test both mandatory and voluntary participation in E&T. This was a one-time grant award. States will close out their grants in FY 2019.

The Agricultural Act of 2014 also provided funding for a rigorous, longitudinal evaluation of the ten pilots. FNS awarded the evaluation contract in December 2014. The contractor received OMB approval for data collection in January 2016. This initiated the recruitment and enrollment of pilot participants and evaluation data-collection activities in all ten pilot projects. FNS submitted the first annual report to Congress in FY 2016, the second in FY 2017, and will submit its third in FY 2018. The evaluation contractor began administering its 12-month follow-up survey of a random sample of participants in January 2017. FNS anticipates the availability of the interim evaluation report in 2019 and the final evaluation report in 2021.

The grantees and award amounts are as follows:

County of Fresno Department of Social Services

Fresno builds on an existing program called the Fresno Bridge Academy to offer multiple career-driven services, including education, job training, support services, subsidized and unsubsidized employment, retention services, ongoing case management, and financial incentives for milestone achievements. The pilot includes a multi-generational approach that includes adult development topics such as nutrition and health management, parenting skills, financial literacy, and services to ensure children are excelling in school. Awarded: \$12,166,778

Delaware Department of Health and Social Services

The Delaware Work Opportunity Networks to Develop Employment Readiness (WONDER) pilot provides intensive case management, wrap around services to address work readiness barriers, and a choice of four service tracks. Individual placement into service tracks will be based on location, interest, and work readiness for one of three sector-based tracks (construction, culinary arts, or manufacturing) or a fourth, broader job placement track.

Awarded: \$18,765,069

Georgia Division of Family and Children Services

The SNAP Works 2.0 pilot uses an integrated case management system, based on a medical HMO model, and applies a three-tiered assessment system to effectively address the needs of SNAP E&T participants with multiple barriers to employment. Depending on individual skill levels, pilot participants are offered job readiness services, basic education, occupational training, subsidized employment, and job retention services. Participants also have access to Employ Georgia's Focus Career Explorer, an innovative self-service tool that allows pilot participants to manage their career path and interact with staff and services on-line to support successful career placement.

Awarded: \$15,011,438

Illinois Department of Human Services Job Training and Economic Development SNAP E&T Program

The Employment Opportunities, Personalized Services, Individualized Training, Career Planning (EPIC) pilot builds on a small-scale program for disadvantaged workers to offer comprehensive assessments and case management. The pilot operates in seven workforce investment areas in the northern, central and southwestern parts of the State. After a holistic assessment, case managers place participants in an accelerated and integrated adult education program, bridge program and/or technical training or a work-based learning pathway. *Awarded: \$21,857,568*

Kansas Department for Children and Families

The Generating Opportunities to Attain Lifelong Success (GOALS) program is an intensive case management program that is followed by career pathways training and work-based learning opportunities. *GOALS* is a four-phase, client-centered strategy that includes intensive case management services; job-driven training and career pathways; work-based learning; and job retention services. Participants are assigned a Career Navigator that stays with them throughout the course of their program to assist with overcoming barriers to training and employment and developing a career plan. The project is supported further by cross-system communication at the State and site levels through a Collective Impact facilitator. *Awarded: \$13,509,167*

Kentucky Department of Community Based Services

The Paths 2 Promise pilot provides team-based case management, intensive supportive services, education, training and subsidized employment to SNAP work registrants in the Eastern Kentucky Promise Zone region. The project utilizes a collective impact service model that aligns new and existing programs, such as Accelerating Opportunity Kentucky, a successful career pathway model, to better support SNAP work registrants. Services include an electronic Individual Employment Plan (IEP) used to coordinate assessment and case management across partner agencies, job readiness, soft skills, Adult Basic Education, short-term, stackable occupational training courses will be linked to internships, work experience, work study, on-the-job training and deep employer engagement through the establishment of Employer Resource Networks. *Awarded: \$19,987,148*

Mississippi Department of Human Services

The Mississippi Ethics, Discipline, Goals, Employment (EDGE) pilot is a four-week course that prepares participants for future employment or postsecondary education. It includes career planning, job skills training, education, personal and behavioral modification, and life skills. At the end of the course, the participant is provided with a voucher to implement their career plan through one of three pathways: 1) an academic pathway focused on GED attainment or career-technical education (with an emphasis on the I-BEST model for basic skills education), 2) a life skills pathway, or 3) a work pathway, in which students can participate in subsidized or unsubsidized employment, or additional career training. *Awarded: \$20,505,890*

Virginia Department of Social Services

The EleVAte SNAP E&T pilot targets innovative employment and training services through its project to ABAWDs, non-custodial parents, and low-skilled individuals, each of whom will earn at least one industry-recognized credential valued by employers. EleVAte offers three programs customized to the skill levels of participants upon entry: a hybrid online learning lab with instructor-led workshops, job readiness and training leading to a certificate or certification, and a longer-term integrated basic education and training program, all of

FOOD AND NUTRITION SERVICE

which draw from evidence-based strategies. Each program will be supported by intensive case management and advising. Awarded: \$22,329,952

Vermont Department for Children and Families

The Jobs for Independence (JFI) pilot provides a range of education and training options to high-need populations, including homeless adults, individuals connected to the correctional systems, and individuals with substance addiction illness. Services include adult basic education and GED services, job readiness training, occupational training, and work-based learning such as apprenticeships and on-the-job training. All pilot participants receive a comprehensive, clinical assessment that informs the creation of an intensive cross-agency case management team to ensure that pilot participants have access to all necessary supportive services. Pilot participants are referred to the Governor's Career Ready Program at Vermont Community College; program completers receive a National Career Readiness Certificate that, whenever possible, will be paired with an industry recognized certificate or credential. Awarded: \$8,959,379

Washington Department of Social and Health Services

The Resources to Initiate Successful Employment (RISE) pilot helps individuals with significant barriers to employment—including homeless adults, limited English proficient individuals, veterans, and non-custodial parents with child support obligations—through comprehensive case management and work-based learning opportunities. The pilot operates in King, Pierce, Spokane, and Yakima counties, with case management services provided by community colleges and community based organizations. Case managers will help resolve barriers to employment by leveraging housing resources, working with the Division of Child Support for clients who are delinquent in child support payments, and creating accelerated training strategies and job placements within in-demand or high growth industries. Awarded: \$22,000,000

In addition to its pilot funding, and in accordance with the Act, FNS will reimburse States for 50 percent of State or local funding spent on allowable pilot activities.

Office of Employment and Training

The Agricultural Act of 2014 placed an emphasis on assisting program participants to move off a reliance on SNAP through robust employment and training activities. As a result, FNS requested and was provided with the funding to establish a division within SNAP, the Office of Employment and Training (OET), with experts in SNAP E&T and workforce development strategies. The OET monitors the effectiveness of States' E&T programs, provides technical assistance to State agencies to create job-driven programs, and increases collaboration with other Federal training programs. Additional staff was hired in each regional office in FY 2015 who are dedicated solely to SNAP E&T. Those regional staff work "on the ground" with State agencies, their partners, and other stakeholders. This integrates and aligns SNAP E&T with other job-training programs, leverage resources, and implement outcome measures.

FNS recognizes the importance of self-sufficiency and seeks to help move more individuals and families into good jobs, reducing their need for food assistance. SNAP includes work requirements for certain adults who are able to work and provides employment and training opportunities to help SNAP recipients gain and retain employment. SNAP is working to more effectively move these households to self-sufficiency by improving employment and training opportunities.

Technical Assistance

In FY 2017, FNS awarded a contract to the Seattle Jobs Initiative (SJI) to continue the *SNAP to Skills Project (S2S)*, a technical assistance (TA) effort that provides States tools and resources to develop employer-driven SNAP E&T Programs. Consistent with the first round of S2S, which operated from 2015-2017, 10 States will receive direct TA from SJI. FNS is in the process of selecting the 10 States. SJI is partnering with Abt Associates in this effort. The TA is central to FNS' efforts to leverage SNAP E&T so more States can help SNAP clients obtain economic self-sufficiency. In addition to direct technical assistance, the contract will allow FNS to continue supporting the public-facing S2S website. The website hosts all of the S2S products, including policy briefs, a comprehensive SNAP E&T workbook for States, success stories, and State progress updates and successes. It is designed to be a "one-stop shop" for States interested in building employer-driven programs and expanding their 50/50 program.

FOOD AND NUTRITION SERVICE

In FY 2017, FNS will offer the second *SNAP E&T Learning Academy* (“Academy”), which is a competitive opportunity for a select number of individuals to gain specific technical expertise on SNAP E&T that prepares them to work within their State or across multiple States to build high-quality SNAP E&T programs. The Academy is designed to prepare a network of individuals from organizations providing technical assistance to States who can work with States to develop SNAP E&T programs, using a “train the trainer” approach. States and counties may also find this content useful as they work to develop and expand their SNAP E&T programs. Participants selected for the Academy will participate in two convening and monthly virtual sessions in FY 2018.

SNAP E&T Data and Technical Assistance Grants

FNS awarded Data and Technical Assistance (DATA) Grants to local and State SNAP agencies. The Consolidated Appropriations Act, 2017, provided approximately \$5 million in discretionary grant funds to support State and local agencies in collecting and reporting outcome data for SNAP E&T programs, as well as additional funds for technical assistance, so that States can become more effective, data driven E&T providers. The FY 2017 awarded projects had to have a direct impact on State capacity to accurately and efficiently track outcomes for SNAP E&T participants; increase understanding of effective strategies to improve employment and earnings outcome for SNAP E&T participants; and/or support the continuous improvement of SNAP E&T programs. For FY 2017, FNS awarded eight grants:

Arkansas Department of Human Services — \$421,033

Arkansas will add new functionality to their SNAP E&T Management Information System (MIS). They will: fully automate their reporting requirements; establish an internal SNAP E&T provider inventory control system; and build direct interfaces with Arkansas Department of Workforce Services (DWS), the Arkansas Research Center (ARC), and the Arkansas Works Medicaid Recipient Portal.

California Department of Social Services — \$999,510

California will create a statewide workforce portal that will function as a centralized, web-based location for data collection and enrollment verification by allowing universal and automatic uploads from SNAP E&T providers, regardless of the case management system they use. The portal will: allow for real-time enrollment verification across county-lines (CA is a county-operated program), support reverse referrals, and track service receipt across multiple providers.

Connecticut Department of Social Services — \$992,506

Connecticut will build a platform to link data across four agencies: SNAP and SNAP E&T data from the Department of Social Services (DSS); child care and home visiting data from the CT Office of Early Childhood (OEC); wage, training, and employment data from the CT Department of Labor (DOL); and higher education data from the CT State Colleges and Universities (CSCU) System. By the end of the grant period, DSS will have the data capacity and interagency agreements to use a data linking platform to routinely connect SNAP E&T participants to child care subsidies, use client level data to identify and enroll additional participant into the SNAP E&T system from OEC’s and CSCU’s data sets on families in higher education and training programs, and assess the outcomes of SNAP E&T participation by linking to DOL’s data on employment and wages and CSCU’s data on graduation rates.

Illinois Department of Human Services — \$771,431

Illinois will develop a new Work Verification System (WVS) to track E&T services and outcomes for the purposes of meeting reporting requirements. Additionally, the WVS will support: a thorough assessment and referral for services based on the assessment; the development of Responsibility and Service Plans; automated provider referrals and shared case management; and automatic attendance and activity reports for the purpose of participation requirements.

Kentucky Department for Community Based Services — \$1,000,000

Kentucky will integrate SNAP E&T data into its Statewide Longitudinal Data System (SLDS), which tracks participation and outcomes data across education (k-12, adult education, higher education) and workforce development programs. Kentucky will develop key SNAP E&T metrics; integrate SNAP E&T data into the SLDS; create an interactive feedback report; and link SNAP E&T participant data with other key data within the SLDS, such as Medicaid and Pell grant eligibility, to develop a more accurate socioeconomic status indicator.

Nevada Department of Health and Human Services — \$371,736

Nevada will: expand the capacity for data exchange between their eligibility system and their E&T case management system; enhance the interface with their labor agency to obtain quarterly wage records; create new capacity to store and manage E&T outcome data; and create automated E&T data reports.

New York State Office of Temporary and Disability Assistance — \$780,342

New York will develop and implement a unified SNAP E&T performance evaluation and reporting application. The application will use automated data feeds to combine SNAP participation and household characteristics, SNAP E&T program participation, and outcome information from four (currently unconnected) sources: NY Department of Labor's Wage Reporting System, NYC Human Resource Administration's work activity system, the Welfare to Work Caseload Management System, and the Welfare Reporting and Tracking System. The data will be used for the purposes of meeting the new reporting requirements, as well as monitoring, performance measurement, and program evaluation.

South Dakota Department of Social Services — \$381,835

South Dakota will: coordinate with the State's Bureau of Information and Telecommunications (BIT) and Department of Labor and Regulations (DLR) to map all SNAP E&T data sources and develop mechanisms to streamline the collection of required reporting information from each of these sources; leverage existing work with the agency's data vendor to develop mechanisms to consolidate data into a single repository where it easily can be cleaned, stored, and accessed for reporting and analysis; create standardized reports that meet all Federal and State E&T reporting requirements, as well as other management reports; analyze these reports to identify specific program areas where operations can be improved; and use the data to make policy and operational changes to improve program outcomes.

Electronic Benefit Transfer Systems

Electronic benefit transfer (EBT) systems, which replaced the coupon-based method for providing SNAP benefits, were implemented nationwide in June 2004. Each recipient household is issued a plastic benefit card with a magnetic stripe to make food purchases. The cards are associated with benefit accounts, which are debited when food purchases are made. In most States, EBT cards are also used for TANF and other cash benefit programs. These systems are interoperable, which means that recipients may shop at FNS-authorized food retailers in any State.

EBT System Conversions: FNS worked with the States to prepare for numerous States' conversions to a new EBT Processor. This involves weekly meetings, reviewing and providing feedback on documentation and attending the user acceptance tests to ensure the State is prepared to successfully convert to their new vendor. This work was undertaken in support of the following States in FY 2017: Alabama, Alaska, Arizona, California, Colorado, Delaware, Guam, Hawaii, Idaho, Montana, Nebraska, Puerto Rico, Tennessee, Virgin Islands, and West Virginia. Most States completed their conversions in FY 2017 and others will continue into FY 2018 with additional States to begin their conversion activities during the coming year.

Retailer File System (RFS): RFS is the combination of three distinct applications builds on a single platform, providing users with the means to digitize, share and manage electronic retailer records. The system allows users to upload documents through a scanning application or through the Store Tracking and Redemption System (STARS), perform document quality control tasks and view electronic records. The system was fully implemented in FY 2016 and in FY 2017 went through four system releases as a result of continued efforts to improve the effectiveness and efficiency of managing retailer records. The system releases included upgrades to the document capture and scanning application, enhancements to the document view and quality control functionalities, and improvements to the overall performance of the RFS reporting tool.

Anti-fraud Locator using EBT Retailer Transactions (ALERT): During FY 2017, FNS released several updates to ALERT, the system for fighting SNAP retailer fraud. The updates ensure continuity of system operations as well as enhancements using the best-suited prevalent architectures and technologies available in the IT industry. FNS also added two resources to the ALERT contract which allow for enhanced data mining support services.

FOOD AND NUTRITION SERVICE

STARS: Six releases of STARS were completed in FY 2017. STARS is the system used by FNS to manage retailer participation in SNAP. These releases included enhancements for the four Retailer Operations Division (ROD) branches. The major enhancements in FY 2017 include enhanced integration with ALERT, updating the system user interface (UI), and streamlining the reauthorization process for Multi-store Owners.

Investigator Mobile Application: A mobile application was developed for FNS' undercover investigators and was deployed in FY 2017 to each investigator's tablet. This application allows investigative details to be entered from the field immediately after leaving the store therefore increasing the accuracy of investigative reports and reducing the time currently spent on documenting investigative notes in paper and later transcribing them into systems. This is the first mobile application to be developed by the Agency and required close coordination with USDA for integration with a mobile eAuthentication solution.

Studies and Evaluations

FNS published three major reports related to SNAP during FY 2017, including one study mandated by the Agricultural Act of 2014. The reports are available at <http://www.fns.usda.gov/ops/supplemental-nutrition-assistance-program-snap-research>. These include:

- **SNAP Employment and Training (E&T) Best Practices Study**, mandated by Section 4022 of the Act, reviewed research on employment and training (E&T) program components and practices that: (1) assist members of households participating in the Supplemental Nutrition Assistance Program (SNAP) to obtain regular employment; and (2) are best integrated with State workforce development systems. This review also included research on the effectiveness of E&T components offered to low-income individuals by other Federal and State agencies, and the private philanthropic sector. The main objective was to provide Congress, FNS, and individual States with information that can be used to shape SNAP E&T program services to improve the employability, self-sufficiency, and well-being of SNAP clients.
- **The Extent of Trafficking in the Supplemental Nutrition Assistance Program: 2012–2014** is the latest in a series of periodic analyses, which provides estimates of the extent of trafficking of SNAP benefits during the period 2012 through 2014. Trafficking of SNAP benefits occurs when SNAP recipients sell their benefits for cash to food retailers, often at a discount. Although trafficking does not increase costs to the Federal Government, it is a diversion of program benefits from their intended purpose of helping low-income families access a nutritious diet.
- **Methods to Standardize State Standard Utility Allowances (SUAs)** developed standard methodologies for States to establish SUAs which may be used in lieu of actual utility expenses when calculating a household's total shelter costs that may affect the household's SNAP benefit level. States have developed their own methodologies to construct SUAs. The use of SUAs simplifies the application process from the perspective of both the State agency and the applicant. However, program simplification needs to be balanced with other SNAP goals, especially ensuring benefit adequacy and program integrity. The purpose of this study was to develop standard methodologies that could be used to (1) construct State-specific SUAs that accurately reflect typical utility costs for low-income households and (2) make annual adjustments to the State SUAs.

Community Food Projects

The Community Food Projects program is authorized under Section 25 of the Food and Nutrition Act of 2008. The Community Food Projects Competitive Grants Program supports the development of Community Food Projects with a one-time infusion of Federal dollars to make such projects self-sustaining. While funding was set at \$5 million per year in the 2008 Farm Bill, Section 4026 of the Agricultural Act of 2014 increased that amount to \$9 million beginning in FY 2015. This grants program is administered by the National Institute of Food and Agriculture (NIFA).

Farmers' Markets and Direct-Marketing Farmers

FNS spent approximately \$4 million in FY 2017 to provide wireless SNAP EBT equipment to newly authorized farmers' markets and direct marketing farmers and those needing replacement equipment. To accomplish this, FNS' contractor continued to:

FOOD AND NUTRITION SERVICE

- Identify eligible direct-marketing farmers and farmers' markets.
- Recruit them to become SNAP-authorized.
- Provide technical assistance in completing the SNAP authorization process.

In FY 2017, approximately 630 farmers markets and direct marketing farmers received wireless SNAP EBT equipment through this contract.

As of September 30, 2017, the number of SNAP-authorized farmers markets and direct marketing farmers increased from 6,998 in FY 2016 to 7,377 with redemptions over \$22 million in FY 2017. FNS expects to continue activities that promote SNAP operations at farmers markets, and support the goals and mission of SNAP.

In FY 2017, FNS conducted three webinars for the farmers market and direct marketing farmer communities on the topics of partnerships, marketing & outreach, and fresh fruit and vegetable incentive programs, with nearly 400 total participants. FNS expects to continue activities that promote SNAP operations at farmers markets, and support the goals and mission of SNAP.

NUTRITION ASSISTANCE PROGRAM FOR PUERTO RICO (NAP)

Program Mission

The Omnibus Budget Reconciliation Act of 1981 added a new Section 19 to the Food Stamp Act of 1977, as amended, which replaced SNAP in Puerto Rico with a block grant, effective July 1, 1982. Section 19 of the Food and Nutrition Act of 2008, as amended, retains the authority for the Puerto Rico nutrition assistance block grant. The block grant requires that Puerto Rico submit and gain approval from the Secretary for a program plan each year. The plan must assess the food and nutrition needs of the island's neediest residents, describe the assistance needed, describe how it would be provided to the neediest residents, describe the amount of administrative expense needed, and meet such other requirements as the Secretary might prescribe by regulation. The Secretary is required to provide for the review of programs for assistance under Section 19 and is allowed to provide appropriate technical assistance for such programs.

Beginning in 2001, NAP program rules provided that 75 percent of NAP benefits were redeemable for eligible food items at certified NAP retailers through EBT; the remaining 25 percent of benefits were available as cash and intended food purchases. Section 4025 of the Agricultural Act of 2014 requires the Secretary to review cash nutrition assistance benefits in Puerto Rico by studying: the history of cash benefits, barriers to redemption with non-cash benefits, usage of cash benefits for the purchase of nonfood items, and other factors. The provision also restricts the Secretary from approving any nutrition assistance plan for FY 2017 that provides more than 20 percent of benefits in cash. However, due to recent disasters, there has been a temporary hold at 20 percent into FY 2018 which is scheduled to end on December 31, 2017 unless another extension is granted. In FY 2018, cash is limited to 15 percent of benefits; in FY 2019, cash is limited to 10 percent of benefits; in FY 2020, cash is limited to 5 percent; and in FY 2021, no benefits shall be in the form of cash. The Secretary may make exemptions if discontinuation of cash benefits will have significant adverse effects.

Facts in Brief

- On average, an estimated 1.26 million people were served monthly during FY 2017.
- In FY 2017, total benefit costs were \$1.9 billion, or about \$127 per person per month, for nutrition assistance program recipients.
- Puerto Rico spent an estimated \$36 million of Federal funds on administrative activities in FY 2017, which are matched by an equivalent amount of State funds.

Federal Responsibilities of the Block Grant

Puerto Rico proposes its annual program plan that estimates the costs of benefits, administration, and other projects in July for the fiscal year beginning on the following October 1. FNS must review and approve the Commonwealth's annual plan and monitor program operations to ensure program integrity. These monitoring activities include reviewing financial reports of obligations and expenditures and on-site management reviews of selected program operations. The cost of these components for FYs 2014 through 2017 actuals is as follows:

FOOD AND NUTRITION SERVICE

NUTRITION ASSISTANCE FOR PUERTO RICO

Summary of Funding
(Dollars in thousands)

	2014 Actual	2015 Actual	2016 Actual	2017 *Estimate
Benefit Costs	\$1,859,566	\$1,908,535	\$1,919,423	\$1,912,335
Administrative Costs	42,851	42,346	37,947	36,328
Nutrition Education Program	353	516	105	338
Total Federal Funds	1,902,770	1,951,397	1,957,475	1,949,001
State Administrative Costs	40,256	42,862	37,947	36,328
Total Program Costs	1,943,026	1,994,259	1,995,422	1,985,329

*Figures provided are from FY 2017 PR NAP budget and cannot be finalized until submission of final reports in March 2018 based on approved reporting extension due to devastation caused by Hurricanes Irma and Maria.

Participation

From its inception, the NAP in Puerto Rico served a much higher proportion of the total population than the United States as a whole, due to the significantly lower living standards in Puerto Rico. This continues to be the case under the block grant program: about 1.26 million persons were served monthly or about 34 percent of Puerto Rico's total estimated population of 3.7 million participated in the program in FY 2017. Monthly participation for FYs 2014 through 2017 actual is as follows:

NUTRITION ASSISTANCE FOR PUERTO RICO

Summary of Participation

	2014 Actual	2015 Actual	2016 Actual	2017 Estimates
Average Number of Persons (million)	1.35	1.32	1.29	1.26
Average Number of Households	673,160	671,682	673,459	666,308
Average Household Size (persons)	2.01	1.97	1.93	1.89
Average Benefit Per Household	\$232	\$238	\$238	\$239

NUTRITION ASSISTANCE FOR AMERICAN SAMOA

Program Mission

The American Samoa Nutrition Assistance Program was authorized by Public Law 96-597 (December 24, 1980) and began on July 1, 1994. The program is now operating under the authority of the Food and Nutrition Act of 2008, Section 19. In FY 2017, \$7.8 million was authorized for American Samoa's block grant.

Facts in Brief

- A monthly average of 4,058 persons, or about 7.49 percent of American Samoa's total estimated population of 54,194 was served during FY 2017.
- In FY 2017, average monthly benefit costs were \$459,237 or \$113.17 per person.
- American Samoa spent \$2.29 million for administrative activities for FY 2017. Block grant funding provides for 100 percent of administrative and benefits costs.
- The program serves the low-income elderly, blind, and disabled population.
- American Samoa utilizes printed food coupons.

Federal Responsibilities of the Block Grant

American Samoa submits a memorandum of understanding each fiscal year specifying how the program will be operated, including eligibility requirements to stay within the capped block grant amount. FNS must review and approve the annual memorandum of understanding and monitor program operations to ensure program integrity. These monitoring activities include reviewing financial reports of obligations and expenditures and on-site management reviews of selected program operations.

FOOD AND NUTRITION SERVICE

NUTRITION ASSISTANCE PROGRAM FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Program Mission

The Commonwealth of the Northern Mariana Islands' (CNMI) nutrition assistance program began on July 2, 1982. The program was authorized by Public Law 96-597 (December 24, 1980), which allowed USDA to extend programs administered by the Department to CNMI and other territories. In FY 2017, \$12,148,000 in grant funds were provided to CNMI.

Section 4031 of the Agricultural Act of 2014 authorizes a feasibility study on implementing SNAP (in a manner similar to SNAP in the States) or an appropriate alternative in CNMI. In August 2016, the feasibility study was completed and published. CNMI opted to use the additional funding appropriated under the Agricultural Act of 2014 to enhance their existing Nutrition Assistance Program (NAP), which was an authorized option. CNMI's enhanced NAP called E-NAP increases the income eligibility limits, increases the allotment benefits for each of the islands, implements a new eligibility system with Electronic Benefit Transfer interface capabilities, and adjusts resources (staffing and administrative costs) as needed. CNMI was approved to receive funding for the E-NAP as follows: \$13.5 million (FY 2016) and \$8.5 million (for each of FYs 2017 and 2018), for a total of \$30.5 million. CNMI signed a grant agreement (FNS 529) that allows CNMI to use the funding during the period of performance. Funding will be monitored throughout the period of performance to ensure funding is properly managed.

Facts in Brief

- On average each month 6,900 people or 12.9 percent of CNMI's total estimated population of 53,467 were served during FY 2017.
- In FY 2017, average monthly benefits were \$877,301 which averages \$350 per household.
- CNMI NAP has opted to increase the income eligibility limits and the allotment benefits in June 2017.
- The CNMI spent an estimated \$1.43 million on administrative activities for FY 2017. Block grant funding provides 100 percent of administrative and benefits costs.
- CNMI is allowed to set its eligibility standards within the capped block grant.
- CNMI utilizes food coupons.

Federal Responsibilities of the Block Grant and Enhanced Funds

The CNMI submits a memorandum of understanding each fiscal year, specifying how the program will be operated, including eligibility requirements to stay within the capped block grant amount. FNS must review and approve the annual memorandum of understanding and monitor program and fiscal operations to ensure program integrity. These monitoring activities include reviewing financial reports of obligations and expenditures and on-site management reviews of selected program operations.

In addition to the MOU negotiations process, if CNMI is making changes to the approved E-NAP, a revised plan must be submitted to FNS for review and approval.

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS (FDPIR)

Program Mission

FDPIR is an alternative nutrition assistance program to SNAP for income-eligible households residing on Indian reservations and income-eligible Indian households in designated service areas near reservations or in Oklahoma. FDPIR is authorized by Section 4(b) of the Food and Nutrition Act of 2008, as amended, to allow Indian Tribal Organizations (ITOs) or an agency of the State government to operate a food distribution program for households who prefer USDA Foods to SNAP benefits. Each month, participating households receive a food package to help them maintain a nutritionally balanced diet. Participants may select from over 100 products including a wide selection of fresh produce as well as offerings of traditional foods. The variety of foods available in the FDPIR food package includes:

- Frozen ground beef, beef roast, chicken, and ground bison.
- Fresh and canned fruits and vegetables; pastas, cereals, rice, and other grains
- Canned soups
- Cheese, low-fat ultra-high temperature milk, nonfat dry milk, and evaporated milk
- Flour, bakery mix, yellow cornmeal, and blue cornmeal

FOOD AND NUTRITION SERVICE

- Dried beans and dehydrated potatoes
- Bottled juices and dried fruit
- Peanut butter
- Vegetable oil

Federal administrative funding is also available for nutrition education related activities, which can include individual nutrition counseling, group cooking demonstrations, nutrition classes, and the dissemination of resources, including recipes, related to USDA Foods. Households may not participate in FDPIR and SNAP in the same month.

Facts in Brief

- In FY 2017, three States and 102 ITOs administered programs on 276 Indian reservations, pueblos, rancherias, and Alaska Native Villages. Nutrition assistance was provided to an average of 90,200 persons per month at a cost to FNS of \$71.96 per food package in FY 2017, with an average monthly per person administrative cost of \$39.74.

FDPIR PARTICIPATION AND COST

	2010	2011	2012	2013	2014	2015	2016	2017
Average Participation (in Thousands)	84.6	77.8	76.5	75.6	85.4	88.6	93.0	90.2
Per Person Per Month Food Cost (Entitlement)	\$47.45	\$50.71	\$57.04	\$59.31	\$60.92	\$65.22	\$62.02	\$71.96
Total FNS Food Cost (\$ in Millions)	\$48.17	\$47.37	\$52.38	\$53.94	\$62.51	\$69.35	\$69.25	\$76.09

Note: Total Per Person Food Costs differ from commodity procurement obligations due to inventory level changes.

Food Package: FNS continues its commitment to improve the food package offered under FDPIR through the FDPIR Food Package Review Work Group. The work group, consisting of National Association of Food Distribution Programs on Indian Reservations (NAFDPIR)-appointed representatives and FNS staff, is focusing on ways to better meet the nutritional needs and food preferences of program participants nationwide. The Work Group seeks to reduce saturated fat, sugar, and sodium in the food package and explore ways to increase the convenience and acceptability of products offered. In FY 2017, as a result of Work Group feedback, a number of changes were made to product formulations and packaging to better meet the needs of recipients. Additionally, FNS explored changes to FDPIR distribution guide rate categories to permit more flexibility for recipients to select the products that best meet their needs. Changes included an expansion of choices in the milk category, which has been well received by program recipients. FNS also launched a juice substitution pilot that permits recipients to replace some or all of their juice allocation with additional canned, dried, or fresh fruit options. This option is currently being piloted in eight FDPIR programs and is being reviewed and evaluated by FNS. During FY 2017, FNS continued to pilot the distribution of fresh shell eggs through the USDA DoD Fresh project and expanded shell egg delivery to nine additional FDPIR programs, bringing the number of ITOs participating in the pilot to 13.

Traditional and Locally-Grown Food Fund: The 2014 Farm Bill reauthorized the 2008 Farm Bill provision which provided for the establishment of a fund, subject to the availability of appropriations, for use in purchasing traditional and locally-grown foods for FDPIR. Since FY 2015, FDPIR has been allocated \$5 million each fiscal year to meet this provision. FNS continued to work with the FDPIR Food Package Review Work Group to prioritize traditional food items for purchase based on participant preferences. In FY 2015, FNS and its procurement partner, the Agricultural Marketing Service (AMS), awarded contracts to deliver blue cornmeal and bison meat to FDPIR, including purchases of bison from two Native American-owned small businesses. During FY 2016, additional contracts were awarded for frozen wild salmon and traditionally-harvested wild rice. The procurement of traditionally-harvested wild rice was awarded to two Indian Tribal Organizations who had recently become approved USDA vendors. In FY 2017, bison, blue cornmeal, wild rice, and wild salmon were purchased for distribution in FDPIR.

FOOD AND NUTRITION SERVICE

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM SUMMARY OF BENEFIT COSTS, PARTICIPATION AND STATE ADMINISTRATIVE FUNDING

FISCAL YEAR 2017

STATE OR TERRITORY	AVERAGE PARTICIPATION IN THOUSANDS		TOTAL VALUE OF BENEFITS ISSUED (\$000)	AVERAGE MONTHLY BENEFIT PER PERSON	STATE ADMINISTRATIVE, NUTRITION EDUCATION, and EMPLOYMENT & TRAINING FUNDING (\$000)
	PERSONS	HOUSEHOLDS			
Alabama-----	804	376	\$1,161,156	\$120.30	\$50,031
Alaska-----	89	39	191,487	179.07	10,336
Arizona-----	919	413	1,335,235	121.11	68,860
Arkansas-----	388	171	510,832	109.61	29,783
California-----	4,112	1,988	6,732,701	136.44	961,583
Colorado-----	459	222	701,946	127.37	46,988
Connecticut-----	410	235	653,080	132.63	53,206
Delaware-----	147	71	210,706	119.61	12,757
District of Columbia-----	123	71	200,333	135.41	23,137
Florida-----	3,187	1,691	4,787,748	125.21	84,647
Georgia-----	1,634	754	2,540,245	129.59	95,631
Hawaii-----	169	86	479,722	236.49	22,336
Idaho-----	171	75	233,882	113.81	9,254
Illinois-----	1,879	977	2,933,509	130.13	112,759
Indiana-----	672	298	955,393	118.41	56,902
Iowa-----	366	173	482,469	109.88	22,216
Kansas-----	234	108	318,489	113.53	21,775
Kentucky-----	655	308	943,689	120.09	60,743
Louisiana-----	909	421	1,440,111	132.05	62,912
Maine-----	180	93	234,668	108.80	16,006
Maryland-----	684	359	987,124	120.21	70,425
Massachusetts-----	763	444	1,159,028	126.54	64,954
Michigan-----	1,375	729	2,069,171	125.36	143,834
Minnesota-----	454	223	602,993	110.79	68,524
Mississippi-----	537	244	743,316	115.27	30,526
Missouri-----	759	352	1,116,216	122.57	48,582
Montana-----	121	58	172,036	118.59	10,605
Nebraska-----	176	79	241,772	114.57	17,782
Nevada-----	441	225	625,063	118.22	26,245
New Hampshire-----	92	46	112,556	101.45	9,831
New Jersey-----	818	407	1,115,683	113.66	158,500
New Mexico-----	461	217	669,613	121.17	27,746
New York-----	2,911	1,611	4,737,482	135.63	360,045
North Carolina-----	1,365	734	2,171,960	132.56	119,611
North Dakota-----	54	25	77,843	120.69	10,444
Ohio-----	1,502	747	2,225,320	123.48	109,270
Oklahoma-----	604	274	879,725	121.40	49,333
Oregon-----	686	394	1,009,209	122.53	88,099
Pennsylvania-----	1,843	951	2,673,354	120.88	193,615
Rhode Island-----	156	94	269,676	143.73	9,789
South Carolina-----	720	337	1,065,958	123.38	28,531
South Dakota-----	93	41	140,613	125.65	8,577
Tennessee-----	1,047	513	1,586,711	126.28	74,242
Texas-----	3,868	1,629	5,805,152	125.06	196,298
Utah-----	206	83	286,289	115.64	16,358
Vermont-----	77	42	112,924	122.99	8,986
Virginia-----	776	367	1,115,537	119.87	124,036
Washington-----	933	520	1,363,775	121.87	110,682
West Virginia-----	340	172	481,165	117.83	19,809
Wisconsin-----	692	344	877,904	105.78	70,064
Wyoming-----	33	14	46,792	118.74	6,438
American Samoa 1/-----	0	0	0	0.00	0
CNMI 1/-----	0	0	0	0.00	0
Guam-----	45	15	102,836	189.33	1,665
Virgin Islands-----	27	13	54,710	169.70	32
Anticipated Adjustment-----	0	0	-125,585	0.00	539,507
TOTAL-----	42,165	20,872	\$63,621,320	\$125.99	\$4,644,843

NOTE: These data are based in part on preliminary data submitted by State and local agencies subject to change as revised reports are received. Totals may not add due to rounding.

1/ These entities receive a fixed grant and do not report participation.

FOOD AND NUTRITION SERVICE

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM FIRMS AUTHORIZED TO RECEIVE AND REDEEM SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FISCAL YEAR 2017

State	Retailers	Whole-salers	Drug and/or Alcohol Treatment Program	Shelter for Battered Women and Children	Communal Dining Facility	Group Living Arrangement	Homeless Meal Provider	Meal Delivery Service	Private Restaurant/Meal Delivery	Sr Citizens Center/Residential Building	Total
Alaska	547		9								556
Alabama	5,499		21	1	1	23	2	1			5,548
Arkansas	2,826		17				2				2,845
Arizona	4,018		8	1	1		3	2	223		4,256
California	25,225		195	5	5		23	9	1,753		27,215
Colorado	2,869		8		2		3	7			2,889
Connecticut	2,599		14	1	2		2	1			2,619
District of Columbia	477				1		1				479
Delaware	809		2				4				815
Florida	16,067		67		2	27	6	5	2		16,176
Georgia	10,330		8		4	2	4			1	10,349
Guam	258										258
Hawaii	1,044		9	2	1	2		1			1,059
Iowa	2,919		13		5		1	6			2,944
Idaho	1,097							1			1,098
Illinois	9,272		11		19	13	5	15	2	142	9,479
Indiana	5,277		6	2	1		3	9		1	5,299
Kansas	2,041		11		11	6	2	8			2,079
Kentucky	4,696		39		1						4,736
Louisiana	4,857		8		1		9				4,876
Massachusetts	5,407		81	5	4	106	8	2	1	4	5,618
Maryland	3,934		14		6	21	8	2		1	3,986
Maine	1,541		13		10	3	1	1		2	1,571
Michigan	10,001		21		30	35	7	21			10,115
Minnesota	3,484		1		4		2	13		1	3,505
Missouri	5,023		9	1	1		5	2			5,041
Mississippi	3,620		3								3,623
Montana	769		2	1	15	10	2			5	804
North Carolina	9,682	1	4		2		1	3			9,693
North Dakota	514		4		20	3	1	6		1	549
Nebraska	1,270		11				2				1,283
New Hampshire	1,083		4			3	2	1		1	1,094
New Jersey	6,118	1	24			3	3			1	6,150
New Mexico	1,598		1					1			1,600
Nevada	1,851		5		1		5	1			1,863
New York	18,247		112		19	207	9	33		6	18,633
Ohio	9,714		29		2	1	2	7			9,755
Oklahoma	3,609		14		1		1	1			3,626
Oregon	3,451		29	1	4	30	9	2		2	3,528
Pennsylvania	10,323	1	13		5	18	26	11	7	1	10,405
Rhode Island	963		7	1	7	4	3		9		994
South Carolina	5,457		2				1				5,460
South Dakota	745		3		11	17		3			779
Tennessee	6,971		19	1		23	1	2		2	7,019
Texas	20,098		23			2	3				20,126
Utah	1,480		4		1	1			1		1,487
Virginia	6,511		13		1	3		3			6,531
Virgin Islands	90		1								91
Vermont	719				1						720
Washington	5,010		24		6	5	2	5			5,052
Wisconsin	4,209		5		19	1	2	11			4,247
West Virginia	2,186		3		2		1	1			2,193
Wyoming	381		5		1	1	1				389
Total	258,786	3	949	22	230	571	178	197	1,998	171	263,105

FOOD AND NUTRITION SERVICE

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS
PARTICIPATION AND FUNDING

FISCAL YEAR 2017

STATE OR TERRITORY	AVERAGE MONTHLY PARTICIPATION	FOOD COSTS <u>1/</u>	ADMINISTRATIVE FUNDING <u>2/</u>	TOTAL FOOD AND ADMIN.
Alaska-----	724	\$468,935	\$740,816	\$1,209,751
Arizona-----	11,235	8,354,485	4,526,974	12,881,459
California-----	4,463	2,836,358	2,829,490	5,665,848
Colorado-----	353	260,563	240,600	501,163
Idaho-----	1,530	1,004,111	797,272	1,801,383
Kansas-----	613	420,428	303,548	723,976
Michigan-----	1,960	1,473,314	1,328,806	2,802,120
Minnesota-----	2,487	1,764,743	1,807,936	3,572,679
Mississippi-----	1,169	745,784	447,855	1,193,639
Montana-----	3,271	2,366,328	3,058,075	5,424,403
Nebraska-----	1,267	813,914	501,480	1,315,394
Nevada-----	1,328	778,888	1,027,930	1,806,818
New Mexico-----	2,809	1,861,269	1,697,801	3,559,070
New York-----	350	287,048	433,095	720,143
North Carolina-----	671	467,792	365,638	833,430
North Dakota-----	5,569	4,102,874	2,559,264	6,662,138
Oklahoma-----	32,795	24,015,090	11,141,626	35,156,716
Oregon-----	687	641,416	682,358	1,323,774
South Dakota-----	8,525	6,162,688	3,662,003	9,824,691
Texas-----	114	62,707	146,214	208,921
Utah-----	384	260,571	133,065	393,636
Washington-----	3,221	2,098,678	2,627,908	4,726,586
Wisconsin-----	3,367	2,373,302	2,068,325	4,441,627
Wyoming-----	1,190	862,433	328,664	1,191,097
AMS / WBSCM / Computer Support-----	0	895,242	0	895,242
Undistributed-----	0	25,785,146	10,952,456	36,737,602
TOTAL-----	90,083	\$91,164,104	\$54,409,199	\$145,573,303

SOURCE: FPRS FNS-152 data - Food distributed to participants in fiscal year 2017.

1/ Total value of entitlement foods. Costs do not include bonus commodities, food losses, storage and transportation for certain items (Group A fruits and vegetables, all Group B commodities), the value of food used for nutrition education, or the Department of Defense Regional Pilot.

2/ Administrative funding represents the total of Federal outlays and unliquidated obligations.

NOTE: These data are based in part on preliminary reports submitted by State and local agencies and are subject to change as revisions are received. Totals reflect Federal obligations and differ from State reported data.

FOOD AND NUTRITION SERVICE

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS

Quantity and Value of Commodities

Fiscal Year 2017

<i>ENTITLEMENT COMMODITIES</i>	POUNDS	VALUE
APPLESAUCE, CANNED, UNSWEETENED	164,025	\$96,908
APRICOTS, CANNED, EXTRA LIGHT SYRUP	131,850	122,735
BEANS, CANNED, BLACK, LOW-SODIUM	106,718	41,387
BEANS, CANNED, GREEN, LOW-SODIUM	1,004,198	372,341
BEANS, CANNED, LIGHT RED KIDNEY, LOW-SODIUM	445,470	182,132
BEANS, CANNED, PINTO, LOW-SODIUM	391,298	159,258
BEANS, CANNED, REFRIED, LOW-SODIUM	330,480	145,304
BEANS, CANNED, VEGETARIAN, LOW-SODIUM	367,200	144,264
BEANS, DRY, GREAT NORTHERN, NO SALT ADDED	362,880	182,549
BEANS, DRY, PINTO, NO SALT ADDED	826,560	400,621
BEEF, CANNED	144,000	366,019
BEEF, CANNED, STEW	966,600	788,414
BEEF, FINE GROUND, FROZEN	1,932,080	4,955,704
BEEF, ROAST, FROZEN	920,000	2,933,772
BISON, GROUND, FROZEN	479,952	4,794,720
BUTTER, SALTED	276,912	860,437
BUTTERY SPREAD, LIGHT	370,170	428,709
CARROTS, CANNED, LOW-SODIUM	494,550	223,555
CEREAL, CORN FLAKES	151,740	152,375
CEREAL, CORN SQUARES	127,008	281,481
CEREAL, FARINA	153,558	100,857
CEREAL, OAT CIRCLES	116,508	111,928
CEREAL, RICE CRISPS	178,188	226,261
CEREAL, SHREDDED WHEAT	88,560	77,490
CEREAL, WHEAT BRAN FLAKES	85,222	75,148
CHEESE, AMERICAN, LOAVES	1,900,800	3,291,560
CHEESE, BLENDED, AMERICAN, REDUCED FAT, SLICED	594,000	880,047
CHICKEN, CANNED	108,000	149,556
CHICKEN, SPLIT BREAST, FROZEN	897,000	1,963,143
CHICKEN, WHOLE, BAGGED, FROZEN	536,800	441,983
CORN, CANNED, CREAM STYLE, LOW-SODIUM	328,050	142,123
CORN, CANNED, NO SALT ADDED	1,176,831	455,863
CORNMEAL, BLUE	152,064	98,081
CORNMEAL, YELLOW	985,320	197,308
CRACKERS, UNSALTED	600,960	996,249
CRANBERRY SAUCE, CANNED	73,440	45,303
DoD FRESH PRODUCE		9,274,385
EGG MIX, DRIED	288,000	1,708,992
FLOUR, ALL PURPOSE, ENRICHED	5,226,480	1,057,441
FLOUR, BAKERY MIX, LOW-FAT	1,271,040	1,103,482
FLOUR, WHITE WHOLE WHEAT	80,000	24,156
FLOUR, WHOLE WHEAT	171,360	36,714
FRUIT AND NUT MIX, DRIED	209,664	578,716
HOMINY, CANNED	215,730	107,574

FOOD AND NUTRITION SERVICE

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS

Quantity and Value of Commodities Cont.

Fiscal Year 2017

<i>ENTITLEMENT COMMODITIES</i>	POUNDS	VALUE
JUICE, BOTTLED, APPLE, UNSWEETENED	1,770,450	636,888
JUICE, BOTTLED, CHERRY APPLE, UNSWEETENED	1,747,830	738,902
JUICE, BOTTLED, CRANAPPLE, UNSWEETENED	751,680	308,752
JUICE, BOTTLED, GRAPE CONCORD, UNSWEETENED	753,942	285,473
JUICE, BOTTLED, ORANGE, UNSWEETENED	2,184,570	1,251,479
JUICE, BOTTLED, TOMATO, UNSWEETENED	249,690	74,600
MACARONI AND CHEESE	442,830	291,789
MILK, EVAPORATED, CANNED, SKIM	706,401	412,598
MILK, INSTANT, NONFAT DRY	110,400	183,604
MILK, 1%, UHT	7,999,290	2,271,419
MIXED FRUIT, CANNED, EXTRA LIGHT SYRUP	619,650	442,393
MIXED VEGETABLES, CANNED, LOW-SODIUM	218,700	118,325
OATS, ROLLED	1,081,080	522,597
OIL, VEGETABLE	748,440	415,388
PASTA, EGG NOODLES	576,000	326,841
PASTA, MACARONI	937,480	409,647
PASTA, ROTINI, WHOLE GRAIN	97,200	43,448
PASTA, SPAGHETTI	967,600	404,716
PEACHES, CANNED, EXTRA LIGHT SYRUP	1,143,225	812,749
PEANUT BUTTER	563,355	634,370
PEANUTS, ROASTED, NO SALT ADDED	155,520	250,112
PEARS, CANNED, EXTRA LIGHT SYRUP	747,225	515,217
PEAS, CANNED, LOW-SODIUM	428,175	200,519
PLUMS, DRIED	72,000	140,295
PORK CHOPS, FROZEN	380,000	1,034,318
PORK, HAM, FROZEN	936,960	2,222,157
POTATOES, DEHYDRATED, FLAKES	180,000	156,400
POTATOES, CANNED, LOW-SODIUM	403,920	158,447
PUMPKIN, CANNED, LOW-SODIUM	36,450	32,854
RAISINS	194,400	222,238
RICE, WHITE	975,000	310,658
RICE, WILD	15,000	135,000
SALMON, FILLETS, WILD, FROZEN	432,000	4,973,760
SOUP, CANNED, TOMATO, LOW-SODIUM	248,325	152,416
SOUP, CANNED, VEGETABLE, LOW-SODIUM	106,425	83,336
SOUP, CREAM OF CHICKEN, REDUCED SODIUM	554,400	574,098
SOUP, CREAM OF MUSHROOM, REDUCED SODIUM	207,900	212,541
SPAGHETTI SAUCE, CANNED, LOW-SODIUM	656,100	251,934
SPINACH, CANNED, LOW-SODIUM	135,660	103,505
TOMATO SAUCE, CANNED, LOW-SODIUM	621,225	234,848
TOMATOES, CANNED, NO SALT ADDED	642,713	252,976
TORTILLA, WHOLE GRAIN-RICH	180,000	124,434
TUNA, CANNED, CHUNK LIGHT	97,200	195,822
SUBTOTAL COMMODITY ENTITLEMENT	57,507,675	\$63,900,906
AMS/WBSCM Admin Expenses	-	\$895,242
Anticipated Adjustment	-	26,367,956
TOTAL COMMODITY ENTITLEMENT	57,507,675	\$91,164,104
<i>BONUS COMMODITIES</i>		
None	-	\$0
TOTAL BONUS COMMODITIES	-	\$0
TOTAL- ALL COMMODITIES	57,507,675	\$91,164,104
GRAND TOTAL FDP	57,507,675	\$91,164,104

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

- 1 For necessary expenses to carry out disaster assistance [and the Commodity Supplemental Food Program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note)] ; the Emergency Food Assistance Act of 1983; and special assistance for the nuclear affected islands, as authorized by section 103(f)(2) of the Compact of Free Association Amendments Act of 2003 (Public Law 108-188), [293,591,000] \$55,471,000, to remain available through September 30, [2019] 2020: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That notwithstanding any other provision of law, effective with funds made available in fiscal year [2018] 2019 to support the Seniors Farmers' Market Nutrition Program, as authorized by section 4402 of the Farm Security and Rural Investment Act of 2002, such funds shall remain available through September 30, [2019] 2020: *Provided further*, That of the funds made available under section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)), the Secretary may use up to 10 percent for costs associated with the distribution of commodities.

The first change eliminates funding for the Commodity Supplemental Food Program.

Lead-Off Tabular Statement

COMMODITY ASSISTANCE PROGRAM (CAP)

Budget Estimate, 2019.....	55,471,000
2018 Annualized Continuing Resolution.....	<u>317,139,000</u>
Change in Appropriation	<u>-261,668,000</u>

Project Statement

(Adjusted Appropriations Detail and Staff Years)
(Dollars in thousands)

Project	2016		2017		2018		Chg	2019	
	Actual	SY	Actual	SY	Estimate	SY	Key	Estimate	SY
Commodity Supplemental Food Program	\$222,198		\$236,120		\$238,120		(1)	0	
Farmers' Market Programs									
Farmers' Market Nutrition Program	18,548		18,548		18,548		(2)	0	
Senior Farmers' Market Nutrition Program (transfer) <u>1/</u>	20,600		20,600		20,600			\$20,600	
Total Adjusted FMP	39,148		39,148		39,148			20,600	
The Emergency Food Assistance Program									
Administrative Costs	54,401		59,401		59,401		(3)	54,401	
Other Programs									
Nutrition Services Incentive Program <u>2/</u>	2,214		2,554		2,752			0	
Nuclear Affected Islands	574		574		574		(4)	574	
Disaster Assistance	496		496		496		(5)	496	
Total Adjusted Appropriation	319,031	2	338,293	2	340,491	3		76,071	2
SFMNP Sequester	-1,401		-1,421		-1,360			0	
Transfers (SFMNP and NSIP)	-22,814		-23,154		-23,352			-20,600	
Total Appropriation	296,217	2	315,139	2	317,139	3		55,471	2

1/ Section 4402(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007(a)) authorizes the transfer of \$20,600,000 from the Commodity Credit Corporation (CCC) for the SFMNP.

2/ Section 311(d)(3) of the Older Americans Act (42 U.S.C. 3030a) authorizes the transfer of NSIP funds from HHS for the purchase of USDA Foods and related expenses for elderly. The NSIP amounts for FY 2019 will be determined at a later date.

FOOD AND NUTRITION SERVICE

Project Statement
(On basis of Obligations)
(Dollars in thousands)

Project	2016 Actual	SY	2017 Actual	SY	2018 Estimate	SY	Inc./Dec.	2019 Estimate	SY
Commodity Supplemental Food Program									
USDA Food Purchases	\$173,152		\$155,279		\$263,843		-\$263,843	0	
Administrative Costs	45,854		50,739		52,577		-52,577	0	
Subtotal, CSFP Obligations	219,006		206,018		316,420		-316,420	0	
Recoveries & Collections of Prior Yr Obligations	-2,218		-465		0		0	0	
Unobligated Balances:									
Available Start of Year	-42,323		-47,733		-78,300		5,336	0	
Available End of Year	47,733		78,300		0		0	0	
Balance Lapsing	0		0		0		0	0	
Subtotal, CSFP Appropriation	222,198		236,120		238,120		-238,120	0	
Farmers' Market Programs									
Seniors Farmers' Market Nutrition Program	20,273		22,074		20,734		-134	\$20,600	
Farmers' Market Nutrition Program	21,043		23,062		18,548		-18,548	0	
Subtotal, FMP Obligations	41,316		45,136		39,282		-18,682	20,600	
Transfer from CCC	-20,600		-20,600		-20,600		0	-20,600	
Recoveries & Collections of Prior Yr Obligations	-2,359		-5,996		0		0	0	
Unobligated Balances:									
Available Start of Year	-65		-134		-134		134	0	
Available End of Year	134		134		0		0	0	
Balance Lapsing	122		8		0		0	0	
Subtotal, FMP Appropriation	18,548		18,548		18,548		-18,548	0	
The Emergency Food Assistance Program <u>1/</u>									
Administrative Costs	54,900		60,407		59,401		-5,000	54,401	
SNAP/TEFAP Admin. (non add)	(23,374)		(22,871)		0		0	0	
SNAP/TEFAP USDA Foods (non add)	(296,394)		(289,682)		(289,500)		0	(294,000)	
Subtotal, TEFAP Obligations	54,900		60,407		59,401		-5,000	54,401	
Recoveries & Collections of Prior Yr Obligations	-529		-999		0		0	0	
Unobligated Balances:									
Available Start of Year	0		-7		0		0	0	
Available End of Year	7		0		0		0	0	
Balance Lapsing	23		0		0		0	0	
Subtotal, TEFAP Appropriation	54,401		59,401		59,401		-5,000	54,401	
Other Programs:									
Nutrition Services Incentive Program <u>2/</u>	2,802		2,481		2,848		-2,848	0	
Nuclear Affected Islands	574		574		574		0	574	
Disaster Assistance	545		276		1,080		-584	496	
Subtotal, Other Program Obligations	3,921		3,331		4,502		-3,432	1,070	
Transfer from DHHS	-2,214		-2,554		-2,848		2,848	0	
Recoveries & Collections of Prior Yr Obligations	-3		0		0		0	0	
Unobligated Balances:									
Available Start of Year	-925		-291		-584		584	0	
Available End of Year	291		584		0		0	0	
Balance Lapsing	0		0		0		0	0	
Subtotal, Other Program Appropriation	1,070		1,070		1,070		0	1,070	
Total, CAP Obligations	319,143	2	314,892	2	419,605	3	-343,534	76,071	2
SFMNP Sequester	1,401		1,421		1,360		-1,360	0	
Total Adjusted Appropriation	296,217	2	315,139	2	317,139	3	-261,668	55,471	2
Total Appropriation	296,217	2	315,139	2	317,139	3	-261,668	55,471	2

1/ Section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) as amended by Section 4016(a) of the Agricultural Act of 2014 (P.L. 113-79) provides continued funding for TEFAP commodities in the SNAP account.

2/ Section 311(d)(3) of the Older Americans Act (42 U.S.C. 3030a) authorizes the transfer of NSIP funds from HHS for the purchase of USDA Foods and related expenses for the elderly. The NSIP amount for FY 2019 will be determined at a later date.

FOOD AND NUTRITION SERVICE

Justification of Increases and Decreases

The Commodity Assistance Program (CAP) account combines funding for the Commodity Supplemental Food Program, administrative expenses for The Emergency Food Assistance Program, assistance to the six Nuclear Affected Islands of The Republic of the Marshall Islands, Disaster Relief, and the Senior Farmers' Market Nutrition Program.

The FY 2019 request for the Commodity Assistance Program (CAP) reflects a decrease of \$238,120,000.

- (1) A decrease of \$238,120,000 for the Commodity Supplemental Food Program (\$238,120,000 and 3 staff years available in FY 2018).

The Commodity Supplemental Food Program (CSFP) food benefits are similar to other nutrition assistance programs that currently exist. CSFP is available in most States, but is a relatively small program which operates in limited areas of 49 States, two Indian reservations, Puerto Rico and the District of Columbia.

The priority of the Administration is to ensure the continued integrity of the national nutrition assistance safety net. We believe our limited resources are better focused on nutrition programs that are universally available to serve needy populations.

- (2) A decrease of \$18,548,000 in the Farmer's Market Nutrition Program (\$18,548,000 available in FY 2018).

This decrease would eliminate the WIC Farmers' Market Nutrition Program (FMNP) which duplicates cash value voucher benefits being received in WIC. Elimination of the program would save an estimated \$19 million per year, the current authorization for the program. All women and children in WIC now receive a monthly cash-value voucher (\$11 for women and \$8 for children) for the purchase of fruits and vegetables which can be used in grocery stores or farmers' markets. The FMNP is available only in limited locations in 48 State agencies (including 6 Indian Tribal Organizations) while cash value vouchers are accepted at all WIC participating vendors.

- (3) A decrease of \$5,000,000 in The Emergency Food Assistance Program (\$59,401,000 available in FY 2018).

This funding is used for grants to States to support the storage and distribution of USDA Foods distributed through the Emergency Food Assistance Program (TEFAP) network of emergency feeding organizations (EFOs). The funding is allocated among States using a statutory formula that takes into account poverty and unemployment. States are required to pass through at least 40 percent of these funds to EFOs, and must match any funding retained for State administrative expenses.

The traditional funding level for the administration of this program is \$54.4 million. In FY 2016, FNS requested an increase of funding for this purpose because the 2014 Farm Bill temporarily increased funding for the purchase of TEFAP commodities. As a result, more administrative funding was needed by States for the delivery, storage, and distribution of the additional food. Because commodity levels have decreased since FY 2016, the request for administrative TEFAP funding is being returned to the traditional level of \$54.4 million.

- (4) No change in the Nuclear Affected Islands program (\$574,000 available in FY 2018).

This funding provides nutrition assistance to the former residents of the four atolls that were rendered uninhabitable because of the nuclear weapons testing program at Bikini atoll in the Pacific Ocean. Certain islands in nuclear-affected zones of the Republic of the Marshall Islands receive nutrition assistance as authorized by the Compact of Free Association Amendments Act of 2003 (P.L.108-188). Under the terms of a memorandum of understanding between USDA and the Republic of the Marshall Islands, the assistance is currently provided as cash in-lieu of USDA Foods and administrative funds.

- (5) No change in the Disaster Assistance program (\$496,000 available in FY 2018).

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288) authorizes funds appropriated under Section 32 to purchase USDA Foods for assistance in major disasters or emergencies when other food supplies are not readily available. This funding provides nutrition assistance in situations of distress, which are natural catastrophes or other situations that have not been Presidentially declared as a disaster or emergency. Funds can also be used for purchase of foods for household distribution during situations of distress or for use in Presidentially-declared disasters.

FOOD AND NUTRITION SERVICE

Commodity Supplemental Food Assistance Program
Program Performance Data

	2016 Actual	2017 Actual	2018 Estimate	Difference	2019 President's Budget
RESOURCES--START OF YEAR : (\$\$ in thousands)					
Appropriation (Includes Rescission)	\$222,198	\$236,120	\$238,120	-\$238,120	0
Cash Carry-In/Recoveries	42,323	40,000	78,300	-78,300	0
Beginning Inventory (Federal-State-Local)	41,600	56,718	45,000	-45,000	0
TOTAL RESOURCES	306,121	332,838	361,420	-361,420	0
DEMAND:					
1. Program Performance Data:					
Caseload (Calendar Year)	619.000	697.865	728.552	-728.552	0.000
Participation (Fiscal Year)	585.293	629.796	728.552	-728.552	0.000
Participation					
<i>Women-Infants-Children</i>	<i>0.375</i>	<i>0.186</i>	<i>0.150</i>	<i>-0.150</i>	<i>0.000</i>
<i>Elderly</i>	<i>584.918</i>	<i>629.610</i>	<i>728.402</i>	<i>-728.402</i>	<i>0.000</i>
Avg. Food Cost Person/Month (whole \$):					
Women-Infants-Children	21.09	21.53	22.98	-22.98	0.00
FNS Funded 1/	21.09	21.53	22.98	-22.98	0.00
<i>Free (donated)</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Elderly	18.28	19.38	20.03	-20.03	0.00
FNS Funded 1/	18.28	19.38	20.03	-20.03	0.00
<i>Free (donated)</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
2. Food Costs: (Dollars in thousands)					
Food Distribution Costs	\$128,403	\$162,304	\$175,122	-\$175,122	0
<i>Women-Infants-Children</i>	<i>95</i>	<i>83</i>	<i>41</i>	<i>-41</i>	<i>0</i>
<i>Elderly</i>	<i>128,308</i>	<i>162,221</i>	<i>175,081</i>	<i>-175,081</i>	<i>0</i>
Commodity Administrative Costs	1,581	1,974	1,941	-1,941	0
<i>AMS/ FSA Charges</i>	<i>332</i>	<i>258</i>	<i>421</i>	<i>-421</i>	<i>0</i>
<i>WBSCM</i>	<i>1,100</i>	<i>1,148</i>	<i>1,399</i>	<i>-1,399</i>	<i>0</i>
<i>Computer Support/Internet</i>	<i>150</i>	<i>187</i>	<i>191</i>	<i>-191</i>	<i>0</i>
Total Food Costs	129,984	164,278	177,063	-177,063	0
3. State Administrative Expenses (\$\$ in thousands)	45,854	50,739	54,873	-54,873	0
TOTAL DEMAND	175,838	215,017	231,936	-231,936	0
BALANCES-- YEAR-END: (\$\$ in thousands)					
Funds (Carry-out)	0	0	0	0	0
Ending Inventory	56,718	117,821	129,484	-129,484	0
COMMODITY ACTIVITY:					
Purchases	145,102	225,381	261,547	-261,547	0
Inventory Change	15,118	61,103	84,484	-84,484	0

1/ In addition to reported food package costs, the number also reflects costs associated with storage and transportation, losses, and nutrition education expenditures.

FOOD AND NUTRITION SERVICE

COMMODITY SUPPLEMENTAL FOOD PROGRAM		
CALENDAR YEAR AUTHORIZED CASELOAD LEVELS		
FOR ELDERLY AND WIC a/		
STATE/ TRIBAL ORG.	2017	2018 b/
Alaska	2,793	2,843
Arizona	13,375	21,905
Arkansas	5,281	6,281
California	97,070	98,000
Colorado	15,941	15,941
Connecticut	2,831	2,481
Delaware	2,264	2,264
District of Columbia	5,264	5,411
Florida	9,822	6,807
Georgia	4,777	6,427
Hawaii	4,500	3,719
Idaho	2,200	2,200
Illinois	18,192	17,204
Indiana	4,132	4,782
Iowa	3,179	3,429
Kansas	5,611	6,056
Kentucky	28,314	32,066
Louisiana	63,755	55,078
Maine	9,229	9,229
Maryland	2,400	3,450
Massachusetts	2,450	2,450
Michigan	72,751	76,599
Minnesota	15,370	14,801
Mississippi	12,503	12,503
Missouri	24,814	24,814
Montana	8,300	6,758
Nebraska	9,607	8,290
Nevada	7,349	7,850
New Hampshire	4,348	3,928
New Jersey	4,500	6,500
New Mexico	16,705	15,433
New York	32,945	32,945
North Carolina	5,807	10,286
North Dakota	1,975	1,911
Oglala Sioux, SD	467	482
Ohio	24,427	26,671
Oklahoma	3,472	3,707
Oregon	2,776	2,378
Pennsylvania	36,200	36,200
Red Lake, MN	84	84
Rhode Island	1,542	1,486
South Carolina	6,751	5,907
South Dakota	4,037	4,085
Tennessee	13,295	12,693
Texas	49,952	60,187
Utah	3,099	3,169
Vermont	3,073	2,575
Virginia	5,000	12,100
Washington	5,939	6,004
West Virginia	5,000	5,000
Wisconsin	12,397	12,883
SUBTOTAL	697,865	726,252
NEW STATES		
Puerto Rico		1,000
Seminole Nation		800
Wyoming		500
SUBTOTAL		2,300
TOTAL CASELOAD	697,865	728,552

a/ No women, infants, or children will be eligible for enrollment in new CSFP States, in accordance with the Agricultural Act of 2014 (P.L. 113-79).

b/ Caseload is tentative pending full FY18 funding.

FOOD AND NUTRITION SERVICE

Geographic Breakdown of Obligations and Staff Years (SY)

(Dollars in thousands)

Commodity Assistance Program--Federal Salaries, Benefits & All Other Expenses								
	<u>2016 Actual</u>		<u>2017 Actual</u>		<u>2018 Estimate</u>		<u>2019 President's Budget</u>	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Virginia	\$1,953	2	\$2,039	3	\$2,021	3	\$1,871	2
Undistributed	0	0	0	0	0	0	0	0
TOTAL	\$1,953	2	\$2,039	3	\$2,021	3	\$1,871	2

Commodity Assistance Program

Classification by Objects

(thousands of dollars)

	2016 Actual	2017 Actual	2018 Estimate	2019 President's Budget
Personnel Compensation:				
Washington D.C.....	\$107	\$157	\$157	\$107
Field.....	121	185	185	121
11.0 Total personnel compensation.....	228	342	342	228
12.0 Personnel benefits.....	72	108	108	72
Total personnel comp. and benefits.....	300	450	450	300
Other Objects:				
21.0 Travel and transportation of persons.....	34	34	34	34
25.0 Other services from non-Federal sources.....	1,329	1,329	1,329	1,329
26.0 Supplies and materials.....	173,152	202,896	287,425	20,600
31.0 Equipment.....	0	0	0	0
41.0 Grants.....	144,328	110,183	130,367	53,808
Total, Other Objects.....	318,843	314,442	419,155	75,771
100 Total, new obligations.....	319,143	314,892	419,605	76,071

FOOD AND NUTRITION SERVICE

COMMODITY ASSISTANCE PROGRAM

Status of Programs

The Commodity Assistance Program (CAP) account combines funding for the Commodity Supplemental Food Program, administrative expenses for The Emergency Food Assistance Program, assistance to the six Nuclear Affected Islands of The Republic of the Marshall Islands, Disaster Relief, the Senior Farmers' Market Nutrition Program, and the WIC Farmers' Market Nutrition Program.

Commodity Supplemental Food Program

Program Mission

The Commodity Supplemental Food Program (CSFP) provides supplemental USDA Foods to low-income elderly persons age 60 and over. Prior to passage of the Agricultural Act of 2014 (P.L. 113-79, the 2014 Farm Bill), CSFP also served pregnant, postpartum and breastfeeding women, infants, and children up to age six. However, Section 4102 of the 2014 Farm Bill amended CSFP's eligibility requirements to phase women, infants, and children out of CSFP and transition it to a seniors only program. In accordance with Section 4102 of the 2014 Farm Bill, women, infants, and children who were certified and receiving CSFP benefits as of February 6, 2014 can continue to receive assistance until they are no longer eligible under the program rules in effect on February 6, 2014.

In FY 2017, the program operated in parts of 48 States, the District of Columbia, and through two Indian Tribal Organizations (ITOs). The foods provided are purchased by USDA with funds appropriated for the program each year. CSFP participants receive monthly food packages including nutritious foods such as canned fruits and vegetables, juices, meats, fish, peanut butter, cheese, cereal and grain products, and dairy products. FNS also provides administrative grants to States from the appropriated funds.

Facts in Brief

- In calendar year 2017, a total of 697,865 caseload slots were allocated to participating States and ITOs (CSFP caseload is assigned by calendar year).
- For FY 2017, total program participation averaged 629,796 monthly.
- Average monthly participation of women, infants, and children decreased from 365 in FY 2016 to 169 in FY 2017; average monthly elderly participation increased in the same period from 584,929 to 629,627.
- In FY 2017, resources permitted West Virginia, the only State with an approved State Plan but not yet operating CSFP, to begin program operations. As a result, West Virginia began CSFP operations in 2017.

Program Participation and Caseload Utilization

Each year, to the extent that resources are available, FNS assigns a base caseload to all of the States and ITOs participating in the program. Base caseload equals the greatest of: 1) monthly average participation for the previous fiscal year; 2) monthly average participation for the final quarter of the previous fiscal year; or, in certain limited circumstances, 3) participation during September of the previous fiscal year. Base caseload cannot exceed total caseload for the previous year. If resources are available to support total caseload in excess of base caseload, States may also be eligible to receive additional caseload, which is assigned based on State requests for such caseload increases and FNS' determination of the number of slots that States can effectively use.

FOOD AND NUTRITION SERVICE

CSFP Average Monthly Participation

Participation ^{1/}	2012	2013	2014	2015	2016	2017
Women	2,540	2,038	1,026	22	0	0
Infants	1,053	875	382	15	0	0
Children under 6	14,046	12,190	8,588	1,590	365	169
Total WIC Type	17,639	15,103	9,996	1,627	365	169
Elderly	576,556	564,656	563,707	570,207	584,929	629,627
Total, CSFP	594,195	579,759	573,703	571,834	584,929	629,796

^{1/} Based on National Databank version 8.2 data through September FY 2017. Due to rounding, the sum of the average participation by women, infants, children and elderly may not equal the total average participation.

Administrative Funding

Section 4201 of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill, P.L. 107-171) established the method for calculating administrative funds for State agencies in CSFP. State agencies are provided an administrative grant per assigned caseload slot, adjusted each year for inflation. For FY 2017, \$74.82 was the legislatively-mandated administrative grant per assigned caseload slot, up from \$74.53 in FY 2016. Allowable administrative costs include nutrition education, warehousing, food delivery, participant certification, and other costs associated with State and local administration of the program.

The Emergency Food Assistance Program

Program Mission

The Emergency Food Assistance Program (TEFAP) supplements the diets of needy Americans through donations of nutritious USDA Foods to States. States provide the food to local agencies for distribution to households for home consumption and to organizations that prepare meals for needy people. Recipients of household food packages must meet program eligibility criteria set by the States. USDA also provides TEFAP administrative funding to States to support the storage and distribution of USDA Foods and foods from other sources, including private donations.

Facts in Brief

- TEFAP foods and administrative funds are allocated to States based on a formula that considers the number of unemployed people in each State and the number of persons in each State with incomes below the poverty level.
- States may direct their TEFAP foods to: 1) distribution to needy households, 2) provision of meals to the needy at emergency feeding sites, or 3) a combination of the two.
- Each State is responsible for selecting organizations to participate in the program, allocating foods and administrative funds among such organizations, and establishing eligibility criteria. Many local TEFAP agencies are faith-based organizations and many depend significantly on volunteers.

Administrative Funding

TEFAP administrative funds are provided to States under the CAP account to help defray State and local costs associated with the transportation, processing, storage, and distribution of USDA Foods or foods secured from other sources, including the private sector. Appropriations legislation has also permitted each State to convert up to ten percent of TEFAP food funds to administrative funds. Additionally, unless expressly prohibited by appropriations legislation, States can convert any amount of their administrative funds to food funds to purchase additional USDA Foods. States can also use administrative funds to support food rescue activities such as gleaning and other food recovery efforts. In these ways, administrative funds are efficiently leveraged to increase the total flow of food, from all sources, through the TEFAP network.

FOOD AND NUTRITION SERVICE

Entitlement Foods

A variety of healthful foods were purchased specifically for distribution in TEFAP in FY 2017, including several new products: dried fruit and nut mix, farina, canned black beans, canned pinto beans, canned sweet potatoes, frozen carrots, frozen peas, frozen split breast chicken, and all-purpose flour. Other foods included were:

Fruits

- Apples, fresh/frozen
- Apple juice
- Applesauce, canned/cups, unsweetened
- Apricots, canned, extra light syrup
- Cherry apple juice
- Cranberry apple juice
- Grape juice
- Grapefruit juice
- Mixed fruit, canned, extra light syrup
- Orange juice
- Peaches, canned, extra light syrup
- Pears, canned, extra light syrup
- Pears, fresh
- Plums, dried
- Raisins

Proteins

- Beef, frozen/canned
- Beef stew, canned
- Catfish, frozen
- Chicken, frozen/canned
- Eggs, fresh/dried mix
- Ham, frozen
- Peanuts, roasted
- Peanut butter, Kosher
- Pork, canned
- Salmon, Kosher, canned
- Tuna, Kosher, canned

Grains

- Bakery mix, low fat
- Cereal, corn, flakes/squares
- Cereal, corn and rice biscuits
- Cereal, oat circles
- Cereal, rice crisp
- Cereal, wheat, bran flakes/shredded
- Crackers
- Grits
- Macaroni and cheese
- Oats, rolled
- Pasta, spaghetti/macaroni/egg noodle
- Pasta, whole grain rotini/spaghetti/macaroni
- Rice, white/brown
- Tortillas, whole grain

Vegetables

- Beans, baby lima, dry
- Beans, blackeye, dry/low sodium canned
- Beans, garbanzo, dry
- Beans, great northern, dry
- Beans, green, low sodium, canned
- Beans, light red kidney, dry/low sodium canned
- Beans, pinto, dry
- Beans, refried, low sodium, canned
- Beans, vegetarian, low sodium, canned
- Carrots, low sodium canned
- Corn, no salt added
- Corn, cream, low sodium
- Lentils, dry
- Mixed vegetables, low sodium, canned
- Peas, low sodium canned
- Potatoes, dehydrated/low sodium canned
- Potatoes, fresh
- Pumpkin, no salt added, canned
- Spaghetti sauce, low sodium, canned
- Spinach, low sodium, canned
- Tomatoes, diced, no salt added, canned
- Tomato juice
- Tomato sauce, Kosher/Halal, low sodium, canned

Dairy

- Cheese, low-fat American
- Milk, 1% Shelf Stable

Oils

- Vegetable oil

Soups

- Cream of chicken, reduced sodium
- Cream of mushroom, reduced sodium
- Tomato, low sodium
- Vegetable, low sodium vegetable

FOOD AND NUTRITION SERVICE

Bonus Food

In FY 2017, USDA purchased USDA Foods under its market support authorities and donated them for distribution through TEFAP. The total amount of bonus products purchased in FY 2017 for distribution through TEFAP outlets was \$268.6 million. Bonus USDA Foods included: catfish, Alaskan pollock, turkey, eggs, cheese, raisins, apples, applesauce, apple slices, cherries, plums, cranberry sauce, cranberry juice, cranberries, peaches, figs, blueberries, grape juice, pears and beans.

FY 2017 TEFAP Spending

In FY 2017, \$59.4 million was appropriated for TEFAP administrative funds, and the Secretary was authorized to make available up to ten percent of TEFAP food funds to support administrative costs. The FY 2017 appropriation for TEFAP entitlement food, provided in the SNAP account, was \$316 million, which included the funding authorized by Section 27(a)(2) of the Food and Nutrition Act of 2008 as amended by Section 4027 of the Agricultural Act of 2014 (the 2014 Farm Bill) as well as an additional \$19 million authorized by the Consolidated Appropriations Act, 2017 (P.L. 115-31, the Appropriations Act).

**TEFAP Summary
(Obligations)**

(In millions)	2012	2013	2014	2015	2016	2017
State Administrative Expenses	\$65.8	\$64.3	\$69.1	\$74.0	\$77.9	\$83.3
Bonus Foods ^{1/}	\$304.2	\$228.5	\$298.8	\$302.9	\$305.5	\$268.6
Entitlement Foods ^{2/}	\$242.9	\$247.2	\$268.0	\$327.0	\$320.3	\$316.0
TOTAL	\$612.9	\$540.0	\$635.9	\$703.9	\$703.7	\$667.9
Supplemental Funding for Hurricane Sandy (Disaster Relief -- Food and Administrative Funds)	\$0.0	\$5.7	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL – Including Hurricane Sandy	\$612.9	\$545.7	\$635.9	\$703.9	\$703.7	\$667.9

^{1/} Includes barter foods
^{2/} From SNAP Account

The State Administrative Expenses shown in the table above include administrative funds, food funds converted to administrative funds, and administrative funds recovered from the previous year. In FY 2017, of the \$29.7 million eligible for conversion, States chose to convert \$22.9 million into administrative funds.

Section 27(a)(2)(C) of the Food and Nutrition Act of 2008 required that, starting in FY 2010, the authorized level of TEFAP entitlement food funds provided under the SNAP account be adjusted annually by the percentage change in the Thrifty Food Plan (TFP), which is also used to adjust the benefit level in SNAP. For FY 2017, \$316 million was provided for TEFAP entitlement food funds. The entitlement foods line also includes administrative funds that States chose to use instead to increase their food entitlements. In FY 2017, \$260,250 of administrative funds were converted to food funds.

WIC Farmers’ Market Nutrition Program

The WIC Farmers’ Market Nutrition Program (FMNP) provides a direct link between nutrition and the Nation’s small resource farmers by providing women, infants older than 4 months, and children up to the age of 5 participating in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), special coupons to purchase and consume fresh, locally grown fruits, vegetables and herbs directly from farmers, farmers’ markets and roadside stands. As a result, the FMNP has enhanced local agricultural economies by promoting the development of farmers’ markets, which has increased the customer base for small local farmers. During Fiscal Year 2016, the last year for which data is available, the FMNP was operated by 49 State agencies, U.S. Territories and federally recognized Indian Tribal Organizations (ITOs).

FOOD AND NUTRITION SERVICE

In FY 2016, the FMNP provided coupons to 1,650,791 WIC participants. The participants redeemed their coupons at 5,669 authorized farmers' markets and roadside stands, providing revenue to 18,225 farmers.

WIC Farmers' Market Nutrition Program

	2012	2013	2014	2015	2016	2017
Funding (\$000)	\$20,517	\$18,723	\$19,633	\$19,667	\$21,043	\$22,291
WIC Recipients	1,717,668	1,559,312	1,635,261	1,701,816	1,650,791	*
Farmers' Markets**	6,361	6,080	6,415	6,284	5,669	*
Farmers	18,246	17,713	17,450	17,925	18,225	*

Note: Funding includes new appropriated and prior year resources.

* Data not yet available.

** Farmers' Markets data includes roadside stands.

Senior Farmers' Market Nutrition Program

The Senior Farmers' Market Nutrition Program (SFMNP) awards grants to States, U.S. Territories, and federally recognized Indian Tribal Organizations (ITOs) to provide low income seniors with coupons that can be exchanged for eligible foods (fruits, vegetables, honey, and herbs) at farmers' markets, roadside stands, and community-supported agriculture programs (CSAs). The Food Conservation & Energy Act, 2008 allows the purchase of honey although it is not a fruit or vegetable.

Farmers' markets play a key role in developing local and regional food systems that support farmers and help grow rural economies. In FY 2016, the SFMNP provided coupons to 816,207 low-income older Americans. The participants redeemed their coupons at 6,389 authorized farmers markets, roadside stands and CSAs providing revenue to 20,129 farmers. The SFMNP benefits local farmers by increasing the sustainability of the land and of the local economy through bringing additional customers to their markets.

The 2014 Farm Bill reauthorized the SFMNP through 2018 at a level of \$20.6 million per year. However, a rescission of \$1.4 million resulted in a total transfer of \$19.2 million to the Food and Nutrition Service (FNS) from the Commodity Credit Corporation (CCC) for FY 2017.

During FY 2016, the SFMNP operated in a total of 42 States, the District of Columbia, Puerto Rico, and eight Federally-recognized ITOs. A State agency may spend up to 10 percent of its total SFMNP grant to cover costs associated with the operation and administration of the SFMNP.

Senior Farmers' Market Program

	2012	2013	2014	2015	2016	2017
Funding (\$000)	\$22,241	\$21,187	\$20,585	\$20,617	\$20,284	\$20,419
SFMNP Recipients	885,116	835,795	787,139	817,751	816,207	*
Farmers	19,892	20,617	20,248	20,329	20,129	*
Farmers' Markets	3,988	4,247	3,912	3,774	3,582	*
Roadside Stands	3,075	3,083	3,177	3,203	2,693	*
Community Supported Agriculture Programs	154	191	154	180	114	*

Note: Funding includes new authority and prior year resources.

* Data not yet available.

Pacific Islands

Certain islands in nuclear-affected zones of the Republic of the Marshall Islands receive nutrition assistance as authorized by the Compact of Free Association Amendments Act of 2003 (P.L. 108-188). Under the terms of a memorandum of understanding between USDA and the Republic of the Marshall Islands, the assistance is currently

FOOD AND NUTRITION SERVICE

provided as cash in-lieu of USDA Foods and administrative funds. USDA previously provided nutrition assistance under this account to the former Trust Territory of the Pacific Islands.

Disaster Assistance

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288) assigns certain responsibilities relating to disaster food assistance to the Secretary of Agriculture. Other duties have been assigned to the Secretary by Executive Order #12673. These include using, pursuant to the authority of the Act, funds appropriated under Section 32 to purchase USDA Foods for assistance in major disasters or emergencies when other food supplies are not readily available. Disaster relief funds may be provided to purchase USDA Foods for use in Presidentially-declared disasters in The Republic of the Marshall Islands and The Federated States of Micronesia. In FY 2017, Hurricanes Harvey, Irma and Maria caused extensive flooding and infrastructure damage. The hurricanes impacted access to food and shelter for thousands of residents in the states of Texas and Florida and the U.S. Territories of Puerto Rico and the Virgin Islands. FNS worked closely with the States and U.S. Territories impacted to provide disaster assistance in the form of congregate feeding and household distribution using USDA Foods.

Nutrition Services Incentive Program (NSIP)

NSIP provides cash and USDA Foods to States for distribution to local organizations that prepare nutritionally sound meals served through meals-on-wheels programs or in senior citizen centers and similar settings where the elderly participate in social and rehabilitative activities. The program promotes good health through nutrition assistance and by reducing the isolation experienced by the elderly.

In 2003, Congress transferred NSIP funding and the allocation of resources in this program from USDA to the Department of Health and Human Services (DHHS). However, State Units on Aging, which include Indian Tribal Organizations, could still choose to receive all or part of their NSIP allotments in the form of USDA Foods. They are also eligible to receive bonus food, as available. USDA's role is to purchase and deliver food to States that elect to receive it. DHHS provides funding to USDA for purchases of USDA Foods and related administrative expenses. FNS and DHHS' Administration for Community Living enter into an agreement annually to ensure the effective provision of USDA Foods to State Units on Aging.

FOOD AND NUTRITION SERVICE

**COMMODITY SUPPLEMENTAL FOOD PROGRAM
PROJECTS, PARTICIPATION AND FOOD COST
FISCAL YEAR 2017**

STATE OR TERRITORY	PROJECTS	AVERAGE MONTHLY PARTICIPATION (FNS-153)					FOOD COSTS IN DOLLARS 1/	ADMINISTRATIVE COST IN DOLLARS 2/
		WOMEN	INFANTS	CHILDREN	ELDERLY	TOTAL		
Alaska-----	2	0	0	1	2,269	2,270	\$491,721	\$192,138
Arizona-----	10	0	0	0	12,851	12,851	2,706,575	992,057
Arkansas-----	5	0	0	0	4,470	4,470	1,024,934	357,714
California-----	9	0	0	11	87,010	87,021	19,707,455	6,987,122
Colorado-----	6	0	0	40	15,340	15,380	3,309,257	1,192,705
Connecticut-----	2	0	0	0	2,391	2,391	482,698	203,754
Delaware-----	1	0	0	0	2,219	2,219	496,632	172,722
District of Columbia-----	1	0	0	1	5,211	5,211	1,082,201	390,818
Florida-----	2	0	0	0	2,948	2,948	668,224	599,421
Georgia-----	3	0	0	0	4,638	4,638	1,015,832	302,671
Hawaii-----	4	0	0	0	2,795	2,795	607,221	297,410
Idaho-----	1	0	0	0	1,923	1,923	427,752	160,863
Illinois-----	3	0	0	0	16,481	16,481	3,729,462	1,345,655
Indiana-----	6	0	0	0	4,059	4,059	865,415	300,552
Iowa-----	1	0	0	0	3,134	3,134	663,638	236,282
Kansas-----	4	0	0	1	5,261	5,261	1,168,561	410,444
Kentucky-----	5	0	0	3	26,851	26,855	6,227,868	1,904,138
Louisiana-----	1	0	0	17	55,061	55,078	11,961,434	4,703,129
Maine-----	6	0	0	0	5,625	5,625	1,443,148	578,283
Maryland-----	1	0	0	0	2,386	2,386	511,373	179,568
Massachusetts-----	1	0	0	0	2,359	2,359	516,097	181,614
Michigan-----	21	0	0	73	71,526	71,599	16,016,628	5,482,192
Red Lake, Minnesota-----	1	0	0	0	84	84	18,529	6,285
Minnesota-----	5	0	0	0	14,801	14,801	3,239,710	1,165,509
Mississippi-----	1	0	0	0	11,769	11,769	2,507,729	853,301
Missouri-----	6	0	0	0	21,116	21,116	4,406,908	1,657,623
Montana-----	12	0	0	1	6,757	6,758	1,436,138	624,785
Nebraska-----	8	0	0	5	8,285	8,290	1,775,380	713,184
Nevada-----	3	0	0	2	7,263	7,265	1,579,868	558,849
New Hampshire-----	4	0	0	0	3,928	3,928	864,869	330,106
New Jersey-----	3	0	0	0	4,163	4,163	960,530	312,374
New Mexico-----	4	0	0	1	15,376	15,378	3,528,414	1,186,714
New York-----	3	0	0	0	33,507	33,507	7,030,596	2,498,783
North Carolina-----	4	0	0	0	2,747	2,747	640,024	348,998
North Dakota-----	5	0	0	0	1,852	1,852	404,201	144,477
Ohio-----	13	0	0	0	24,077	24,077	5,268,824	1,788,422
Oklahoma-----	2	0	0	0	3,291	3,291	707,006	222,702
Oregon-----	8	0	0	0	1,948	1,948	421,537	188,995
Pennsylvania-----	18	0	0	0	35,116	35,116	7,927,932	2,674,914
Rhode Island-----	1	0	0	0	1,486	1,486	322,668	123,939
South Carolina-----	3	0	0	0	5,782	5,782	1,242,824	486,404
South Dakota-----	2	0	0	0	4,135	4,135	949,858	308,389
Oglala Sioux, S.D.-----	1	0	0	14	460	474	103,059	35,671
Tennessee-----	4	0	0	0	12,531	12,531	2,782,957	972,778
Texas-----	7	0	0	0	44,738	44,738	9,706,613	3,499,424
Utah-----	1	0	0	0	2,814	2,814	619,142	217,256
Vermont-----	1	0	0	0	2,575	2,575	581,697	226,611
Virginia-----	2	0	0	0	3,967	3,967	887,676	374,100
Washington-----	11	0	0	0	5,647	5,647	1,219,544	437,660
West Virginia-----	2	0	0	0	1,226	1,226	275,107	280,575
Wisconsin-----	4	0	0	0	11,377	11,377	2,548,833	903,450
Anticipated Adjustment-----	0	0	0	0	0	0	16,196,396	425,559
3/ TOTAL-----	234	0	0	169	629,627	629,796	\$155,278,698	\$50,739,089

1/ Total value of FNS funded entitlement foods. Costs do not include free commodities, bonus commodities, food losses, storage and transportation for certain items (Group A fruits and vegetables, all Group B commodities), or the value of food used for nutrition education.

2/ Total outlays and unliquidated obligations.

3/ Totals may not add due to rounding.

NOTE: These data are based in part on preliminary reports submitted by State and local agencies and are subject to change as revisions are received.

FOOD AND NUTRITION SERVICE

COMMODITY SUPPLEMENTAL FOOD PROGRAM

Quantity and Value of Commodities

Fiscal Year 2017

<i>ENTITLEMENT COMMODITIES</i>	POUNDS	VALUE
APPLESAUCE, CANNED, UNSWEETENED	1,877,175	\$1,104,605
APRICOTS, CANNED, EXTRA LIGHT SYRUP	1,374,075	1,277,218
BEANS, CANNED, GREEN, LOW-SODIUM	4,078,451	1,563,839
BEANS, CANNED, VEGETARIAN, LOW-SODIUM	1,982,880	803,571
BEANS, DRY, BABY LIMA, NO SALT ADDED	806,400	541,309
BEANS, DRY, GREAT NORTHERN, NO SALT ADDED	1,421,280	721,729
BEANS, DRY, LIGHT RED KIDNEY, NO SALT ADDED	1,088,640	616,264
BEANS, DRY, PINTO, NO SALT ADDED	2,378,880	1,157,281
BEEF, CANNED	1,602,000	4,116,562
BEEF, CANNED, CHILI	1,476,000	1,694,668
BEEF, CANNED, STEW	2,568,600	1,954,218
CARROTS, CANNED, LOW-SODIUM	4,462,650	2,019,900
CEREAL, CORN AND RICE	1,094,310	1,703,525
CEREAL, CORN FLAKES	970,920	924,639
CEREAL, CORN SQUARES	1,658,160	3,671,914
CEREAL, FARINA	1,140,170	747,246
CEREAL, OAT CIRCLES	2,141,412	2,055,989
CEREAL, RICE CRISPS	1,737,516	2,308,736
CEREAL, SHREDDED WHEAT	985,230	837,656
CEREAL, WHEAT BRAN FLAKES	1,379,561	1,231,789
CHEESE, BLENDED, AMERICAN, REDUCED FAT, LOAVES	14,394,600	24,487,666
CHICKEN, CANNED	2,817,000	3,886,757
CORN, CANNED, NO SALT ADDED	3,379,010	1,335,953
GRITS	856,800	214,534
JUICE, BOTTLED, APPLE, UNSWEETENED	17,848,050	6,331,001
JUICE, BOTTLED, CRANAPPLE, UNSWEETENED	15,264,150	6,312,174
JUICE, BOTTLED, GRAPE, UNSWEETENED	15,498,180	5,838,773
JUICE, BOTTLED, ORANGE, UNSWEETENED	13,046,520	7,266,835
JUICE, BOTTLED, TOMATO, UNSWEETENED	4,119,902	1,184,663
MILK, 1%, UHT	32,362,875	9,736,804
MILK, INSTANT, NONFAT DRY	5,400,000	8,846,520
MIXED FRUIT, CANNED, EXTRA LIGHT SYRUP	2,825,100	2,054,927
MIXED VEGETABLES, CANNED, LOW-SODIUM	3,371,625	1,918,941
OATS, ROLLED	2,509,812	1,047,470
PASTA, MACARONI	4,178,760	2,083,472
PASTA, ROTINI, WHOLE GRAIN	939,600	469,220
PASTA, SPAGHETTI	4,850,400	2,053,137
PEACHES, CANNED, EXTRA LIGHT SYRUP	2,843,100	2,080,866
PEANUT BUTTER	4,360,905	4,864,239
PEARS, CANNED, EXTRA LIGHT SYRUP	3,016,238	2,199,956
PEAS, CANNED, LOW-SODIUM	2,857,050	1,383,208
PLUMS, CANNED, EXTRA LIGHT SYRUP	546,750	340,376
POTATOES, CANNED, LOW-SODIUM	2,276,640	926,400
RICE	4,527,000	1,497,702
SALMON, CANNED	2,107,738	4,334,215
SPAGHETTI SAUCE, CANNED, LOW-SODIUM	2,888,663	1,136,021
SPINACH, CANNED, LOW-SODIUM	1,254,855	853,174
TOMATOES, CANNED, NO SALT ADDED	2,378,689	971,842
TUNA, CHUNK LIGHT, CANNED	2,435,400	5,324,436
SUBTOTAL	211,379,721	\$142,033,941
Anticipated Adjustments	0	\$11,531,963
AMS/WBSCM Admin Expenses	0	1,712,794
TOTAL COMMODITY ENTITLEMENT	211,379,721	\$155,278,698

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

THE EMERGENCY FOOD ASSISTANCE PROGRAM
Administrative Funds / Entitlement and Bonus Commodities
Fiscal Year 2017

State or Territory	TEFAP Administrative Funds	Entitlement Commodities	Bonus Commodities	Total Food	Total Administrative and Food
Alabama	\$1,162,243	\$5,431,252	\$5,167,641	\$10,598,893	\$11,761,136
Alaska	192,341	604,213	701,462	1,305,675	1,498,016
Arizona	2,131,325	6,798,881	6,757,973	13,556,854	15,688,179
Arkansas	670,691	2,940,168	4,977,730	7,917,898	8,588,589
California	11,442,518	35,171,791	31,646,569	66,818,360	78,260,878
Colorado	1,126,047	3,627,580	3,762,766	7,390,346	8,516,393
Connecticut	597,044	3,257,144	2,629,665	5,886,808	6,483,852
Delaware	151,628	808,663	1,532,060	2,340,724	2,492,352
District of Columbia	237,684	776,688	689,367	1,466,055	1,703,739
Florida	5,254,686	18,366,820	16,951,529	35,318,349	40,573,035
Georgia	2,064,182	9,660,262	8,314,752	17,975,014	20,039,196
Hawaii	179,554	1,026,875	889,297	1,916,172	2,095,726
Idaho	289,624	1,520,583	1,000,152	2,520,735	2,810,359
Illinois	2,901,571	12,169,470	11,407,862	23,577,332	26,478,903
Indiana	923,903	6,158,506	5,405,744	11,564,250	12,488,153
Iowa	496,823	2,373,185	2,106,648	4,479,832	4,976,655
Kansas	683,651	2,066,551	1,982,577	4,049,128	4,732,779
Kentucky	1,380,374	4,189,217	4,092,958	8,282,175	9,662,549
Louisiana	1,591,059	5,043,401	5,915,507	10,958,908	12,549,967
Maine	203,931	1,118,946	1,122,050	2,240,996	2,444,927
Maryland	1,313,798	4,218,247	1,713,922	5,932,169	7,245,967
Massachusetts	1,090,037	5,617,862	3,917,549	9,535,411	10,625,448
Michigan	2,776,121	8,274,781	8,376,449	16,651,231	19,427,352
Minnesota	1,129,928	3,565,789	3,063,807	6,629,595	7,759,523
Mississippi	1,087,285	3,372,072	3,214,853	6,586,926	7,674,211
Missouri	1,608,156	4,844,319	5,305,594	10,149,913	11,758,069
Montana	265,146	868,763	530,669	1,399,432	1,664,578
Nebraska	400,060	1,176,048	1,107,482	2,283,530	2,683,590
Nevada	584,872	3,090,578	2,902,923	5,993,501	6,578,373
New Hampshire	209,827	665,033	894,880	1,559,913	1,769,740
New Jersey	2,055,390	6,292,903	7,739,808	14,032,712	16,088,102
New Mexico	694,633	2,350,112	3,010,004	5,360,116	6,054,749
New York	5,340,954	16,900,842	15,968,667	32,869,509	38,210,463
North Carolina	2,978,823	8,731,463	8,980,946	17,712,408	20,691,231
North Dakota	146,356	463,985	650,583	1,114,568	1,260,924
Ohio	2,647,707	10,145,424	9,758,917	19,904,341	22,552,048
Oklahoma	710,202	3,632,026	3,715,478	7,347,503	8,057,705
Oregon	1,142,211	3,746,694	3,950,537	7,697,231	8,839,442
Pennsylvania	3,309,689	10,304,831	11,330,150	21,634,981	24,944,670
Rhode Island	207,571	1,037,801	530,352	1,568,154	1,775,725
South Carolina	981,046	5,099,730	4,613,741	9,713,470	10,694,516
South Dakota	185,123	540,029	430,165	970,195	1,155,318
Tennessee	1,894,637	5,793,318	5,253,370	11,046,688	12,941,325
Texas	7,483,244	23,055,848	19,627,525	42,683,373	50,166,617
Utah	614,636	1,938,692	1,712,063	3,650,755	4,265,391
Vermont	121,358	390,374	821,606	1,211,979	1,333,337
Virginia	1,785,555	5,645,461	5,326,987	10,972,448	12,758,003
Washington	1,906,075	6,291,614	5,941,941	12,233,555	14,139,630
West Virginia	584,441	1,884,309	2,227,766	4,112,075	4,696,516
Wisconsin	1,392,276	4,222,908	4,217,555	8,440,464	9,832,740
Wyoming	140,018	431,419	650,345	1,081,763	1,221,781
Northern Mariana Islands *	30,585	157,906	0	157,906	188,491
Guam	66,261	318,368	434,059	752,428	818,689
Puerto Rico	2,397,422	8,195,297	3,496,708	11,692,005	14,089,427
Virgin Islands	47,867	165,261	165,551	330,812	378,679
AMS/WBSCM Admin Exp	0	3,110,408	0	3,110,408	3,110,408
Anticipated Adjustment	267,806	31,642	0	31,642	299,448
TOTAL	\$83,277,995	\$289,682,354	\$268,637,258	\$558,319,613	\$641,597,608

Source: WBSCM -- Sales Order and contract information.

* Cash in-Lieu of commodities are provided to the Northern Mariana Islands.

FOOD AND NUTRITION SERVICE

THE EMERGENCY FOOD ASSISTANCE PROGRAM
Quantity and Value of Commodities
Fiscal Year 2017

ENTITLEMENT COMMODITIES	POUNDS	VALUE
APPLES, FRESH	3,585,330	\$1,915,679
APPLES, FROZEN, UNSWEETENED	198,000	138,019
APPLESAUCE, CANNED, UNSWEETENED	8,310,600	4,926,523
APPLESAUCE, CUPS, UNSWEETENED	2,872,800	1,536,416
APRICOTS, CANNED, EXTRA LIGHT SYRUP	1,956,825	1,806,497
BEANS, CANNED, BLACK, LOW-SODIUM	3,308,243	1,337,174
BEANS, CANNED, BLACK-EYED PEA, LOW-SODIUM	3,841,830	1,673,086
BEANS, CANNED, GREEN, LOW-SODIUM	16,058,351	6,206,248
BEANS, CANNED, LIGHT RED KIDNEY, LOW-SODIUM	5,246,130	2,168,652
BEANS, CANNED, PINTO, LOW-SODIUM	2,454,503	967,190
BEANS, CANNED, REFRIED, LOW-SODIUM	3,451,680	1,554,725
BEANS, CANNED, VEGETARIAN, LOW-SODIUM	5,728,320	2,283,466
BEANS, DRY, BLACK-EYED PEA, NO SALT ADDED	443,520	353,288
BEANS, DRY, GREAT NORTHERN, NO SALT ADDED	2,973,600	1,528,747
BEANS, DRY, LIGHT RED KIDNEY, NO SALT ADDED	1,653,120	952,413
BEANS, DRY, LIMA, NO SALT ADDED	887,040	649,083
BEANS, DRY, PINTO, NO SALT ADDED	12,358,080	5,972,630
BEANS, DRY,GARBANZO, NO SALT ADDED	201,600	158,458
BEEF, CANNED, STEW	16,840,800	12,794,057
BEEF, CANNED	1,278,000	3,315,483
BEEF, FINE GROUND, FROZEN	4,747,920	12,597,768
BEEF, FINE GROUND, FROZEN, LFTB OPTIONAL	440,000	1,164,716
CARROTS, CANNED, LOW-SODIUM	7,763,850	3,561,974
CARROTS, FROZEN, NO SALT ADDED	356,400	191,238
CATFISH, FILLETS, UNBREADED	190,000	771,020
CEREAL, CORN FLAKES	3,907,440	3,550,887
CEREAL, CORN RICE BISCUITS	175,770	274,164
CEREAL, CORN SQUARES	148,176	328,446
CEREAL, FARINA	1,042,313	681,242
CEREAL, OAT CIRCLES	3,429,216	3,287,962
CEREAL, RICE CRISP	1,651,104	2,202,223
CEREAL, SHREDDED WHEAT	1,076,498	925,132
CEREAL, WHEAT BRAN FLAKES	1,525,810	1,364,407
CHEESE, BLEND, AMERICAN, REDUCED FAT, LOAVES	4,336,200	7,554,472
CHICKEN, CANNED	9,423,000	12,934,362
CHICKEN, SPLIT BREAST, FROZEN	624,000	1,474,493
CHICKEN, WHOLE BAGGED, FROZEN	11,422,400	9,437,673
CORN, CANNED, CREAM, LOW-SODIUM	2,551,500	1,129,756
CORN, CANNED, NO SALT ADDED	13,838,585	5,517,150
CRACKERS, UNSALTED	251,160	569,322
EGG MIX, DRY	252,000	1,480,946
EGGS, FRESH	3,037,500	1,600,928
FLOUR, ALL-PURPOSE	3,470,040	796,336
FLOUR, BAKERY MIX, LOW-FAT	1,061,760	928,811
FRUIT AND NUT MIX, DRIED	489,216	1,344,106
GRITS	4,069,800	1,009,640
JUICE, BOTTLED, APPLE, UNSWEETENED	5,528,850	2,030,392
JUICE, BOTTLED, CHERRY APPLE, UNSWEETENED	1,961,850	825,607
JUICE, BOTTLED, CRANAPPLE, UNSWEETENED	1,319,790	543,312
JUICE, BOTTLED, GRAPE CONCORD, UNSWEETENED	1,426,800	536,895
JUICE, BOTTLED, GRAPEFRUIT, UNSWEETENED	71,340	39,483
JUICE, BOTTLED, ORANGE, UNSWEETENED	677,730	378,092
JUICE, BOTTLED, TOMATO, UNSWEETENED	1,622,968	430,563
LENTILS, DRY	2,580,480	1,342,051
MACARONI AND CHEESE	4,565,238	3,125,500
MILK, 1%, UHT	27,620,679	9,345,586
MIXED FRUIT, CANNED, EXTRA LIGHT SYRUP	10,224,000	7,456,223
MIXED VEGETABLES, CANNED, LOW-SODIUM	7,271,775	4,009,658

FOOD AND NUTRITION SERVICE

THE EMERGENCY FOOD ASSISTANCE PROGRAM
Quantity and Value of Commodities (Cont.)
Fiscal Year 2017

<i>ENTITLEMENT COMMODITIES</i>	POUNDS	VALUE
OATS, ROLLED	5,696,748	2,421,667
OIL, VEGETABLE	7,521,822	4,216,565
PASTA, EGG NOODLES	4,677,120	2,814,896
PASTA, MACARONI	6,001,520	3,012,398
PASTA, MACARONI, WHOLE GRAIN	2,121,600	947,482
PASTA, ROTINI, WHOLE GRAIN	2,430,000	1,194,455
PASTA, SPAGHETTI	14,826,780	6,431,987
PASTA, SPAGHETTI, WHOLE GRAIN	4,202,400	1,551,359
PEACHES, CANNED, EXTRA LIGHT SYRUP	9,573,075	6,781,605
PEANUT BUTTER	16,381,980	18,412,343
PEANUTS, ROASTED, NO SALT ADDED	25,920	40,176
PEARS, CANNED, EXTRA LIGHT SYRUP	7,280,888	5,218,301
PEARS, FRESH	1,455,480	983,212
PEAS, CANNED, LOW-SODIUM	6,920,775	3,347,917
PEAS, FROZEN	514,800	291,812
PLUMS, DRIED	72,000	135,360
PORK, CANNED	3,528,000	5,264,680
PORK, HAM, FROZEN	3,600,000	5,959,800
POTATOES, CANNED, LOW-SODIUM	6,499,440	2,654,735
POTATOES, DEHYDRATED, FLAKES	3,750,000	3,401,025
POTATOES, FRESH	8,600,000	1,956,681
PUMPKIN, CANNED, LOW-SODIUM	838,350	725,355
RAISINS	1,193,760	1,443,209
RICE, BROWN	3,024,000	1,921,160
RICE, WHITE	22,218,000	7,389,157
SALMON, CANNED, PINK	1,681,500	3,522,845
SOUP, CANNED, VEGETABLE, LOW-SODIUM	4,931,025	3,829,386
SOUP, CREAM OF CHICKEN, REDUCED SODIUM	2,182,950	2,235,954
SOUP, CREAM OF MUSHROOM, REDUCED SODIUM	1,074,150	1,113,819
SOUP, TOMATO, CANNED, LOW-SODIUM	2,979,900	1,832,546
SPAGHETTI SAUCE, CANNED, LOW-SODIUM	17,924,288	6,986,651
SPINACH, CANNED, LOW-SODIUM	4,103,715	2,837,184
SWEET POTATOES, CANNED, LIGHT SYRUP	1,032,750	732,319
TOMATO SAUCE, CANNED, LOW-SODIUM	8,914,500	3,650,649
TOMATOES, CANNED, NO SALT ADDED	9,592,729	3,909,422
TORTILLA, WHOLE GRAIN-RICH	756,000	523,458
TUNA, CHUNK LIGHT, CANNED	3,526,200	7,710,463
SUBTOTAL	441,455,691	\$286,382,398
Cash-In-Lieu of Commodities - CNMI	-	\$157,906
AMS/WBSCM Admin Expenses	-	3,110,408
Anticipated Adjustment	-	31,642
TOTAL COMMODITY ENTITLEMENT	441,455,691	\$289,682,354

FOOD AND NUTRITION SERVICE

THE EMERGENCY FOOD ASSISTANCE PROGRAM
Quantity and Value of Commodities (Cont.)
Fiscal Year 2017

BONUS COMMODITIES	POUNDS	VALUE
APPLES, FRESH	6,076,392	\$3,117,660
APPLES, FROZEN, UNSWEETENED	772,200	515,269
APPLESAUCE, CANNED, UNSWEETENED	12,648,150	7,959,531
APPLESAUCE, CUPS, UNSWEETENED	6,010,200	3,252,538
BEANS, DRY, DARK RED KIDNEY, NO SALT ADDED	9,475,200	5,923,070
BEANS, DRY, PINTO, NO SALT ADDED	29,211,840	13,428,717
BEANS, DRY, SMALL RED, NO SALT ADDED	16,773,120	9,460,235
BLUEBERRIES, HIGHBUSH, DRIED	975,744	4,782,430
BLUEBERRIES, HIGHBUSH, FROZEN	4,583,700	7,131,280
BLUEBERRIES, WILD, FROZEN	10,644,480	9,980,465
CATFISH, FILLETS, UNBREADED	1,064,000	4,813,840
CHEESE, CHEDDAR, CHUNK	316,512	718,520
CHEESE, CHEDDAR, SHREDDED	8,836,512	19,194,480
CHERRIES, DRIED	2,158,464	9,933,382
CHERRIES, SWEET, FROZEN	2,362,800	2,833,444
CRANBERRIES, DRIED	2,419,200	3,165,422
CRANBERRY SAUCE, CANNED	9,143,280	4,283,312
EGGS, FRESH	7,728,750	5,667,060
EGGS, LIQUID WHOLE, FROZEN	5,353,800	5,586,467
FIGS, DRIED	5,227,200	10,594,364
JUICE, CANNED, CRANBERRY CONCENTRATE	3,507,840	2,332,776
JUICE, BOTTLED, GRAPE CONCORD, UNSWEETENED	52,042,530	17,818,744
PEACHES, CANNED, EXTRA LIGHT SYRUP	10,278,900	6,926,553
PEARS, CANNED, EXTRA LIGHT SYRUP	9,659,250	7,944,927
PLUMS, CANNED	328,050	223,204
PLUMS, DRIED	5,112,000	9,875,655
POLLOCK, ALASKA, FILETS, FROZEN	7,970,000	19,733,720
RAISINS	20,167,416	24,931,188
TURKEY, DELI SLICES, FROZEN	17,080,000	46,509,008
TOTAL BONUS COMMODITIES	267,927,530	\$268,637,258
TOTAL -- ALL COMMODITIES		
Entitlement Commodities	441,455,691	\$289,682,354
Bonus Commodities	267,927,530	268,637,258
GRAND TOTAL- TEFAP	709,383,221	\$558,319,613

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

**WIC FARMERS MARKET NUTRITION PROGRAM
PARTICIPATION AND PROGRAM FINANCING**

FISCAL YEAR 2016 and 2017

STATE OR TERRITORY	Fiscal Year 2017 TOTAL PARTICIPATION 1/				FY 2016 PROGRAM GRANT	FY 2017 PROGRAM GRANT
	WOMEN	INFANTS	CHILDREN	TOTAL		
Alabama-----	1,928	0	5,529	7,457	\$113,343	\$113,343
Alaska-----	2,685	1,766	5,461	9,912	185,379	185,379
Arizona-----	3,755	0	7,065	10,820	193,885	193,885
Arkansas-----	5,035	0	8,580	13,615	156,599	156,599
California-----	75,277	54,468	203,667	333,412	2,063,983	2,063,983
Connecticut-----	10,946	0	24,903	35,849	299,230	299,230
Delaware-----	1,302	0	2,900	4,202	262,093	262,093
District of Columbia-----	4,424	0	7,369	11,793	283,121	283,121
Florida-----	10,388	0	19,707	30,095	285,964	285,964
Georgia-----	10,171	4,019	18,168	32,358	1,060,695	1,242,658
Guam-----	1,172	0	2,190	3,362	78,911	78,911
Illinois-----	7,920	0	14,531	22,451	363,653	363,653
Indiana-----	5,670	0	10,199	15,869	238,853	238,853
Iowa-----	4,762	0	18,788	23,550	468,191	468,191
Kentucky-----	2,757	373	7,215	10,345	185,361	185,361
Louisiana-----	187	69	315	571	10,250	10,250
Maine-----	1,668	0	5,829	7,497	75,000	75,000
Maryland-----	19,225	6,130	25,564	50,919	358,628	358,628
Massachusetts-----	6,734	2,923	18,778	28,435	452,355	520,995
Michigan-----	7,180	0	19,629	26,809	409,797	450,777
Minnesota-----	14,442	6,824	33,569	54,835	320,000	320,000
Mississippi 2/-----	2,380	97	5,054	7,531	116,357	116,357
Montana-----	570	0	1,600	2,170	59,782	59,782
Nebraska-----	1,346	0	2,796	4,142	75,000	75,000
Nevada-----	1,921	0	4,143	6,064	344,117	344,117
New Jersey-----	19,879	0	23,985	43,864	1,056,954	1,056,954
New Mexico 2/-----	2,106	908	4,870	7,884	266,130	266,130
New York-----	108,634	81,992	169,727	360,353	3,621,574	3,803,537
North Carolina-----	3,971	0	5,232	9,203	233,600	233,600
Ohio-----	6,504	2,149	16,170	24,823	447,916	447,916
Oklahoma Chickasaw-----	880	522	1,765	3,167	75,000	75,000
Oklahoma Osage Tribe-----	245	658	808	1,711	31,325	41,325
Oklahoma Choctaw Nation-----	516	307	1,229	2,052	75,000	75,000
Oregon-----	9,555	5,102	22,804	37,461	384,242	566,205
Pennsylvania-----	47,890	0	101,769	149,659	1,880,464	2,062,427
Puerto Rico-----	20,506	0	50,752	71,258	1,554,783	1,554,783
Rhode Island-----	3,349	0	9,443	12,792	125,787	125,787
South Carolina-----	5,143	0	10,185	15,328	126,899	126,899
Tennessee-----	3,225	0	5,990	9,215	88,641	125,000
Texas-----	8,129	0	20,196	28,325	1,054,646	1,054,646
Vermont-----	335	107	1,288	1,730	75,282	75,282
Virginia-----	1,141	1,092	2,355	4,588	63,766	63,766
Virgin Islands-----	628	0	1,213	1,841	77,791	77,791
Washington-----	9,534	0	22,717	32,251	618,040	800,003
West Virginia-----	880	783	2,250	3,913	74,965	74,965
Wisconsin-----	22,051	4,199	49,060	75,310	650,006	831,969
Anticipated Adjustment-----	0	0	0	0	0	770,874
TOTAL-----	478,946	174,488	997,357	1,650,791	21,043,358	23,061,989

1/ Participation data reflects Fiscal Year 2016. Participation data for Fiscal Year 2017 is not due until February 2018.

2/ Includes Indian Tribal Organizations.

NOTE: These data are based in part on preliminary data submitted by State and local agencies and are subject to change as revised reports are received. Totals may not add due to rounding.

FOOD AND NUTRITION SERVICE

DISASTER FEEDING
Quantity and Value of Commodities

Fiscal Year 2017			
State or Territory	Entitlement	Transportation	Total
Florida	\$209,239	0	\$209,239
North Carolina	108,000	\$14,206	122,206
Anticipated Adjustment	-56,236	0	-56,236
GRAND TOTAL	\$261,003	\$14,206	\$275,209

Source: WBSCM -- Sales Order and contract information.

DISASTER FEEDING
Quantity and Value of Commodities

ENTITLEMENT COMMODITIES	Disaster Feeding	
	Pounds	Value
CHICKEN, CANNED	75,000	\$151,035
MIXED FRUIT, CANNED, EXTRA LIGHT SYRUP	72,504	58,204
PORK, PULLED, FROZEN	40,000	108,000
SUBTOTAL	187,504	\$317,239
Transportation	0	\$14,206
Anticipated Adjustment	0	-56,236
TOTAL COMMODITY ENTITLEMENT	187,504	\$275,209

Source: WBSCM -- Sales Order and contract information.

Includes Section 32 Funds

NUTRITION SERVICES INCENTIVE PROGRAM

Entitlement and Bonus

Fiscal Year 2017

State or Territory	Entitlement	Bonus	TOTAL
Delaware	\$110,523	\$120,455	\$230,977
Idaho	50,947	0	50,947
Kansas	202,344	28,528	230,872
Massachusetts	1,566,470	469,754	2,036,225
Montana	353,145	23,757	376,902
Nevada	43,940	24,760	68,700
Oklahoma	43,085	1,304	44,389
AMS/WBSCM Admin Exp	17,927	0	17,927
Anticipated Adjustment	92,686	0	92,686
TOTAL	\$2,481,067	\$668,558	\$3,149,625

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

NUTRITION SERVICES INCENTIVE PROGRAM

Quantity and Value of Commodities

Fiscal Year 2017

ENTITLEMENT COMMODITIES	Pounds	Value
APPLES, CANNED, UNSWEETENED	10,452	\$8,257
APPLESAUCE, CANNED, UNSWEETENED	110,744	52,783
APPLESAUCE, CUPS, UNSWEETENED	810	492
APRICOTS, CUPS, FROZEN	528	906
BEANS, CANNED, BLACK-EYED PEA, LOW-SODIUM	810	283
BEANS, CANNED, GREAT NORTHERN, LOW-SODIUM	34,992	11,267
BEANS, CANNED, GREEN, LOW-SODIUM	70,832	23,088
BEANS, CANNED, PINTO, LOW-SODIUM	1,215	392
BEANS, CANNED, REFRIED, LOW-SODIUM	2,100	856
BEANS, CANNED, VEGETARIAN, LOW-SODIUM	810	269
BEANS, GREEN, FROZEN, NO SALT ADDED	118,800	62,845
BEEF, CRUMBLES, WITH SOY PROTEIN, COOKED, FROZEN	1,240	3,300
BEEF, FINE GROUND, 85/15, FROZEN	202,840	471,877
BEEF, PATTIES, COOKED, WITH SOY PROTEIN, FROZEN	10,360	29,143
BLUEBERRIES, Highbush, FROZEN, UNSWEETENED	27,000	22,410
CARROTS, FROZEN, NO SALT ADDED	118,800	59,954
CHEESE, CHEDDAR, SHREDDED	1,050	2,004
CHEESE, CHEDDAR, BULK FOR PROCESSING	630	1,092
CHEESE, AMERICAN, LOAVES	40,800	69,731
CHICKEN, BULK FOR PROCESSING	504,000	435,485
CHICKEN, CUT UP, FROZEN	120,200	121,968
CHICKEN, DICED	840	1,738
CHICKEN, FAJITA STRIPS	750	1,265
CHICKEN, UNSEASONED STRIPS, COOKED, FROZEN	600	1,407
CORN, CANNED, NO SALT ADDED	37,842	15,315
CORN, FROZEN, NO SALT ADDED	79,800	42,671
CRANBERRIES, DRIED, INDIVIDUAL PORTION	435	889
FRUIT MIX, CANNED, EXTRA LIGHT SYRUP	218,506	149,069
FRUIT MIX, DRIED	500	1,364
OIL, VEGETABLE	36,960	20,280
PANCAKES, WHOLE GRAIN-RICH	162	149
PASTA, WHOLE GRAIN	100	31
PEACHES, CANNED, EXTRA LIGHT SYRUP	241,084	169,293
PEANUT BUTTER	83	214
PEARS, CANNED, EXTRA LIGHT SYRUP	181,108	124,173
PEAS, CANNED, LOW-SODIUM	37,012	15,378
PEAS, FROZEN, NO SALT ADDED	119,700	71,797
POLLOCK, ALASKA, BULK FOR PROCESSING	158,400	179,158
PORK, BULK FOR PROCESSING	40,020	45,223
PORK, HAM, FROZEN	1,200	2,324
PORK, LEG ROAST, FROZEN	40,000	57,996
RAISINS, INDIVIDUAL BOX, UNSWEETENED	240	343
RICE, BROWN	42,000	11,630
TOMATO PASTE, CANNED/POUCH, NO SALT ADDED	39,900	17,033
TOMATO SAUCE, CANNED/POUCH, LOW-SODIUM	145,008	49,193
TOMATOES, CANNED, DICED, NO SALT ADDED	35,649	12,572
TORTILLAS, WHOLE GRAIN-RICH	540	297
TURKEY, TACO FILLING	750	1,251
SUBTOTAL ENTITLEMENT COMMODITIES	2,838,200	\$2,370,454
Anticipated Adjustment	0	\$92,686
AMS / WBSCM Admin Expenses	0	17,927
TOTAL ENTITLEMENT COMMODITIES	2,838,200	\$2,481,067

FOOD AND NUTRITION SERVICE

NUTRITION SERVICES INCENTIVE PROGRAM

Quantity and Value of Commodities (Cont.)

Fiscal Year 2017

BONUS COMMODITIES	Pounds	Value
APPLES, FRESH	35,574	\$20,762
APPLES, FROZEN, UNSWEETENED	19,800	13,220
APPLESAUCE, CANNED, UNSWEETENED	36,450	22,680
APPLESAUCE, CUPS, UNSWEETENED	37,800	20,958
BEANS, DRY, PINTO, NO SALT ADDED	20,160	8,795
BLUEBERRIES, HIGHBUSH, FROZEN	9,900	14,962
CHEESE, CHEDDAR, CHUNK	288	655
CHEESE, CHEDDAR, SHREDDED	38,688	81,385
CHERRIES, SWEET, FROZEN	13,200	15,308
CRANBERRIES, DRIED	69,120	88,788
CRANBERRY SAUCE, CANNED	36,720	17,580
FIGS, DRIED	19,008	37,169
JUICE, BOTTLED, GRAPE CONCORD, UNSWEETENED	35,670	11,255
PEACHES, CANNED, EXTRA LIGHT SYRUP	36,450	26,244
POLLOCK, ALASKA, FILETS, FROZEN	10,000	24,760
RAISINS, UNSWEETENED, BOX, INDIVIDUAL	38,880	48,038
TURKEY, DELI SLICES, FROZEN	80,000	216,000
TOTAL BONUS COMMODITIES	537,708	\$668,558
TOTAL-- ALL COMMODITIES	3,375,908	\$3,149,625
GRAND TOTAL NSIP	3,375,908	\$3,149,625

Source: WBSCM -- Sales Order and contract information.

FOOD AND NUTRITION SERVICE

The estimates include appropriation language for this item as follows: (new language underscored; deleted matter enclosed in brackets):

Nutrition Programs Administration:

For necessary administrative expenses of the Food and Nutrition Service for carrying out any domestic nutrition assistance program, [\$148,541,000] \$160,838,000.

NUTRITION PROGRAMS ADMINISTRATION

Lead-Off Tabular Statement

Budget Estimate, 2019	\$160,838,000
2018 Annualized Continuing Resolution.....	<u>169,557,000</u>
Change in Appropriation	<u>-8,719,000</u>

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Project	2016		2017		2018		Chg			2019	
	Actual	SYs	Actual	SYs	Estimate	SYs	Inc. or Dec.	SYs	Key	President's Budget	SYs
Discretionary Appropriation:											
FNCS Salaries and Expenses	\$134,623	880	\$135,808	863	\$130,972	840	-457	0	(1)	\$130,515	840
Dietary Guidelines for Americans Development	0		0		0		12,297		(2)	12,297	
Congressional Hunger Center	2,000		2,000		1,986		-1,986		(3)	0	
Child Nutrition Study	0		1,000		993		-993		(4)	0	
Decentralized GSA & Security Payments	14,201		14,208		18,026		0			18,026	
Park Office Center Relocation/Renovation - (Direct Appropriations)	0		17,700		17,580		-17,580		(5)	0	
Total Adjusted Appropriation	150,824	880	170,716	863	169,557	840	-8,719	0		160,838	840
Rescission	0		0		0		0			0	
Sequestration	0		0		0		0			0	
Total Appropriation	150,824	880	170,716	863	169,557	840	-8,719	0		160,838	840

FOOD AND NUTRITION SERVICE

Project Statement
Obligations Detail and Staff Years (SY)
(Dollars in thousands)

Project	2016		2017		2018		Inc. or		Chg		2019	
	Actual	SYs	Actual	SYs	Estimate	SYs	Dec.	SYs	Key	President's Budget	SYs	
Discretionary Appropriation:												
FNCS Salaries and Expenses	\$133,965	880	\$133,654	863	\$130,972	840	-457	0	(1)	\$130,515	840	
Dietary Guidelines for Americans Development	0		0		0		12,297		(2)	12,297		
Congressional Hunger Center	2,000		2,000		1,986		-1,986		(3)	0		
Child Nutrition Study	0		1,000		993		-993		(4)	0		
Congressional Relations	212		150		0		0			0		
Miscellaneous Reimbursements	477		286		0		0			0		
Decentralized GSA & Security Payments	14,201		14,208		18,026		0			18,026		
Park Office Center Relocation/Renovation - (Direct Appropriations)	0		0		17,580		-17,580		(5)	0		
Total Obligations	150,855	880	151,298	863	169,557	840	-8,719	0		160,838	840	
Congressional Relations	-212		-150		0		0			0		
Miscellaneous Reimbursements	-477		-286		0		0			0		
Direct Obligations	150,166	880	150,862	863	169,557	840	-8,719	0		160,838	840	
Balance Lapsing	658		2,154		0		0			0		
Carryforward	0		17,700		0		0			0		
Rescission	0		0		0		0			0		
Sequestration	0		0		0		0			0		
Total Appropriation	150,824	880	170,716	863	169,557	840	-8,719	0		160,838	840	

FNCS Program	FY 2019
Supplemental Nutrition Assistance Program	\$71,795
Child Nutrition Programs	37,333
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	18,667
Commodity Assistance Program	15,795
Subtotal	143,590
Center for Nutrition Policy and Promotion (CNPP)	4,951
Congressional Hunger Center	0
Dietary Guidelines for Americans Development	12,297
Total: Nutrition Programs Administration	160,838

FOOD AND NUTRITION SERVICE

Justification of Increases and Decreases

In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the Agency.

A net decrease of \$8,719,000 for the Nutrition Assistance Programs (\$169,557,000) available in FY 2018.

(1) A decrease of \$457,000 from estimated benefits as well as non-Federal Contracts. FNCS expects cost savings in benefits for replacement hires. Those savings are coupled with improvements in information technology infrastructure such as the Agency's migration to a cloud environment for select platforms.

(2) A one-time increase of \$12,297,000 for the development and dissemination of the 2020 version of the Dietary Guidelines for Americans.

CNPP faces significantly increased demands and responsibility related to the 2020 Dietary Guidelines for Americans. USDA is the lead for the 2020 edition, thus having primary financial responsibility for all costs related to administration of the entire process, from the comprehensive scientific review to its development and release. Per the 1990 National Nutrition Monitoring and Related Research Act, the Dietary Guidelines is released by the USDA and Health and Human Services (HHS) every five years. USDA and HHS rotate the lead role; HHS had the lead role and primary financial responsibility for the 2015 edition. (see current services proposal below)

(3) A decrease of \$1,986,000 for Congressional Hunger Center Fellows Program. The Congressional Hunger Center (CHC) was established in 1993 with the purpose of combating hunger and poverty at the community, national, and international levels. CHC is a 501(c)(3) foundation that receives donations from a variety of individuals and corporate sponsors. Funding is not being requested in the President's Budget for FY 2019.

(4) A decrease of \$993,000 for the Child Nutrition Study. Funding is not being requested in FY 2019 due to the Child Nutrition Study requiring a one-time allowance.

(5) A decrease of \$17,580,000 for the Headquarters Move. This allowance was one-time funding provided in FY 2017.

Current Services Budget Proposal

Program:	2020 Dietary Guidelines for Americans
Proposal:	Funding to Meet Congressional Mandated Expansion in Audience Scope and to Meet Requirements as the Lead Department for the 2020 Edition
Rationale:	<p>CNPP faces significantly increased demands and responsibility related to the <i>2020 Dietary Guidelines for Americans</i> for two primary reasons:</p> <ol style="list-style-type: none">1. Audience Scope Expansion for All Future Editions – To date, the <i>Dietary Guidelines</i> has addressed people from age 2 years and older. Starting with the 2020 edition, the audience scope is Congressionally mandated, per the Agricultural Act of 2014, to expand to include guidance for pregnant women, infants, and toddlers (i.e., birth to 24 months), thus for the first time representing dietary guidance for the full life span. Key considerations:<ul style="list-style-type: none">• Increasing the <i>Dietary Guidelines</i>' audience to include these key periods of human development meets an important national need. At the same time, it means a significant expansion in dietary topics unique to these audiences and the resulting volume of scientific evidence that must be reviewed to inform the new guidance for the <i>Dietary Guidelines</i> – in addition to the scientific review required to inform the guidance for the remainder of the U.S. population.• As the Federal government's premier agency with expertise in scientific reviews focused on diet, health, and disease prevention, USDA's CNPP maintains primary responsibility for the evidence review that informs each edition of the <i>Dietary Guidelines</i>. Thus, the burden to accommodate the costs involved in expanding to include these important audiences, both in staff and hard costs, falls to CNPP, not HHS.• Another key area for which CNPP maintains lead responsibility between the two Departments is <i>Dietary Guidelines</i> consumer message development, materials, testing and distribution for use across the Federal government, given its mission and expertise in consumer nutrition education. The expansion in audience also impacts and has implications for the agency's critical mission-driven work to translate the technical <i>Dietary Guidelines</i> into easily understood guidance for consumers.2. USDA Lead Role for 2020 Edition – USDA is the lead for the 2020 edition, thus having primary financial responsibility for all costs related to administration of the entire process, from the comprehensive scientific review to its development and release. Per the 1990 National Nutrition Monitoring and Related Research Act, the <i>Dietary Guidelines</i> is released by the USDA and HHS every five years. USDA and HHS rotate the lead role; HHS had the lead role and primary financial responsibility for the 2015 edition. Looking at cost containment and savings wherever possible (e.g., USDA securing facilities for the open public meetings with no site usage fees; for context, HHS public meetings for the 2015 edition were held in spaces with site fees), the costs to USDA as the administrative lead still include considerable financial commitments to meet the broad and complex needs involved and public expectation based on established and best practices.
Goal:	USDA Strategic Goal: Ensure USDA programs are delivered efficiently, effectively, and with integrity.

FOOD AND NUTRITION SERVICE

USDA Strategic Goal: Provide all Americans access to a safe, nutritious, and secure food supply.

Budget Impact:

Items 1a and 1b correspond with Part 1 of this budget request, reflecting costs CNPP must incur with every edition of the *Dietary Guidelines*; items 2a and 2b reflect costs CNPP must incur every 10 years when it takes on the lead administrative role for the *Dietary Guidelines*.

Need	Additional Costs FY 2019
1a. Scientific review support Includes trained contract specialists, microsite development and maintenance, screener and online portal access	\$7,359,000
1b. Consumer translation into messages, materials, website Includes consumer concept and message testing, communications contractors, materials development, mobile-friendly website development	3,812,000
2a. 2020 advisory committee, public meetings, report Includes travel and per diem for expert speakers, public meetings and audio-visual support, science writer, 508 compliance	313,000
2b. 2020 Dietary Guidelines development, database support, print and digital publication, website Includes public meetings and audio-visual support, public comments database support, science writer/editor, print layout/design, digital and mobile-friendly website development and maintenance, 508 compliance	813,000
Total for FY 2019	12,297,000

FOOD AND NUTRITION SERVICE

Food and Nutrition Service

Geographic Breakdown of Obligations and Staff Years (SY)

(Dollars in thousands)

Nutrition Programs Administration--Federal Salaries, Benefits & All Other Expenses								
	<u>2016 Actual</u>		<u>2017 Actual</u>		<u>2018 Estimate</u>		<u>2019 President's Budget</u>	
	Amount	SY	Amount	SY	Amount	SY	Amount	SY
Arizona	0	0	\$265	2	0	0	\$256	2
Arkansas	\$122	1	0	0	\$122	1	0	0
California	9,154	72	9,000	67	9,156	69	8,699	66
Colorado	8,464	67	9,415	71	8,466	64	9,100	69
District of Columbia	245	2	265	2	245	2	256	2
Florida	334	3	265	2	334	3	256	2
Georgia	8,898	70	9,334	70	8,900	67	9,022	68
Illinois	7,196	57	8,436	63	7,198	54	8,154	62
Indiana	33	0	0	0	33	0	0	0
Iowa	122	1	127	1	122	1	122	1
Louisiana	278	2	127	1	278	2	122	1
Maine	122	1	265	2	122	1	256	2
Maryland	245	2	265	2	245	2	256	2
Massachusetts	6,729	53	7,515	56	6,730	51	7,264	55
Michigan	189	1	196	1	189	1	189	1
Minnesota	378	3	334	3	378	3	323	2
Mississippi	111	1	127	1	111	1	122	1
Missouri	367	3	322	2	367	3	311	2
Montana	11	0	0	0	11	0	0	0
Nebraska	122	1	92	1	122	1	89	1
New Hampshire	0	0	0	0	0	0	0	0
New Jersey	8,765	69	9,230	69	8,766	66	8,922	67
New Mexico	245	2	173	1	245	2	167	1
New York	1,090	9	1,301	10	1,090	8	1,257	9
North Carolina	645	5	679	5	645	5	656	5
North Dakota	122	1	127	1	122	1	122	1
Ohio	133	1	0	0	133	1	0	0
Oklahoma	89	1	0	0	89	1	0	0
Oregon	133	1	127	1	133	1	122	1
Pennsylvania	678	5	806	6	679	5	779	6
Tennessee	245	2	184	1	245	2	178	1
Texas	8,698	69	8,379	63	8,699	66	8,099	61
Utah	189	1	391	3	189	1	378	3
Virginia	85,113	366	82,014	348	104,489	348	94,291	338
Washington	0	0	184	1	0	0	178	1
West Virginia	245	2	265	2	245	2	256	2
Wisconsin	200	2	265	2	200	2	256	2
Puerto Rico	456	4	391	3	456	3	378	3
Undistributed	0	0	0	0	0	0	0	0
TOTAL	\$150,166	880	\$150,862	863	\$169,557	840	\$160,838	840

FOOD AND NUTRITION SERVICE

Nutrition Programs Administration

Classification by Objects

(thousands of dollars)

	2016	2017	2018	2019
	Actual	Actual	Estimate	President's Budget
Personnel Compensation:				
Washington D.C.....	\$39,730	\$38,210	\$38,891	\$38,891
Field.....	44,802	46,435	45,656	45,656
11.0 Total personnel compensation.....	84,532	84,645	84,547	84,547
12.0 Personnel benefits.....	26,648	28,500	27,426	26,499
13.0 Benefits for former personnel	46	0	17	17
Total personnel comp. and benefits.....	111,226	113,145	111,990	111,063
Other Objects:				
21.0 Travel and transportation of persons.....	1,623	1,832	1,504	1,504
22.0 Transportation of things.....	0	1	2	2
23.1 Rental payments to GSA.....	12,313	12,907	16,725	16,725
23.2 Rental payments to others.....	31	19	50	50
23.3 Communications, utilities, and misc. charges.....	633	184	622	622
24.0 Printing and reproduction.....	334	270	283	283
25.2 Other services from non-Federal sources.....	17,184	14,668	14,499	26,273
25.3 Other purchases of goods and services from Federal sources*.....	3,616	3,454	3,454	3,454
25.4 Operation and maintenance of facilities.....	17	26	26	26
25.5 Research and development contracts.....	0	0	0	0
25.6 Medical care.....	7	11	11	11
25.7 Operation and Maintenance of Equipment.....	2	72	72	72
25.8 Subsistence and support of persons.....	2	8	8	8
26.0 Supplies and materials.....	945	1,109	553	553
31.0 Equipment.....	128	140	191	191
32.0 Land and structures.....	0	0	17,580	0
41.0 Grants.....	2,000	2,944	1,986	0
42 Insurance claims and indemnities.....	105	72	1	1
Total, Other Objects.....	38,940	37,717	57,567	49,775
99.9 Total, new obligations.....	150,166	150,862	169,557	160,838
*DHS Security.....	\$1,301	\$1,301	\$1,301	\$1,301

Position Data:

Average Salary (dollars), ES Position.....	\$174,642	\$177,960	\$181,697	\$181,697
Average Salary (dollars), GS Position.....	\$96,373	\$98,204	\$100,266	\$100,266
Average Grade, GS Position.....	12.3	12.3	12.3	12.3

FOOD AND NUTRITION SERVICE

NUTRITION PROGRAMS ADMINISTRATION

Status of Programs

The Nutrition Programs Administration (NPA) appropriation funds operating expenses for administering the nutrition assistance programs of FNS. It also includes the budget of the Center for Nutrition Policy and Promotion (CNPP).

FNS Administrative Resources – A Critical Program Management and Oversight Tool

FNS employees play a central role in managing the Federal nutrition assistance programs. While the programs operate in partnership with State agencies and local service providers, FNS is solely responsible for:

- Developing program policies and regulations to ensure program design and operation are consistent with the law and current nutrition science;
- Disbursing and accounting for Federal funds provided to those who operate the programs; and
- Monitoring program operations and conducting oversight, technical assistance and evaluation to ensure that programs are managed and operated consistent with law and to maximize their effectiveness and value to clients and taxpayers.

Meeting these responsibilities is central to accomplishing core program objectives, including ensuring access to benefits for eligible individuals, improving the nutrition of program recipients, and strengthening program integrity. Ongoing efforts to improve Supplemental Nutrition Assistance Program (SNAP) integrity, Child and Adult Care Food Program (CACFP) management, Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC) vendor cost containment, and school meals certification accuracy are critical to the Agency's mission and require intensive staff focus and travel funding.

While substantial funding is also provided to States to operate these programs, State agencies have fundamentally different financial incentives than the Federal Government. In many areas, the cost of program problems or inefficiencies affects Federal expenditures, while the cost to resolve them has an impact on the States. Therefore, strong Federal policy and oversight are fundamental to ensuring effective levels of program accountability.

Although information technology improvements have resulted in large productivity gains in the past decade, many of FNS' functions are labor-intensive and require ongoing attention. Since the NPA appropriation funds most of the salaries and administrative expenses of FNS, it is integral to ensuring and leveraging the effective use of other program appropriations. Over the last two decades, FNS staff levels have not increased significantly – particularly considering the growing fiduciary responsibilities of the Agency and the increasing complexity of the programs it administers. Administrative funding for FNS accounts for about two-tenths of one percent of the total investment in nutrition assistance.

The most significant accomplishments under this NPA appropriation during FY 2017 are cited below by program and activity.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

For SNAP, NPA funding is used for a range of critically important functions. FNS develops policies and procedures for the administration of the program, provides State agency oversight to ensure compliance with program rules, and provides technical assistance to States. The agency also reviews State quality control activities, determines the effectiveness and efficiency of State administration, and reviews and approves planning documents for computer system acquisitions and electronic benefit transfer issuance systems. FNS authorizes and monitors 263,105 retail and wholesale firms that are approved to accept SNAP benefits, and maintains fiscal accountability for SNAP benefits.

State Oversight:

Proper administration of SNAP is critical to program integrity. Program oversight and monitoring is one of FNS' fundamental roles. Through its seven regional offices, FNS conducts various on-site reviews of State and local

FOOD AND NUTRITION SERVICE

SNAP offices continuously throughout each year. Management Evaluation (ME) Reviews provide FNS with an in depth look at high risk or critically important components of program administration.

In FY 2017, FNS continued to bolster the SNAP ME process to ensure compliance with program requirements, improve integrity, and protect access for eligible households. Enhancements to SNAP ME standard operating procedures and guidance were made to increase standardization and ensure that reviews are being performed consistently across the country, policy compliance issues are identified before they become serious problems, and effective corrective actions are implemented. In addition, enhancements to MEMS NextGen, a system implemented in FY 2016 to monitor and track the status of ME review and State corrective actions, were implemented to provide expanded reporting functionality to allow FNS to identify chronic problems and assist in targeting actions to correct those problems.

FNS encourages States to consider ways to increase efficiencies and the effectiveness of their program administration and operations. FNS continues to provide State exchange funds to facilitate State and local agency travel to observe innovative practices which may be transferable. FNS also works with an increasing number of State agencies that are contemplating large-scale changes to their business models for delivering social services.

FNS provides technical assistance and performs strong oversight of States to ensure that workload management projects and other innovations are implemented in a successful manner to deliver program benefits more effectively and efficiently, using fewer resources without sacrificing customer service, program access or program integrity.

Improving Program Integrity:

FNS made important advances in its efforts to improve payment accuracy and retailer integrity.

- *Payment Accuracy* - In FY 2017, FNS instituted a new formal quality control training curriculum for federal staff and held in-person training for all federal QC staff in order to strengthen oversight of the federal review process. FNS also conducted training for all State QC units to strengthen the accuracy and consistency of payment error reporting. These efforts have allowed FNS to more effectively target and address the root causes of improper payments in SNAP.
- *Recipient Claims* - State agencies collected approximately \$332 million in recipient claims in FY 2017. FNS continued to monitor corrective actions performed by States to address previously identified deficiencies in recipient claims systems.
- *Anti-fraud Locator using EBT Retailer Transactions (ALERT)* - During FY 2017, FNS released several updates to ALERT, the system for fighting SNAP retailer fraud. The updates ensure continuity of system operations as well as enhancements using the best-suited prevalent architectures and technologies available in the IT industry. FNS also added two resources to the ALERT contract which allows for enhanced data mining support services.
- *Retailer File System (RFS)* - RFS is the combination of three distinct applications built on a single platform, providing users with the means to digitize, share and manage electronic retailer records. The system allows users to upload documents through a scanning application or through the Store Tracking and Redemption System (STARS), perform document quality control tasks and view electronic records. The system was fully implemented in FY 2016 and in FY 2017 went through four system releases as a result of continued efforts to improve the effectiveness and efficiency of managing retailer records. The system releases included upgrades to the document capture and scanning application, enhancements to the document view and quality control functionalities, and improvements to the overall performance of the RFS reporting tool.
- *STARS* - Six releases of STARS were completed in FY 2017. STARS is the system used by FNS to manage retailer participation in SNAP. The major enhancements in FY 2017 include enhanced integration with ALERT, an updated system user interface (UI), and a streamlined reauthorization process for multi-store owners.
- *Investigator Mobile Application* - A mobile application was developed for FNS' undercover investigators and was deployed in FY 2017 to each investigator's tablet. This application allows investigative details to be

FOOD AND NUTRITION SERVICE

entered from the field immediately after leaving the store increasing the accuracy of investigative reports. The application also reduces the time currently spent on documenting investigative notes in paper and later transcribing them into systems. This is the first mobile application to be developed by the Agency and required close coordination with USDA for integration with a mobile eAuthentication solution.

- *System for Award Management (SAM)* - SAM is the government wide system for suspension and disbarment. These retailers have been disqualified from SNAP for breaking the law. FNS successfully uploaded 4,079 excluded retailers to the SAM database. The file upload generally occurs during the 15th of every month. Currently, FNS responds, on average, to 88 SAM inquiries weekly.
- *Retailer Oversight and Integrity* - In FY 2017, FNS staff authorized or reauthorized 69,803 retailers to participate in SNAP. FNS utilized contractor store visits to verify the initial or continued eligibility of 41,446 stores participating in SNAP. In this same period, 19,750 firms were withdrawn from participation because of changes in ownership, business closings, or nonconformance with authorization criteria. In addition, 2,523 stores were fined or disqualified temporarily or permanently for noncompliance with law or SNAP regulations. At the end of FY 2017, a total of 263,105 stores were authorized to participate in SNAP, an increase of 2,990 stores from FY 2016 and an increase of 1,995 stores over the last three fiscal years.

During FY 2017, FNS conducted undercover investigations of 5,557 stores nationwide. Approximately 41 percent (2,254) of these investigations documented evidence of SNAP violations. Of the 2,254 investigations, FNS investigators uncovered trafficking in 313 stores.

Overall, FNS compliance analysts and investigators reviewed over 25,146 stores for compliance monitoring purposes. As a result, there were 2,523 sanctions, including 1,661 stores permanently disqualified from the program in FY 2017.

Electronic Benefit Transfer (EBT) Systems: FNS continues oversight of States as their EBT contracts end and they procure EBT systems through the Request for Proposal (RFP) process. This process includes State RFP approvals, contract approvals, as well as oversight of State conversions from one EBT vendor's system to a new vendor's system. In FY 2017, FNS approved six RFPs, 16 contracts, and reviewed and approved seven EBT contract amendments.

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS (FDPIR)

The NPA appropriation funds Federal staff administrative expenses to administer FDPIR. Through the FDPIR, FNS acquires and distributes USDA Foods to participating Indian Tribal Organizations (ITOs) and State agencies for distribution to income-eligible households residing on Indian reservations and income-eligible Indian households living in designated service areas near reservations or in Oklahoma. Funding is also provided to the ITOs/State agencies to support the administrative cost of operating the program as well as for nutrition education efforts. FNS sets standards for participant and provider eligibility and provides training and other assistance to program partners as needed. More information about FDPIR activities during FY 2017 is provided in the Supplemental Nutrition Assistance Program account section.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

NPA funds a portion of the Federal administration of the WIC Program. FNS uses these funds to manage the allocation of grant resources to State Departments of Health and others to support program operations. NPA also supports the development of policies, procedures, and standards used in administering the program and monitoring of State agency operations to ensure program effectiveness and compliance with law and regulation.

Highlights of FY 2017 accomplishments supported by the NPA appropriation and related to the WIC Program include:

FOOD AND NUTRITION SERVICE

Revitalizing Quality WIC Nutrition Services: FNS made important advances to improve nutrition education services in the program.

- *Nutrition Education Materials* - In collaboration with the CNPP, in FY 2017, FNS translated into Spanish the nutrition education resources: 1) *Tips for Pregnant Moms*; 2) *Tips for Breastfeeding Moms*; and 3) *Healthy Eating for Preschoolers*. These educational resources align with current health recommendations from the Centers for Disease Control and Prevention, the American Academy of Pediatrics, and other professional organizations. FNS also updated the comprehensive staff resource, *Infant Nutrition and Feeding Guide* for local WIC agencies.
- *WIC Works Resource System* - In FY 2017, FNS staff revised the staff development and continuing education WIC Learning Online courses - WIC 101, Feeding Infants: Nourishing Attitudes and Techniques, Breastfeeding Basics, Communicating with Participants, and Value Enhanced Nutrition Assessment (VENA).
- WIC Learning Online (WLOL) had over 25,000 active users in FY 2017. In FY 2017, the electronic WIC Works Resource System highlighted WIC's breastfeeding efforts and a proclamation from Secretary Perdue for "National WIC Breastfeeding Week". WIC Works also posted new Zika virus resources and Food and Drug Administration Medication Warnings for Pregnant Women. In addition, WIC Works launched the *Community Partnerships for WIC Breastfeeding Support* video that highlights WIC's breastfeeding stakeholders and partner organizations from non-traditional healthcare community programs.
- In FY 2017, FNS awarded Loving Support Awards of Excellence to 90 WIC local agencies from all seven FNS regions. A total of 83 WIC local agencies received Gold award certificates, 6 WIC local agencies received Premiere award certificates, and 1 WIC local agency received an Elite award certificate, the first Elite award since the program began.
- FNS continues to partner with other Federal organizations to promote breastfeeding surrounding the Surgeon General's Call to Action to Support Breastfeeding and the Healthy People 2020 objectives on breastfeeding by sponsoring the Breastfeeding Promotion Consortium (BPC) meeting and participating in the Federal Breastfeeding Workgroup. The Federal Breastfeeding Workgroup consists of staff from various Federal agencies that focus on implementation activities as well as interagency coordination of breastfeeding support efforts. FNS is also a government liaison to the United States Breastfeeding Committee, a national breastfeeding committee composed of representatives from relevant government departments, non-governmental organizations, and health professional associations who strategically work to support breastfeeding efforts and initiatives across the country.
- *Value Enhanced Nutrition Assessment (VENA)* - The VENA initiative was implemented with the purpose of improving the WIC nutrition assessment process and to more closely align nutrition risk determinations with WIC nutrition interventions. FNS continues to provide technical assistance to State agencies with VENA competencies and operations, including the WIC Works Resource System public website, which hosts a VENA village, complete with three VENA competency online training modules, the VENA guidance document, and State developed training materials.
- *Revised WIC Nutrition Risk Criteria* - In FY 2017, three WIC nutrition risk criteria were revised as part of the on-going cyclical review of risk criteria and one new risk criteria was added (to be implemented in FY 2019). The following criteria were revised/added: Preterm or Early Term Delivery, History of Preterm or Early Term Delivery, Neonatal Abstinence Syndrome (new) and Inappropriate Nutrition Practices for Infants.

National Maternal Nutrition Intensive Course: Improving staff development, competencies, and retention are a priority of the WIC Program. Since FY 2000, WIC has provided funding for the University of Minnesota's annual National Maternal Nutrition Intensive Course. The course offers science-based training for WIC State and local agency staff to increase knowledge and improve skills needed to deliver quality nutrition services to pregnant and postpartum women. Topics this year included diet and maternal depression, social-ecological model of factors affecting breastfeeding initiation and duration; telehealth interventions for pregnant and postpartum clients; perinatal diet, inflammation, and brain development; and effects of malnutrition on pregnancy outcomes and breastfeeding. In recent years, WIC has provided funding to add an enhanced distance learning component to the course, enabling

FOOD AND NUTRITION SERVICE

greater numbers of WIC staff from around the country to participate. Eighty-eight percent of course participants report working for WIC.

COMMODITY ASSISTANCE PROGRAM

The NPA appropriation funds the staff administrative expenses of the Commodity Assistance Program (CAP). In addition to providing commodities, also known as USDA Foods, for the Child Nutrition Programs, FNS makes nutritious foods available to State agencies for distribution to low-income people through the Commodity Supplemental Food Program (CSFP) and The Emergency Food Assistance Program (TEFAP), and administrative resources to States to support the distribution of these USDA Foods. The Agency may also provide USDA Foods to the Republic of the Marshall Islands, The Federated States of Micronesia, and to the survivors of Presidentially-declared disasters.

More information about the CAP programs during FY 2017 is described under “Acquisition and Distribution of USDA Foods” in the Child Nutrition Programs section.

Special USDA Foods Initiatives: FNS continues to work closely with its partners and customers, such as schools and industry, and with its three sister agencies within USDA – Agricultural Marketing Service (AMS), the Farm Service Agency (FSA), and the Food Safety and Inspection Service (FSIS) – to improve service to its customers, streamline operations, and maintain support for American agriculture. Highlights of FNS’ most recent efforts in this area include:

- *Multi-Agency Task Force* - FNS is the lead for the multi-agency task force that provides coordination and direction for USDA Foods programs, pursuant to Section 4209 of the 2014 Farm Bill. The task force includes representatives of the Food Distribution Division of FNS (Chair), AMS, FSA and FSIS. The task force meets quarterly and submits a report to Congress each year which summarizes the task force’s activities to improve USDA Foods procurement programs.
- *USDA Foods Nutrition Initiative* - FNS continually reviews USDA Foods along with AMS to improve and enhance the nutrition profile of USDA Foods offered to program participants. In addition, FNS responds to input from stakeholders by adding new foods or replacing existing products to help meet the *Dietary Guidelines for Americans* and meal pattern requirements.

FINANCIAL MANAGEMENT INITIATIVES

Debt Collection Activity in FY 2017

For Federally-managed Federal debt, FNS continued its vigorous pursuit of debt owed to the Agency by billing \$256 million in new receivables during the fiscal year. Year-end outstanding debts for the fiscal year decreased from the previous year by \$4 million. The overall debt resolution rate achieved was about 70 percent.

In its accounts receivable, FNS also records the Federal share of the value of recipient overpayments established by SNAP State agencies. State agencies are allowed to retain a portion of the claims collected. The receivable consists of the total claims established less the States’ share.

For Federal debts managed by SNAP State agencies, such agencies establish claims against households for errors in issuing program benefits to these households. These overpayments can result from the client’s incorrect reporting of household circumstances, through client fraud, or by State administrative error.

FOOD AND NUTRITION SERVICE

**SNAP Recipient Claims Activity
FY 2015 – FY 2017
(Dollars in millions)**

Claims Activity ^{1/}	2015	2016	2017
Claims Established	\$592	\$553	\$456
Claims Collected	355	350	346
Ending Balance	1,919	1,990	2,050

^{1/} Figures are preliminary and subject to change.
Established claims deemed inadvertent violations are removed from the collection balance.

Financial Management (FM) Regional Office Reviews

The FM organization conducts assessments of regional offices with the objective of ensuring the propriety of financial operations and transactions within FNS. These reviews have been instrumental in raising the confidence level of management officials within the Agency over the past several fiscal years.

Financial Management Reviews (FMRs)

In addition to the reviews that HQ staff conduct of the regional offices, the regions also conduct FMRs of participating State agencies and ITOs to obtain reasonable assurance that the financial information reported by such grantees is correct, complete, and in compliance with Federal standards and regulations. FNS has implemented a risk assessment process that assists FNS in selecting for review those State agencies and ITOs who pose the greatest financial management risk.

Financial Statements Audit

FNS received an unmodified (“clean”) opinion on the FY 2017 Financial Statements, meaning that the agency met the highest auditing standards.

FOOD AND NUTRITION SERVICE

ADMINISTRATIVE MANAGEMENT INITIATIVES

Acquisition Strategies

The FNS FY 2017 procurement strategy was anchored by the Agency’s commitment to increase contracting opportunities for small businesses in order to provide customers and taxpayers the benefit of creativity, innovation, and technical expertise. It is also signaled the Agency’s support in driving the U.S. economy forward by helping small businesses to create jobs.

The Agency has been USDA’s innovative forerunner by conducting the Small Business Outreach Roundtable Program. This program positioned the agency to award 49 percent of the Agency’s FY 2017 portfolio to small businesses. FNS exceeded its established goals for Small Disadvantaged (SDB).

Small Business		Small Disadvantaged Business		8 (a)		Women-owned Small Business		Hub Zones		Service Disabled Veteran Owned Business		Veteran-owned Small Business	
Goal	49 %	Goal	5 %	Goal	N/A	Goal	5 %	Goal	3 %	Goal	3 %	Goal	N/A
Actual	48.93 %	Actual	6.10 %	Actual	0.66 %	Actual	3.40 %	Actual	2.17 %	Actual	2.93%	Actual	7.29 %

Improved Business Processes

FNCS uses the ARCHIBUS software system to increase the accuracy, efficiency and reliability of our real and personal property management functions. ARCHIBUS software automates information and processes for asset management, space management and preventative maintenance. It will provide a transparent repository and supports full life-cycle management of space, occupancy, equipment, furniture and other resources. The key benefits for the agency include consistent space and data standards, automated workflows and increased accuracy and efficiency as it relates to space management, capital budget, and building operations. This facilitates the day-to-day operations associated with the maintenance, utilization and occupancy of space by enabling real-time space maintenance, tracking of employee location and occupancy changes, and providing users with a service to make bookings and reservations for shared spaces. These capabilities will form a foundation on which we can start to base projections and model our space usage to allow data driven decision making.

Employee Engagement

The Agency commitment to increase employee engagement, align human resources objectives with the organization’s vision and goals and ensure that equity of opportunity is extended to empower all employees to reach their full potential. The Agency advances a customer centric, inclusive and high performance workforce by investing in and engaging employees to improve professional proficiencies and close employee competency gaps, developing future leaders.

FNCS Senior Executive Council (SEC) created the Engagement Steering Committee with members from each program, office area, and region to oversee engagement efforts at FNCS. The Engagement Steering Committee (ESC) mission is to help guide the Agency towards creating and embracing a fully engaged work environment, which is transparent, empowering, and effective; and where respect and valuing diversity are the norms. The ESC operates on the local level to stimulate conversations and develop engagement strategies and techniques that result in a higher level of performance and greater commitment to FNCS. In FY 2017, the ESC and Office of Management collaborated with the Department and the Office of Personnel Management (OPM) to remap FNCS’ survey participation data to increase participation in the survey, rendering more accurate data for engagement action planning. The new mapping resulted in 1489 employees receiving the survey with 1079 completing it. In 2016, only 804 employees were surveyed with 589 employees completing the survey.

Performance Management

FNS continued to link 2017 Agency priority-related tasks into all individual employee performance work plans according to the prescribed policy. This objective provides transparency to FNS employees of how their individual performance connects and contributes to the Agency’s priorities and accomplishments of its' mission. The Agency priorities are embedded in all employees’ performance work plans. The tasks are written to align with the

FOOD AND NUTRITION SERVICE

employee's responsibilities. The Human Resources Division (HRD), Employee and Labor Relations Branch conducts a cursory review of employees' performance work plans to ensure the agency priorities cascade at every level.

As part of the continuous development, HRD has provided enhanced training in 2017 on performance management for management and supervisors, with a focus on creating high performing employees through the art of deliberate excellence. In FY 2017 the FNCS Human Resources Branch hosted a Supervisor Training for Performance Management. The purpose of the training was to introduce techniques and strategies to support a paradigm shift from the role of planner and evaluator in performance management to a relationship that supports a shared responsibility between leader and employee. Additionally, this training discussed goal setting and emphasized the evaluation of outcomes less like a process and more like progress. This Learning Session was developed to increase the understanding of the importance in fostering employee inclusion and in collaborating with staff in the performance management process. The training also introduced new learning opportunities to support and assist supervisors in becoming well-versed on each stage of the feedback process. The Learning Session covered a spectrum of communication styles to help supervisors in the development of stronger and clearer messages and provided techniques for holding discussions that encourage change and reduce defensiveness in the exchange.

Diversity and Inclusion (D&I)

FNS' hiring objective is to increase workforce diversity. All associated tasks have been accomplished to support this objective, including active recruitment efforts and strategies to increase the use of Schedule A and Peace Corps non-competitive appointments and providing training to hiring managers to expand the opportunities for non-competitive hiring authorities for all target groups. Recruitment efforts have also been used to focus on Hispanic Association of Colleges and Universities, Veteran organizations, and affiliates for the disabled. The Human Resources Division combined efforts with the agency Diversity and Inclusion office to cross-utilize efforts and resources to expand awareness of the importance of a diverse workforce. In FY 2017, 53 veterans were promoted, including 28 disabled veterans. Internal hires and promotions along with targeted external hires allowed FNS to focus on its diversity hires with Hispanics and targeted disabilities; nonetheless, the agency continues to promote the use of non-competitive hiring authorities among hiring managers and supervisors in order to increase workforce diversity, particularly under-represented groups.

In collaboration with employee volunteers across the agency, FNCS hosted more than 77 (D&I) events and initiatives nationwide during FY 2017 including diverse panels of distinguished special guests, cultural food samplings, and formal events with guest speakers. All programs and events are designed to recognize the experiences, challenges and achievements of specific populations. A variety of new D&I initiatives were completed that raise awareness such as a powerful lunch and learn series that challenges our most fundamental beliefs on race that are shaped by our history, social institutions, and cultural beliefs. The collaborative approach continues to be well received and enables Program areas and staff to lead special observances allowing FNCS to leverage the valuable diversity within our workforce.

Reasonable Accommodations

The Food, Nutrition and Consumer Services increased its' responsibility in Reasonable Accommodation area in fiscal year 2017 by building enhancements into its Reasonable Accommodation Program. The agency committed its resources to recruiting a full time Reasonable Accommodation Program Manager (RAPM) to provide FNCS supervisors, managers and employees with services concerning employment and practices affecting persons with disabilities, disabled veterans and disability retirement. Not only is the RAPM a principal advisor on reasonable accommodations and helps identify barriers to employment of persons with disabilities but the RAPM also provides guidance and assistance to the Employee and Labor Relations Branch with addressing related issues, complaints and grievances. The addition of this critical role has allowed the agency to effectively and efficiently manage and respond to over sixty (60) reasonable accommodation cases throughout fiscal year 2017, providing FNCS employees with computer assistive technology, ergonomic equipment, accessibility tools and additional workplace flexibilities. Reasonable Accommodation is important to FNCS and we are educating supervisors and managers on the importance of acknowledging employees requests early with the goal of removing barriers and providing accommodations to assist employees in performing the essential duties of his/her position.

FOOD AND NUTRITION SERVICE

We also introduced during the session the Computer/Electronic Reasonable Accommodation Program (CAP); a program that provided assistive technology and service to people with disabilities, service managers, supervisors and IT professionals. CAP increases access to information and works to remove barriers to employment opportunities by eliminating the costs of assistive technology and accommodation solutions.

Alternative Dispute Resolution (ADR) Assessment

The Agency established a new ADR program focusing on workplace conflict. The Agency devoted a significant portion of FY 2017 establishing relationships of trust and exploring the culture of FNCS. Stakeholder meetings were conducted throughout the Agency to understand the history of conflict management and resources available. It was determined that further education is needed to help FNCS employees/management recognize conflict at the earliest stage possible. As a result, the Agency modified the program's name to – Conflict Prevention & Resolution (CPR); to emphasize that conflict can be prevented if it's recognized.

By collaborating with stakeholders and incorporating feedback from clients, the Agency began to lay the groundwork in designing the CPR program. It was determined that four CPR techniques would be included in the CPR program – mediation, facilitation, organizational climate assessment, and conflict coaching. An Agency-wide management webinar was conducted to introduce and discuss these CPR techniques. Webinars were also provided to other offices upon invitation. During the CPR program first year, thirteen mediations were either conducted or currently pending at the end of FY 2017. Four of the mediations resulted in non-binding agreements. Twenty-nine conciliations were conducted to explore options to resolve conflict. Four other CPR techniques, such as shuttle diplomacy and having difficult conversations, were used to successfully resolve conflict. The evaluation process is still being developed to ensure the CPR program is addressing the needs of FNCS employees. However, both verbal and surveys provided positive feedback. Specifically, clients stated that they would use CPR services in the future to address conflict. The CPR programs benefit the Agency regarding informal EEO complaints. Specifically, there were thirty (30) informal EEO complaints filed in FY 2016 but only twenty-two (22) informal EEO complaints filed in FY 2017, creating a 26.6% reduction in informal complaints.

National Office Move

The FNCS headquarters office has secured a lease to move within the city of Alexandria from the Park Office Center location (occupied since 1985) to Braddock Metro Center II in Old Town Alexandria on or before May 31, 2019.

During FY 2017 the Agency worked with GSA to finalize the new lease, assembled staff-led focus groups to plan space configurations, and worked with the local union in accordance with our contract as it pertains to moving to the new location. FNCS completed most of the planning activities of the first phase. FNCS assembled a competent project team of professionals to advise on, design, and execute the work; developed a project management plan that includes the project purpose, objectives, and scope; and created design guidelines and space allocations standards to promote efficient and optimum use of space. In addition, FNCS created a physical mock-up of what the National Office makeover will look like to allow employees to test out the proposed furniture designs in preparation for the move. To ensure employees are regularly informed, FNCS published a National Office Move web page as a method of communicating with employees on the National Office move project schedule and coming events. This proactive planning in the early stages will increase our chances for a successful office renovation and relocation. The next phase of the project will include review of the conceptual layout of the new location.

CENTER FOR NUTRITION POLICY AND PROMOTION

Program Mission

The U.S. Department of Agriculture's Center for Nutrition Policy and Promotion (CNPP), within USDA's Food, Nutrition and Consumer Services (FNCS) mission area, works to improve the health and well-being of Americans by developing and promoting dietary guidance that links evidence-based scientific research to the nutrition needs of consumers. CNPP carries out its mission to improve the health of Americans by:

FOOD AND NUTRITION SERVICE

- Serving as the Federal authority on evidence-based food, nutrition and economic analyses that inform policy and programs;
- Translating science into actionable food and nutrition guidance for all Americans; and
- Leading national communication initiatives that apply science-based messages to advance consumers' dietary and economic knowledge and behaviors.

Major initiatives include the *Dietary Guidelines for Americans*, the Nutrition Evidence Library (NEL), MyPlate, SuperTracker, the Healthy Eating Index, USDA Food Plans, Food Pattern Modeling, Expenditures on Children, and calculating nutrient availability in the Food Supply. To ensure efficiency while maintaining integrity and quality across its initiatives, the Center is committed to continuous quality advancement by incorporating best practices into all initiatives.

CNPP makes key contributions to USDA's priority of ensuring that America's children (and their families) have access to nutritious, balanced meals. The Center does this by translating nutrition guidance into innovative consumer-focused nutrition initiatives to provide the public with information and ways to make healthy eating choices and be physically active. CNPP's mission, vision, goals, priorities, and values exemplify its commitment to performance that meet the needs of the American public - *driving greater integration and collaboration for greater impact*. CNPP's resources are widely used by consumers, health professionals, nutrition educators, Federal agencies, and other stakeholders serving the public.

Development and Promotion of the Dietary Guidelines for Americans

The *Dietary Guidelines for Americans (Dietary Guidelines)* provides a science-based foundation to help inform Federal nutrition education and promotion programs, including the major vehicle for implementing the *Dietary Guidelines – MyPlate*. The *Dietary Guidelines* also is widely adopted in the private sector, mainly by education and health professionals. Within USDA, the *Dietary Guidelines* is used by the National School Lunch and Breakfast Programs, the Supplemental Nutrition Assistance Program (SNAP), the Child Nutrition Program and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to guide nutrition standards and benefit levels for participants ages 2 years and older. During FY 2017, CNPP collaborated with the Department of Health and Human Services (HHS) on the following:

- Promoted the *2015-2020 Dietary Guidelines* through journal articles and presentations at conferences and via webinars.
- Completed the final resources for the 2015-2020 Dietary Guidelines Toolkit for Professionals and promoted through listservs, blog posts and conferences. The Toolkit for Professionals includes tips, messages, graphics, handouts, and conversation starters that professionals can use to learn more about the *2015-2020 Dietary Guidelines* and share with patients, clients and peers. Available at: <https://health.gov/dietaryguidelines/2015/resources.asp>.
- Developed an infographic, "*Let's all Eat Healthy. Be Healthy. Save. - The Dietary Guidelines Can Help.*" to illustrate the impact of our current eating habits in America and underscore how eating healthier – closer to the *Dietary Guidelines* – can help to reduce risk of diet-related chronic disease and lower health care costs. Available at: <https://www.cnpp.usda.gov/dietary-guidelines-infographic>.
- Per Section 735 of the Consolidated Appropriations Act of 2016, USDA commissioned the National Academies of Sciences, Engineering, and Medicine, Health and Medicine Division to conduct an independent study on the process to update the *Dietary Guidelines*. The Health and Medicine Division's study findings were released in February and October 2017 and are now available on its website listed at the end of the paragraph. The study culminated in two reports, one on the process for selecting the Dietary Guidelines Advisory Committee and another on the remaining aspects of the Dietary Guidelines development process. Together, USDA and HHS are carefully considering the reports, including working with the Office of General Counsel and White House Liaison Office. The Health and Medicine Division's independent study does not impact the outcome of the *2015-2020 Dietary Guidelines*, as this edition is final. Available at: <http://www.nationalacademies.org/hmd/Activities/Nutrition/DietaryGuidelinesforAmericans.aspx>.

FOOD AND NUTRITION SERVICE

- Continued planning for the development of the *2020-2025 Dietary Guidelines*. New factors will need to be considered for this edition that will require updates to the standard operating procedures and processes. For example, the mandate to include pregnant women and infants and toddlers from birth to 24 months as part of the *2020-2025 Dietary Guidelines* and recommendations from the National Academies, Health and Medicine Division study. Staff have collaborated with Federal agencies by engaging in discussions about lessons learned from the *2015-2020 Dietary Guidelines* development process, identifying data analysis needs to address the birth to 24 months of age and pregnant women populations, administrative tasks (e.g., developing official documents), and identifying important food and nutrition topics that will help inform the charge and the expertise needed for the 2020 Dietary Guidelines Advisory Committee.

Examining Preliminary Diet and Health Topics for Women who are Pregnant and Children from Birth to 24 Months of Age

The Agricultural Act of 2014 states that beginning with the 2020-2025 edition, the *Dietary Guidelines for Americans* shall include recommendations for pregnant women and children from birth to age 24 months. USDA has worked closely with HHS for the past several years to develop a framework for meeting this charge. At present, a small number of systematic reviews on diet and health for infants, toddlers, and women who are pregnant are being conducted through USDA's Nutrition Evidence Library (NEL) in collaboration with programmatic and scientific experts. In FY 2017, the NEL supported completion of six families of systematic review questions, which included screening, reviewing, and evaluating over 800 included scientific articles. The findings from this work will be made publicly available at the completion of the project on the NEL website at <https://www.cnpp.usda.gov/nutritionevidencelibrary>, through a peer-reviewed journal supplement in the American Journal of Clinical Nutrition, and through presentations at national meetings.

Contributions of CNPP's Nutrition Evidence Library (NEL)

The NEL, housed within the Center for Nutrition Policy and Promotion, specializes in conducting systematic reviews of scientific literature to inform Federal nutrition policy and programs. The NEL has dedicated staff that collaborates with leading scientists to objectively review, evaluate, and synthesize research using state-of-the-art methodology to answer important food-and nutrition-related public health questions. The NEL's rigorous, protocol-driven methodology is designed to minimize bias, maximize transparency, and ensure that relevant, timely, and high-quality systematic reviews are available to inform Federal nutrition-related policies, programs, and recommendations. The NEL has the ability to expand to conduct additional systematic reviews and other evidence-based products when needed by the Department and is also a key resource for identifying research limitations and gaps to inform food and nutrition research agendas. During FY 2017, CNPP's NEL:

- Continued to support the Pregnancy and Birth to 24 Months (P/B-24) Project. NEL staff worked with four Technical Expert Collaboratives to conduct a small number of systematic reviews on diet and health for infants, toddlers, and women who are pregnant. This work is expected to be completed and made public in 2018, via the NEL website at www.cnpp.usda.gov/nutritionevidencelibrary, through a peer-reviewed journal supplement, and presentations at national meetings. The focus of this work has been on evidence related to human milk and formula feeding; feeding practices, acceptability, and intake; complementary feeding; and diet during pregnancy.
- Continued a Continuous Quality Advancement (CQA) initiative to ensure its process remains at the forefront of systematic review methodology, and takes advantage of new technology designed to enhance the efficiency of systematic review work. In addition, the CQA work takes into consideration feedback received from the National Academies of Science, Health and Medicine Division report (as part of the "Review of the Process to Update the Dietary Guidelines for Americans") as it supports the P/B-24 and the upcoming 2020 Dietary Guidelines Advisory Committee work. During FY 2017, NEL staff focused on CQA related to literature screening, risk of bias assessment, evidence grading, and processes for conducting meta-analyses. In addition, NEL has worked to develop an expanded line of evidence-based products that can be used to inform Federal policies and programs and has been redesigning the website to enhance NEL communications.

Encouraging Healthy Eating and Physical Activity Behaviors with MyPlate, SuperTracker, Other Online Efforts, and Partnerships

Through a multi-pronged approach, CNPP has worked to raise the profile of MyPlate and to share advice and tools with consumers on how to build healthy eating solutions into their everyday life. Released five years ago, today two in three consumers surveyed recognize the MyPlate graphic and 77 percent of dietitians report using MyPlate to educate their clients about nutrition.

CNPP launched the *MyPlate, MyWins* campaign concurrently with the release of the *2015-2020 Dietary Guidelines*. The core messages integrated throughout the campaign are grounded in the latest edition of the *Dietary Guidelines*, as well as insights from consumer message testing. *MyPlate, MyWins* messaging was incorporated into the Nutrition Communicators Network MyPlate messages and a recent survey among dietitians indicates that the following messages resonate with most consumers: 1) Make small changes (86 percent); 2) The overall eating pattern is more important than a single meal, food, or nutrient (70 percent); and 3) Make gradual shifts over time (66 percent).

CNPP also connects science to the nutrition needs of consumers across the lifespan with SuperTracker, other online efforts, and the Nutrition Communicators Network. These channels, individually and collectively, serve as a cost-effective and high-intensity mechanism to strive toward reaching CNPP's target audiences.

During FY 2017, CNPP accomplished the following:

- Since the launch on December 22, 2011, SuperTracker has served close to 27 million users, including school groups, worksite wellness programs, Registered Dietitians and other health educators. FY 2017 saw an additional 1.6 million users, an increase of 30 percent.
- Enhanced SuperTracker with the inclusion of the Presidential Champions and Presidential Active Lifestyle Award (PALA+) programs of the President's Council on Fitness, Sports & Nutrition. These programs, which motivate participants to be physically active, and maintain or improve their health through meeting health goals and receiving awards, were made available to SuperTracker users in January and March of 2017. In FY 2017, 20 cohorts completed the 8-week PALA+ Challenge, with almost 2,000 users.
- Continued promotion of the challenge platform. This cutting-edge addition allows groups of people to use SuperTracker together as a group for added motivation. Group leaders can launch a healthy eating or physical activity challenge to further encourage healthy behaviors, selecting a preset challenge or creating a custom challenge. Since launching this enhancement in April 2016, 14,026 groups and 3,421 challenges have been created.
- CNPP continued to lead the development and operations of the What's Cooking? USDA Mixing Bowl application, a collaboration between CNPP and FNS program areas (Child Nutrition, SNAP, Food Distribution) to consolidate program recipes and create a user-friendly and visually appealing web-based recipe tool. In June 2017, the team released a log-in feature allowing users to save favorite recipes, cookbooks, and shopping lists for future use by using their SuperTracker credentials. In addition, in August, the team pushed new functionality that enabled cost calculation for all recipes on the site, enabling FNS programs to demonstrate the cost of the recipes promoted and allowing budget-conscious consumers to search for and select nutritious recipes that fit their budget. The team completed several phases of development testing, and ongoing operations and maintenance of the project.
- ChooseMyPlate.gov had a total of 13.6 million visitors and 62.8 million page views. New features launched this year include a MyPlate Daily Checklist widget, allowing organizations and individuals to embed a nutrition plan calculator in their own websites, as well as 12 new tip sheets and 18 refreshed tip sheets.
- Gained a total of 120,000 new subscribers and 1.04 million additional subscriptions using GovDelivery, representing an increase of 21 percent over FY 2016.

FOOD AND NUTRITION SERVICE

- Our MyPlate social media campaigns, including #MyPlate, #MyPlateMyWins, and #MyPlateMyState generated a combined 300 million impressions in FY 2017. During FY 2017, #MyPlate was featured in 37,190 posts and generated 193.4 million social media impressions with an estimated reach of 23.9 million. During FY 2017, #MyPlateMyWins was featured in over 7,800 posts and generated 90.8 million impressions. During FY 2017, #MyPlateMyState was featured in over 1,200 posts and generated 17.4 million impressions.
- Twitter followers increased by 8 percent over the previous fiscal year, bringing the current total to 99,337. @MyPlate distributed more than a thousand tweets generating over 7.9 million impressions, and participated in 12 Twitter chats, primarily with Federal agencies, resulting in 740,000 impressions and 6,700 engagements.
- The Nutrition Communicators Network's National Strategic Partnership, comprised of organizations with national reach, welcomed seven new partners and five renewed partners, increasing the total membership to 106 partner organizations ranging from leading health professional and educational organizations to food associations, manufacturers and other companies. The National Strategic Partnership was responsible for 21.5 billion consumer impressions and 410 million consumer influencer impressions in FY 2017.
- In FY 2017 there were 5,179 broadcast and print media mentions of MyPlate with a potential reach of 2.4 billion.

USDA Food Plans Inform SNAP and Serve the Military

The four USDA Food Plans (Thrifty, Low-Cost, Moderate-Cost, and Liberal) are national standards for nutritious diets at various cost levels. Each plan represents a set of market baskets containing a selection of foods in quantities that reflect dietary recommendations and are applicable to one of 15 age-gender groups. The Thrifty Food Plan (a minimal-cost, nutritious diet) is used as the basis for SNAP allotments, serving 21.3 million households. The Moderate-Cost and Liberal Food Plans are used by the Department of Defense to determine the Basic Allowance for Subsistence rate (food allowance) for 1.4 million U.S. service members. During FY 2017, the monthly USDA Food Plans were updated to reflect the latest prices of food.

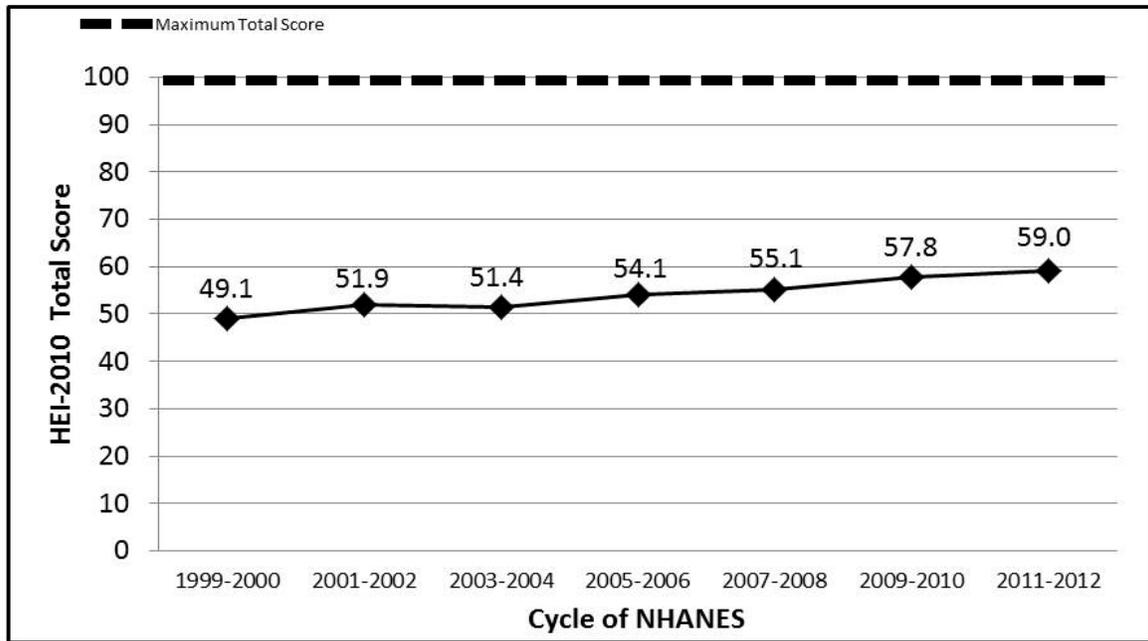
Healthy Eating Index Tracks the Quality of the U.S. Diet

The Healthy Eating Index (HEI) is designed to assess diet quality in terms of how well diets align with the *Dietary Guidelines*. CNPP uses the HEI to monitor the diet quality of the American population and subpopulations of particular interest. During FY 2017, CNPP accomplished the following:

- Completed work to update the HEI, in collaboration with staff at the National Cancer Institute, to reflect the 2015 *Dietary Guidelines*. These efforts included consideration of key components, component scoring, and validation. The manuscripts describing the updated Healthy Eating Index 2015 have been submitted for publication and are anticipated for publication in early 2018.
- Updated the diet quality scores for all Americans (ages 2 and older) as well as scores specific to children (ages 2-17 yr.) and older adults (ages 65 and older) using National Health and Nutrition Examination Survey (NHANES) 2011-2012 data. Total HEI scores for all age groups are suboptimal; however, older adults continue to have better diet quality than other age groups.
- Provided age group specific scores for the *America's Children: Key National Indicators of Well-Being, 2017 published by the Federal Interagency Forum on Child and Family Statistics*.

Adherence to the 2010 *Dietary Guidelines* Measured by Average Total Healthy Eating Index-2010 Scores of Population Ages 2 and Older.

FOOD AND NUTRITION SERVICE



Data Source: Analyses of What We Eat in America, National Health and Nutrition Examination Survey (NHANES) data from 1999-2000 through 2011-12.

Note (chart above): As of 2018, the most recent data available is 2011-2012.

Expenditures on Children by Families Report Helps Inform Child Support and Foster Care Payments

Since 1960, USDA has annually issued its *Expenditures on Children by Families* report. This report examines current child-rearing expenses for the major household budgetary components: Housing, food, transportation, clothing, health care, child care and education, and miscellaneous expenses (e.g., personal care items and entertainment). Expenses are examined by age of the child, household income level, and region of residence. These expense estimates are used by some States to inform child support guidelines and foster care payments. During FY 2017, the updated *Expenditures on Children, 2015 Report* was published. The analysis included data from 2011-2015. This report implements a process improvement plan to estimate child-rearing expenses calculated using the most recently available Consumer Expenditure Survey data updated with the Consumer Price Index. Infographics and the Cost of Raising a Child calculator were released to communicate the results of the report to American Families and aid in financial planning for families with children.

FOOD AND NUTRITION SERVICE

Summary of Budget and Performance

The Food and Nutrition Service (FNS) was established August 8, 1969, by Secretary's Memorandum No. 1659 and Supplement 1 pursuant to the authority contained in 5 U.S.C. 301 and the Reorganization Plan No. 2 of 1953. FNS increases food security and reduces hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence. FNS administers the U.S. Department of Agriculture's 15 nutrition assistance programs. These programs, which serve one in four Americans over the course of a year, are designed to provide low-income persons with access to a more nutritious diet, to improve the eating habits of the Nation's children, and to help America's farmers by providing an outlet for food purchased under agricultural support authorities.

The work of FNS supports the following components of USDA's Strategic Plan for 2018-2022:

Strategic Goal 7: Provide all Americans access to a safe, nutritious, and secure food supply

- Objective 7.2: Provide access to safe and nutritious food for low-income people while supporting a pathway to self-sufficiency
- Objective 7.3: Support and encourage healthy dietary choices through data driven, flexible, and customer-focused approaches

In addition, through reforms to our organization, workforce, and business processes, we will contribute to USDA's Strategic Goal 1: Ensure USDA programs are Delivered Efficiently, Effectively, and with Integrity.

Key Performance Measures:

- Percentage of American households with consistent, dependable access to food
- Annual percentage of eligible children participating in the National School Lunch Program (NSLP)
- Percentage of SNAP Employment and Training participants engaged in education and skills-based training

Key Performance Targets:

Annual Performance Indicators	Fiscal Year				
	2015 Actual	2016 Actual	2017 Actual	2018 Target	2019 Target
• Percentage of American households with consistent, dependable access to food	87.3%	87.7%	87.8%*	87.9%	88.0%
• Annual percentage of eligible children participating in the National School Lunch Program (NSLP)	55%	59%	58%	59%	59%
• Percentage of SNAP Education & Training participants engaged in education and skills-based training ¹	33%	33%	33%*	35%	40%

*Figure is a target, since actual data not available.

Selected Past Accomplishments toward Achievement of the Key Outcome:

- In 2016, 87.7 percent of American households had consistent, dependable access to food
- In 2017, 58 percent of eligible children participated in the National School Lunch Program (NSLP)
- In 2016, 33 percent of SNAP Employment & Training participants engaged in education and skills-based training

¹ States have flexibility to provide a wide range of E&T services but the most common are typically job search and workfare. This indicator will measure an increase in the portion of all E&T participants engaged in more intensive skill-based training, such as vocational and occupational training or on-the-job training

FOOD AND NUTRITION SERVICE

Selected Accomplishments Expected at the FY 2019 Proposed Resource Level:
In 2019, as the economy continues to improve:

- 88.0 percent of American households will have consistent, dependable access to food.

FNS continues to seek efficient, effective ways to reach those in need across the country. Across its programs, FNS implements innovative strategies to ensure those in need have access to critical nutrition assistance and the support they need to move off of nutrition assistance and into self-sufficiency. A few examples include that FNS has made efforts to ensure access to summer meals for children through legislative, policy, research, targeting and partnership efforts. Through these efforts, 179 million meals were served at over 50,000 sites in low income areas in 2016. This represents 14 million more meals served over the 2009 levels, a 9 percent increase. In other areas and programs, FNS has provided targeted technical assistance to States and coordinated with State and other leaders and partners to leverage resources and optimize the reach of FNS programs to those in need. Similar approaches across the programs have supported FNS's efforts to ensure those in need can access nutrition assistance in times of need.

- The NSLP participation rate will reach 59 percent.

During the school day over 51 million children attend schools operating the National School Lunch Program with over 30 million children participating each day. Of the 30 million children participating, over 20 million are receiving free or reduced price lunches each day. In recent years, participation among the nation's neediest children has substantially increased due to provisions designed to improve access, streamline administrative requirements for local school officials, and eliminate barriers to participating in the school meal programs. Participation among children eligible for free meals has increased by over 34 percent in the last decade, helping to connect our nation's most vulnerable youth with the nutritious foods they need to focus during the school day.

- 40 percent of SNAP Employment and Training participants will be engaged in education and skills based training.

The SNAP Employment & Training (SNAP E&T) program is a skills and job training program for SNAP participants. It is a key resource States and their partners can utilize to help SNAP participants meet the urgent need for skills and better jobs and to help SNAP support its participants on a path to self-sufficiency. SNAP E&T is focusing on increasing utilization of the services by states by ensuring they have access to the best information on program efficacy possible. FNS is helping States build robust, job-driven SNAP E&T programs. "Job-driven" means that programs are responsive to employer demand so that they place ready-to-work participants in good, available jobs or provide skills training and credentials participants require to obtain these jobs. SNAP E&T is increasingly recognized as a critical part of each state's skilled workforce strategy. USDA and other policy makers herald SNAP E&T as an important part of the national conversation about the need to invest in building a skilled workforce while addressing the nation's growing economic inequality. Moving forward, FNS will continue to partner with States as they refine and expand their programs, which will expand access for participants to these important resources to help them move toward self-sufficiency.