



# Food Distribution National Policy Memorandum

United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

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Alexandria, VA  
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**DATE:** October 21, 2009

**POLICY NO.:** FD-097: Commodity Supplemental Food Program (CSFP), Food Distribution Program on Indian Reservations (FDPIR), The Emergency Food Assistance Program (TEFAP), and the Supplemental Nutrition Assistance Program (SNAP)

**SUBJECT:** Allowability of Participant Payments and Contributions for Foods Donated by the United States Department of Agriculture (USDA) and/or Non-USDA Sources

This memorandum clarifies Food and Nutrition Service (FNS) regulations and policies regarding the allowability of requiring payment and soliciting contributions (i.e., "payments" or "pay") in exchange for foods from FNS program participants.

**Per 7 CFR 250.15(a)(3), entities that administer CSFP, FDPIR, and/or TEFAP are prohibited from requiring or soliciting payments from program participants for USDA-donated foods.** Specifically, 7 CFR 250.15(a)(3) indicates that "under no circumstances shall recipients be required to make any payments in money, materials, or services for or in connection with the receipt of [USDA] donated foods, nor shall voluntary contributions be solicited...."

USDA does not prohibit entities from requiring or soliciting payments for non-USDA foods or other services. However, policies and procedures must be in place to ensure that:

1. Individuals eligible to receive CSFP, FDPIR, and/or TEFAP foods are not denied such foods because they are unable or unwilling to pay for foods obtained from non-USDA sources or services provided by the entity,
2. No portion of any payment is provided in exchange for USDA-donated foods,
3. It is clear that the required or solicited payment for non-USDA foods or other services is *not* part of CSFP, FDPIR, and/or TEFAP, is *not* endorsed by the USDA, and is *not* a condition for the receipt of USDA donated foods, and
4. The collection of payments for non-USDA foods or other services does not disrupt the distribution of CSFP, FDPIR, and/or TEFAP foods.

In cases where an entity requires or solicits payments from individuals for non-USDA foods or other services, and assesses such payments against SNAP Electronic Benefits Transfer (EBT) cards, policies and procedures must be in place to ensure that:

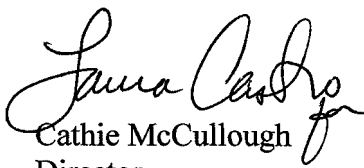
1. The same payments are required and/or solicited from all individuals, regardless of whether they are SNAP participants. Thus, if individuals not participating in

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SNAP have the option to eat for free or make a monetary contribution, SNAP participants must be given the same option.

2. In cases where an entity provides prepared meals to the homeless, individuals participating in SNAP may not be required or solicited to pay more than the "average cost" of foods *purchased* by the entity and contained in such meals. However, *voluntary* payments in excess of the average costs may be accepted. "Average cost" is determined by averaging the cost of purchased foods over a period of up to one calendar month. ***The value of foods donated (either by USDA or non-USDA sources) and indirect costs (i.e., acquisition, storage, preparation) cannot be considered in determining the average cost of a meal.***

If you have any questions regarding CSFP, FDPIR, or TEFAP, please contact Rogelio Carrasco or Theresa Geldard at 703-305-2662. If you have any questions regarding SNAP, please contact Andrea Gold at 703-305-2456.

  
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