

# Food and Nutrition Service



## THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

**JULY 2009 UPDATE**

### MANAGEMENT EVALUATION FORM

State Distributing Agency: \_\_\_\_\_

Review Date(s): \_\_\_\_\_

Review Period: \_\_\_\_\_

Review Period: the prior program year and the current year to date

Reviewers: \_\_\_\_\_

\_\_\_\_\_

# ACRONYMS

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CR – Civil Rights  
DA – Distributing Agency  
EFO – Emergency Food Organization  
ERA – Eligible Recipient Agency  
FD – Food Distribution  
FIFO – First In, First Out  
FPRS – Food Programs Reporting System  
FNS – Food and Nutrition Service  
FNSRO – Food and Nutrition Service Regional Office  
HH - Household  
ME – Management Evaluation  
SDA – State Distributing Agency  
SNP – Special Nutrition Programs  
TEFAP – The Emergency Food Assistance Program  
USDA – United States Department of Agriculture

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## I. STATE AGENCY OPERATIONS

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*The purpose of this section is to establish dialogue with SDA staff regarding corrective action(s) from the prior ME as well as any unresolved issues; State laws, policy, or legislation that would impact operation of the program under review; and the number of SDA staff, salary allocation, and vacancies.*

### A. State Agency Issues

1. Discuss unresolved issues including issues from the prior ME and/or open audit recommendations, if applicable. Explain the actions taken or intended.
  
2. Describe any recently approved State laws, policies, or pending legislation which might impact the SDA's operation of the program.
  
3. If the SDA operates a State-funded food assistance program through agencies which also operate TEFAP, describe the program, funding levels and how it may impact their administration of TEFAP [This information is being collected for informational purposes (i.e., in developing briefings/profiles and responding to media and public inquiries) and does not fulfill a regulatory requirement].

**B. Staffing [Part 250.2(b) and (c)]**

1. Obtain a copy of the current organizational chart. Identify program staff below:

Name	Title	% Time TEFAP	% Paid TEFAP

2. If SDA staff responsibilities include more than one program, does funding for salaries from various program sources correspond to the time spent on each program? **[2 CFR Part 225 (OMB Circular A-87)]** (Obtain a copy of documentation supporting the breakout of staff time and salaries.) If not, please describe the discrepancy and how compliance will be achieved.

3. Does the SDA provide adequate personnel to administer the Program? **[Part 250.2(c)]** If not, please describe the SDA's plan to fill existing vacancies or distribute workload to ensure program responsibilities are fulfilled.

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## II. AGREEMENTS AND ELIGIBILITY

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### A. State Distributing Agency Agreements **[Part 250.12(b) and (d) and Part 251.2(c) and (d)]**

1. Identify the number of each type of contract/agreement entered into by the SDA and ERAs in column b of the chart below.

a) Review the specified number of agreements/contracts identified in column c in the chart below, using attached worksheets 1-4 for compliance with regulations, and complete column d of the chart below:

a. Type of agreement (ex: storage facility, carrier, ERA and subrecipient)	b. Number of agreements	c. Review Requirement	d. Does the agreement contain all required provisions?
Storage Facility		20% or 1 whichever is >	
Carrier		20% or 1 whichever is >	
ERA		20% or 5 whichever is <	
Subrecipient		20% or 5 whichever is <(if available @ SDA)	

2. Does the SDA ensure that ERAs enter into written agreements with ERAs to which they plan to distribute donated foods and/or administrative funds before donated foods or administrative funds are transferred between any two ERAs? [Part 251.2(c)(2)] Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please describe any discrepancies and explain the actions needed to ensure compliance.

3. Does the State agency delegate the responsibility for any aspect of the program to an ERA? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, describe the responsibilities delegated. Are the delegated responsibilities allowable in accordance with Part 251.2(d)(2)(i), which prohibits delegation of responsibility for establishing organization and recipient eligibility criteria and conducting ERA reviews. If not, please describe action needed to ensure compliance.

B. Eligibility - Organizations

1. Does the SDA (and ERAs to whom they have delegated the responsibility to select other ERAs) distribute commodities to ERAs in accordance with the priorities established at Part 251.4(h)(1)? If not, please describe action needed to ensure compliance.

2. Per Part 251.5(a), does the State agency, or ERA to whom the State agency has delegated responsibility, ensure that applicant organizations:

- meet the definition of an ERA per **[Part 251.3(d)]**? Yes \_\_\_\_\_ No \_\_\_\_\_
- when providing commodities to households, only do so to households which meet the eligibility criteria established by the SDA? (household distribution) Explain.
- when serving meals predominantly to needy persons, do so without employing a means test? (congregate feeding)? Yes \_\_\_\_\_ No \_\_\_\_\_

Please explain all “no” responses and describe actions needed to ensure compliance.

C. Eligibility - Households

1. Do the SDA’s criteria for determining the eligibility of households: **[Part 251.5(b)]**

- apply uniformly throughout the State? Yes \_\_\_\_\_ No \_\_\_\_\_
- enable the SDA to ensure that only households that meet the State’s eligibility requirements receive TEFAP commodities? Yes \_\_\_\_\_ No \_\_\_\_\_

- include income based standards and methods by which households may demonstrate eligibility under such standards? Yes \_\_\_\_\_ No \_\_\_\_\_
- include a requirement that the household reside in the geographic location served by the SDA, but exclude length of residency as an eligibility criterion?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Please explain all “no” responses and describe the actions needed to ensure compliance.

2. When did the SDA last update its income scales for ERAs? \_\_\_\_\_ How often does the State update its income standards? **(SDAs are not required to update, but if they do not, more explanation may be needed).**

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### III. FINANCIAL MANAGEMENT

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**Administrative Funding.** Each State's share of TEFAP administrative funds is based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed persons within the State. Once funds are appropriated, each State's entire grant is made available. [Part 251.3(h)]

**Pass-Through Requirement.** Program regulations require that not less than 40 percent of TEFAP administrative funds allocated to the State agency must be provided to emergency feeding organizations (EFO) or directly expended by the State agency to cover costs incurred by, or on behalf of, EFOs. In order to be eligible for administrative funds, ERAs must have entered into an agreement with the SDA or another ERA.

[Part 251.8(e)(4)]

Funds provided to or expended by the State agency to cover costs incurred by ERAs which are not EFOs cannot count toward meeting the pass-through requirement. While funds may be provided to ERAs which distribute only non-USDA commodities, State agencies and ERAs distributing administrative funds must ensure that the funding needs of ERAs which receive USDA commodities are met first.

**Matching Requirement.** State agencies must provide a cash or in-kind contribution equal to the amount of TEFAP administrative funds retained by the State agency for State-level costs or made available by the State agency to ERAs that are not EFOs [Part 251.9(a)]

**Allowable Costs.** State agencies and ERAs may use TEFAP funds to pay the direct expenses associated with the distribution of USDA commodities and commodities secured from other sources. Source documentation should be reviewed to ensure that administrative funds are expended at both the State and local level for allowable costs. In accordance with Sections 251.8(e)(4)(iii) and 251.9(d), SDAs cannot assess fees for the distribution of donated foods. [Part 251.8(e)]

**Financial Reporting.** Financial information is reported on the FNS-667 on a quarterly and final basis. The FNS-667 identifies the amount of funds expended for State-level costs, State-paid EFO costs and local-paid EFO costs, as well as the State agency's share of outlays. Reviewers can use the data on this report to:

- assess State agency compliance with pass-through and matching requirements;
- determine whether amounts reported are accurate, based on a comparison to supporting documentation; and
- compare outlays to draws as of a specific date (draws should not exceed outlays).

**Applicable Regulations/Instructions.** Sections 251.8 and 251.9 address payment of funds for administrative costs and matching of funds. FNS Instruction 716-3, Rev. 1 provides detailed guidance on allowable costs, the State matching requirement, the 40 percent pass-through requirement and the classification of costs.

A. Administrative Funding

1. Obtain a copy of the SDA's annual TEFAP administrative budget (Federal and non-Federal). What factors does the SDA take into consideration when developing its budget to ensure maximum utilization of its administrative grant? Please explain any changes needed to assist the SDA in maximizing its annual administrative funding.
  
2. If applicable, please describe how the SDA allocates funds to ERAs
  
3. How are funds provided? Reimbursement \_\_\_\_\_ Advance payment \_\_\_\_\_ Both \_\_\_\_\_
  
4. If funds are provided to ERAs to distribute only non-USDA commodities, has the SDA ensured that all funding needs of ERAs which receive USDA commodities have been met? **[Part 251.8 (d)]** If not, describe the actions needed to ensure funds are provided first for USDA commodity needs.
  
5. Does the SDA assess fees for distribution of donated foods? \_\_\_\_\_ If so, give reason why and review Part 251.9 with the SDA as this is not allowed per **Part 251.9(d)**.
  
6. Does the SDA pay transportation/storage costs on behalf of ERAs or provide funds to ERAs to cover these costs? **[Part 251.8(e)(i)]**.

7. Describe the records required from the ERAs and the frequency of reporting.
  
8. Obtain/review closeout data for the previous fiscal year. Did the SDA obligate the entire grant by September 30, or return funds unspent after the close of the fiscal year? **(Check the Statement of Account and Final Form FNS-667 from prior fiscal year to determine this.) Please explain reasons for unspent funds and actions taken by SDA to maximize spending.**
  
9. Does the SDA restrict the use of TEFAP administrative funds by ERAs by disallowing expenses expressly allowed by regulation? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, what is the restriction and is it identified in the agreement? **[251.8(e)(2)]**

B. State Match

1. What amount and percentage of its TEFAP grant does the SDA retain for State-level expenses? **[Part 251.9(a)]**
  
2. What State-level costs are paid with Federal funds? Are these costs allowable in accordance with **FNS Instruction 716-3, Rev. 1, Items VII (C) and VIII and Part 251.8(e)]**? If not, please describe discrepancy and action needed to ensure compliance.

3. How much State funding (cash and/or in-kind) is contributed as a match? Does this at least equal the amount of Federal funds retained by the SDA for State-level costs and made available to ERAs that are not EFOs? **[FNS Instruction 716-3, Rev.1, item VII (C)]**

4. What costs, if any, are paid by the SDA to satisfy the matching requirement? **[Part 251.9(c)]** Are these costs allowable? **(716-3 II. D. Allowable Costs)** If not, please describe discrepancy and actions needed to ensure compliance.

#### C. Pass-Through Funds

1. What amount and percentage of its TEFAP administrative grant does the SDA make available to EFOs? What is the amount and percentage made available or expended on behalf of ERAs that are not EFOs?

2. What costs are paid with the funds made available to ERAs or expended on behalf of ERAs? Are these costs allowable? **FNS Instruction 716-3 II. C. 1 & 2 Allowable Cost.** If not, please describe discrepancy and the actions needed for compliance.

3. Are funds provided only to ERAs that have: 1) entered into an agreement with the SDA?; or 2) entered into an agreement with another ERA operating under an ERA/SDA agreement? **[251.8(e)(1) and (3)]** If not, describe discrepancy and the corrective actions needed to ensure compliance.

D. Financial Record Keeping and Reporting

1. Does the SDA maintain records to document State-level costs paid with Federal and State matching funds? Review source documentation. **[Part 251.9]** If not, describe corrective action needed to ensure compliance.

2 A. Does the SDA maintain records to document the administrative funds paid to ERAs for administrative costs? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain action needed to ensure compliance.

2. B. How does the SDA ensure that ERAs maintain such records? Review source documentation? **[251.10(a)(2)]** Select up to five (5) records (from 5 different ERAs) for review (either by month, quarter, or whatever the SDAs timeframe is for paying administrative costs. For these records, ensure that a) the payment was accurate and b) if applicable, the ERAs' costs were allowable and properly documented.

3. Compare amounts reported on the FNS-667, Report of Storage and Distribution Costs (TEFAP), to supporting documentation. Are costs properly identified on the report? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain discrepancies and corrective actions needed.

4. Are records retained at both the State and local level for the required 3-year period, or longer if related to an audit or investigation in progress? **[251.10(a)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain actions needed to ensure compliance.

5. Record the dates the FNS-667 Reports were certified in FPRS. Does the SDA certify the quarterly and final reports by established deadlines (i.e., 30 days after the end of each quarter and 90 days after the end of the fiscal year)? **[251.10(d)(1)]**

	Date Due	Date Certified	On Time? (Y/N)
1 <sup>st</sup> Quarter	January 30		
2 <sup>nd</sup> Quarter	April 30		
3 <sup>rd</sup> Quarter	July 30		
4 <sup>th</sup> Quarter	October 30		
Final	December 30		

E. Salvage Account

1. Did the SDA deposit all funds accruing from the sale of containers/pallets, salvage of foods, insurance and recoveries of claims for the loss of or damage of donated foods into a salvage account or return the funds to USDA? **[(Part 250.15(f)(2 and 3)]**  
 Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain discrepancies and corrective action needed.

2. Did the SDA maintain records documenting the receipt and expenditures of funds? (Review documentation to determine if all expenditures were allowable.) **[(Part 250.15(f)(2 and 3)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain discrepancies and corrective action needed.

3. Did the SDA obtain prior approval from the RO for all deposits and expenditures over \$2,500 to/from the salvage account? **[Part 250.15(f)(4)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain discrepancies and corrective action needed.

4. Does the SDA adhere to the prohibition against assessing fees for the distribution of donated foods? (Parts 251.8(e)(4)(iii) and 251.9(d)) Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain discrepancies and corrective action needed.

#### F. Audits

1. Does the SDA have procedures in place to ensure all ERAs are aware of audit requirements as prescribed in 7 CFR Part 3052? **[Part 250.18]** Yes \_\_\_\_\_ No \_\_\_\_\_, if no, please explain corrective action needed to ensure compliance.
  
2. Does the SDA have a system to monitor the dollar value of commodities and TEFAP administrative funds distributed to each ERA? Is this information provided to ERAs? **[Part 3052.400(d)(1)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain action needed to ensure compliance.
  
3. Describe the method used by the SDA to ensure that ERAs receiving more than \$500,000 in federal funding have met the audit requirement? **[Part 3052.400(d)(4)]**



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## IV. PROGRAM MANAGEMENT INFORMATION

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### A. ERA Information:

1. Does the SDA maintain an up-to-date listing of all ERAs in the State?
2. What methods (e.g., training sessions, procedural manual, meetings, newsletters, web site, etc.) does the SDA employ to provide program information, policies and regulations to ERAs?
3. If the SDA for Schools is a separate agency from the TEFAP SDA, is there communication between them pertaining to transfers, storage issues, disaster preparedness and general food distribution matters? If so, indicate how this occurs.

### B. State Plan:

1. Record the date the last plan or amendment was approved.
2. Based on the responses in section II. C 1, are the income eligibility guidelines specified in the State Plan being utilized? **[Part 251.5 (b)(1)(2)]**  
Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain corrective action needed to ensure compliance.
3. Is the State Plan current? If not, indicate what amendments are needed.

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## V. COMMODITY DISTRIBUTION PROCEDURES

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### A. Food Ordering

1. Has the SDA rolled the FNS online commodity ordering system down to ERAs for local-level ordering? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, is this working well? If not, does the SDA have plans to do so? Describe any problems or concerns.

2. What process does the SDA use to determine the entitlement commodities to order?  
**[Part 251.4(d)(1)(2)]**

3. Describe the process the SDA uses to decide the quantities to order on fair share or open order bonus surveys. **[Part 251.4(d)(1)(2)]**

4. How does the SDA monitor its entitlement balance?

5. In the most recently completed fiscal year, what amount/percent of the SDA's entitlement was utilized?

### B. Commodity Distribution and Allocation

1. Explain how the SDA allocates commodities to ERAs.  
**[Part 251.4(h)]**

2. If the SDA provides TEFAP commodities to first and second priority ERAs, describe its method for allocating limited commodities to first and second priority organizations. **[Part 251.4(h)]**

3. How are ERAs selected? Does the State have any gaps in coverage?

### C. Commodity Delivery

1. Describe the SDA's delivery system. Address whether commodities are delivered to a central location, direct shipped to ERAs or a combination of the two.
2. Do all entities that receive direct shipments (including warehouses and ERAs) electronically receipt for commodity shipments in ECOS? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain why electronic receipt is not being utilized. (Policy Memo FD-062 strongly encourages this.)
3. To the extent possible, are commodities direct shipped to ERAs that can accept at least ¼ truck? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain.
4. If centralized warehousing is used, check SDA delivery paperwork to determine if quantities routinely delivered could support direct shipments.
5. Describe the monitoring tools used by the SDA to ensure that no ERA receives commodities in excess of anticipated use. **[251.4(d)(2)]**

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## VI. INVENTORY CONTROL

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### A. Accountability Procedures

1. Does the SDA maintain an up-to-date perpetual inventory of commodities in State-level storage? **[Part 250.17(a)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain actions needed to ensure compliance.
2. Compare records of receipt/distribution to the SDA's inventory records. Verify transactions and balances for a selected sample of three (3) commodities. **[Part 250.17(a)]**
3. Are inventory levels in excess of a 6-month supply? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, are excesses properly reported on the FNS-155 Report?
4. Does the SDA have a system in place to ensure that physical inventories are being conducted and reconciled by storage facilities and subdistributing agencies annually? **[Part 250.14(e)]** If not, please describe action needed to ensure compliance.

### B. Transfers/Redonations

1. Has the SDA properly transferred donated foods which have been provided as part of an authorized level of assistance (i.e., entitlement commodities) between like ERAs? (SDA has authority to approve) **[Part 250.13(a)(iv)(v)]** If not, please explain discrepancy and corrective action needed.
2. Has the SDA properly transferred donated foods which have been provided in addition to the SDA's authorized level of assistance (i.e., bonus commodities) only between ERAs which are eligible to receive such foods? (SDA has authority to approve) **[Part 250.13(a)(v)]** If not, please explain discrepancy and corrective action needed.

3. Did the SDA obtain prior approval from the FNSRO for the transfer of donated foods provided as part of an authorized level of assistance (i.e., entitlement commodities) between unlike recipient agencies? **[Part 250.13(a)(iii)]** If not, please explain discrepancy and corrective action needed.

4. Are all transfers of donated foods documented? **[Part 250.13(a)(v)]**  
Yes \_\_\_\_\_ No \_\_\_\_\_ If not, please explain discrepancy and corrective action needed.

### C. Commodity Losses/Claims

1. Has there been a claim(s) against the SDA for the improper distribution, loss or damage of donated foods? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, how was/were the claim(s) resolved? **[Part 250.13(e)(f)]**

2. Has the SDA provided written procedures to ERAs on how to handle lost or damaged commodities? **[Part 250.13(e)(f)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain actions needed to ensure compliance.

3. Review all claim determinations made by the SDA. Does the SDA require ERAs to report all losses regardless of cause or dollar value? **[Part 250.13(f)(g)]** If not, please explain discrepancy and corrective action needed.

4. Does the State agency begin claims action immediately upon receipt of information concerning the improper distribution, loss or damage of commodities valued in excess of \$100 but less than \$2,500, make a claim determination within 30 days of receipt of this information, and proceed to collect the claim? **[Part 251.4(l) and FNS Instruction 410-1]**  
Yes \_\_\_\_\_ No \_\_\_\_\_ If not, please explain discrepancy and corrective action needed.

5. Does the SDA immediately transmit all claims where the value of lost foods exceeds \$2,500 to the Regional Office, fully documented as to facts and findings? **[Part 251.4(l)(3)]**  
Yes \_\_\_\_\_ No \_\_\_\_\_ If not, please explain discrepancy and corrective action needed.

6. By reviewing the claims register, does the State agency maintain accurate and complete records on claims in accordance with FNS Instruction 410-1? Yes \_\_\_\_\_ No \_\_\_\_\_ If not, please explain discrepancy and corrective action needed.

7. Does the State agency request approval/permit replacement in accordance with FNS policies? **[Part 250.13(f) and 250.24(f)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If not, please explain discrepancy and corrective action needed.

8. Are funds collected from bonus losses returned to the Department? Or is approval requested to retain funds for use in the State agency's food distribution program? **[Part 250.15(c), FNS Instruction 410-1]**. If not, please explain discrepancy and corrective action needed.

#### D. Commodity Complaints

1. Describe the State agency's procedures for handling ERA commodity complaints. When appropriate, are complaints submitted to FNS through the ECOS complaint system? Review all complaints submitted during the review period. **[Part 250.24(f)]**

2. Describe State agency procedures for the disposition of damaged or out-of-condition commodities. **[Part 250.13(f) and 250.24(f)]**

E. Holds and Recalls

Complete the following chart by checking the FNS online commodity ordering system. Identify type of recall device, e.g., work phone, work e-mail, cell phone, etc. for each recall contact. [Note: When setting up FNS online commodity ordering system users the administrator indicates whether the user is a recall contact and/or has a recall role.] Users identified as recall contacts must enter the devices, in order of preference, for recall notification. Users given the recall role will have access to the FNS online commodity ordering system recall response form.

Name	Recall Contact?	Recall Device 1	Recall Device 2	Recall Device 3	Recall Role?

1. Has the SDA designated sufficient staff as recall contacts and assigned sufficient users the recall role in FNS online commodity ordering system? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain actions needed to ensure sufficient staff is included.

2. Have staff selected a combination of work/home devices to permit notification on evenings/weekends? If not, please explain reason.

3. Has the SDA been involved in a commodity hold/recall during the review period? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, what method of notification was used and how long did it take for the SDA to notify ERAs? Explain how all affected ERAs were notified. **[FNS Procedure: Commodity Hold and Recall Process]**

4. Describe the SDA’s system for tracking the movement of commodities within the State. Does this system permit the SDA to quickly locate suspect food? **[FNS Procedure: Commodity Hold and Recall Process]** If not, please explain discrepancy and corrective action needed.

5. Describe the information and/or training the SDA provided to ERAs regarding the commodity hold and recall process. **[FNS Procedure: Commodity Hold and Recall Process]** Please explain if additional efforts are needed in this area.

F. Food Safety and Food Defense

1. Has the SDA provided training/guidance to the ERAs regarding food safety and food defense? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain if additional efforts are needed in this area.

G. Disasters

1. Is current SDA contact information on file at the Regional Office? If not, obtain updates as needed so information is current.
  
2. Is SDA staff familiar with State's Emergency Plan and/or has SDA made contact with the State's Emergency Management Office? If not, please explain if additional efforts are needed in this area.
  
3. Did the SDA properly complete the FNS-292A Report and certify in FPRS or submit to the FNSRO within 45 days of termination of assistance? (This report is required if any USDA commodities are utilized even if reimbursement is not requested.) If no, please explain if additional efforts are needed in this area.

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## VII. RECORDS AND REPORTS

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*Review records maintained at the State and/or local level to document the receipt, disposal and inventory of donated foods. If available, a sample household data collection form should be obtained to complete this section. All records must be maintained for a period of three years from the close of the Federal fiscal year to which they pertain, or longer if related to an audit or investigation in progress. [251.10(a)(4)]*

### A. Record Keeping/Retention

1. Complete the chart below to identify the records the SDA maintains, and requires ERAs to maintain, to document the receipt, disposal and inventory of commodities. [Part 251.10(a) and (i), Part 250.16(a)(2), Part 250.17(a), FNS Instruction 410-1 and FD Policy Memo FD-036].

Records/Reports	SDA, subDAs and ERAs that distribute to other ERAs (* required)	ERAs (* required)
Receipt	*	*
Disposal	*	
Inventory	*	
Food Losses/Claims	*	
HH Information (HH distribution sites only)		*
Transfers		
Commodity Complaints		
Program Complaints		
Other:		

2. Are records maintained at the State and ERA level as required? Yes \_\_\_\_\_ No \_\_\_\_\_ If not, describe corrective action needed.
  
3. Has the SDA/ERAs purchased equipment in whole or in part with TEFAP funds? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, are property records maintained by the SDA/ERA in accordance with Part 3016.32(d)(1) or Part 3019.34(f)(1) as appropriate?
  
4. Is a standard form in use Statewide to capture information listed below from each household receiving commodities for home consumption? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, how does the SDA ensure that sites distributing commodities for home consumption collect this information? **[251.10(a)(3)]**
  - \_\_\_\_\_ the name of the household member receiving commodities
  - \_\_\_\_\_ the address of the household (to the extent practicable)
  - \_\_\_\_\_ the number of persons in the household
  - \_\_\_\_\_ the basis for determining that the household is eligible to receive commodities for home consumption
  
5. How long does the SDA retain records and require ERAs to retain records? **[Part 250.16(b)]**

**B. Reporting**

1. Record the dates the semi-annual FNS-155, Inventory Management Register reports were received in the Regional Office. Were the reports submitted on time? [Part 250.17(a)] If not, describe additional efforts needed in this area.

Semi-Annual Report Period	Due Date	Date Received	On Time? (Y/N)
June – December	January 30		
January – June	July 30		

2. Review source documentation for the FNS-155 Report. Does the SDA accurately calculate and report commodity inventories in excess of a 6-month supply based on the formula on the FNS-155? If not, please describe discrepancy and corrective action needed.

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## VIII. MONITORING AND REVIEWS

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*In accordance with Part 251.10(e) of the Regulations, SDAs are required to monitor the operation of TEFAP to ensure that it is being administered in accordance with Federal and State requirements. SDAs may not delegate this responsibility. Unless exceptions are approved in writing by FNS, SDAs must conduct an annual review of:*

- *At least 25 percent of all ERAs which have a signed TEFAP agreement with the SDA, with each such agency to be reviewed at least once every four years; and*
- *One-tenth or 20, whichever is fewer, of all ERAs which receive TEFAP commodities and/or funds pursuant to an agreement with another ERA.*

*In accordance with Part 250.14(c), SDAs are required to review DA-level storage facilities annually, and ensure that recipient agencies conduct annual reviews of their respective storage facilities.*

### A. ERA Reviews

1. Complete the following chart for the most recently completed fiscal year:

Type of ERA	Number of ERAs	# Reviews Required	# Reviews Conducted	Requirement Met? (Y/N)
Under agreement with SDA		(25%, with each ERA every 4 yrs.)		
Under agreement with another ERA		(1/10 or 20, whichever is less)		

2. Did the SDA conduct the minimum number of reviews required? Yes \_\_\_\_\_  
 No \_\_\_\_\_ If no, was a waiver received from the Regional Office or were reviews conducted by FNS that could be included in the total number of reviews required?  
**[Part 251.10(e)(i)(ii)]** Please explain any corrective actions needed.
  
3. Describe the process or mechanism the SDA uses to ensure that the review requirements are met. **Part 251.10(e)(2)**

4. Discuss the review process and obtain a copy of the SDA's review form. Do reviews encompass, as applicable, the following? **[251.10(e)(3)]**

\_\_\_\_\_ eligibility determinations [251.5(b)]

\_\_\_\_\_ food ordering procedures

\_\_\_\_\_ storage and warehousing practices [250.14(b)]

\_\_\_\_\_ inventory controls [250.14(c) and (e)]

\_\_\_\_\_ approval of distribution sites [251.3(d) and 251.5(a)]

\_\_\_\_\_ reporting and recordkeeping requirements [251.10(a)(3) and (4)]

\_\_\_\_\_ civil rights [251.10(c) and Departmental Regulation 4300-3]

If not, describe discrepancies and corrective action needed.

5. Review documentation from at least 10% of the reviews completed during the review period. If deficiencies were disclosed through the review, did the SDA submit a report of the review findings to the ERA and ensure that corrective action was taken to eliminate the deficiencies identified? **[251.10(e)(5)]** If not, please explain discrepancy and corrective action needed.

6. Has the SDA been able to conduct food pantry reviews during distributions and soup kitchen reviews during meal service to review actual operations? Yes \_\_\_\_\_  
No \_\_\_\_\_ If no, please explain.

7. Where identified deficiencies warrant such actions, does the SDA perform follow-up visits? If not, describe discrepancies and corrective action needed.

8. Has the SDA advised ERAs of the limitation on unrelated activities? **[251.10(f)]** Is the SDA aware of any instance in which a distribution site improperly conducted activities unrelated to the distribution of TEFAP foods or meal service? If so, how was this resolved?

B. Storage Facility Review

1. Does the SDA conduct an annual review of its contracted storage facility(s)? **[250.14(c) and 250.19(b)(1)(iv)]**

If YES:

- What was the date of the last review?
  
- Was a physical inventory taken and reconciled to inventory records during this review? **[250.14(e)]**
  
- If shortages were noted during the reconciliation, was claims action pursued by the SDA?

2. If the SDA contracts for State-level storage, obtain a copy of the SDA's storage facility review form. Is the SDA's review of storage facilities comprehensive enough to determine compliance with **Part 250.14(b)** as listed below?

- ✓ the facility is sanitary and free from rodent, bird, insect and other animal infestation?
- ✓ the facility is safeguarded against theft, spoilage and loss?
- ✓ foods are maintained at proper storage temperatures?
- ✓ foods are stocked/maintained in a manner so that donated foods are readily identified?
- ✓ donated foods are stored off the floor in a manner that allows for adequate ventilation?

- ✓ chemicals and cleaning solutions are stored away from commodities?
- ✓ the warehouse uses the “FIFO” stock rotation and takes into account pack dates?
- ✓ the warehouse has a current health inspection approval?

3. Is documentation on file to reflect the SDA’s compliance with the storage facility review requirement? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain and corrective action needed. Review all, up to a sample of 3 reviews.

**[Part 250.14(c)]**

4. Where applicable, does the SDA ensure that ERAs conduct annual reviews of their contracted storage facilities? **[Part 250.14(c)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain the discrepancy and corrective action needed. Review all, up to a sample of 3 reviews.

#### C. Corrective Action

1. Does the SDA submit a report of review findings to each entity reviewed? **[Part 250.14(c)]** Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain why not and corrective action needed.

2. Does the report address each deficiency found and recommendations for corrective action, including timetables (if any)? Yes \_\_\_\_\_ No \_\_\_\_\_ If no, please explain why not and corrective action needed.

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## IX. CIVIL RIGHTS

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*Review and evaluate the SDA's compliance program and documentation to determine compliance with the requirements of applicable federal laws and regulation as outlined in FNS Instruction 113-1, Civil Rights Compliance and Enforcement – Nutrition Programs and Activities.*

*Please begin the review by ascertaining where in the organization the responsibility for civil rights (CR) compliance lies, including the contact information for the Section 504 and Title IX coordination.*

**A. Civil Rights Assurances (ref. FNS 113 Section X; Child Nutrition Programs Appendix B (D); Food Distribution Appendix C (F))**

- a. Is the CR assurance language incorporated in written local agency agreements, as outlined in Instruction 113 Appendix B? If possible, attach copy.
- b. Are all State/local agency agreements on file?

**B. Public Notification (ref. FNS 113 Section IX)**

- a. Describe the SDA and local entity's efforts to inform applicants, participants, potentially eligible persons and grassroots organizations of the availability of the Program.
- b. Describe how applicants and participants are advised of CR complaint procedures.
- c. Explain how the SDA ensures that the nondiscrimination statement is included on all materials and sources (including websites) that discuss FNS funded programs.
- d. Review published materials for the current nondiscrimination statement.

Review media releases for nondiscrimination statement and complaint procedures. Attach copies if possible.

- e. Explain how the SDA ensures that the message of equal opportunity is conveyed through graphics and photographs. Attach examples if possible.
  
- f. Explain what alternative formats (i.e. Braille, large print, audio) the SDA has for providing information to people with visual disabilities.
  
- g. Describe SDA guidance for local entities on displaying the “And Justice for All” posters in a highly visible area.

**C. Limited English Proficiency (ref. FNS 113 Section VII)**

- a. How do local agency staff communicate with LEP applicants?
  
- b. How has the SDA assessed the language needs in the State? What languages other than English are widely used and where?
  
- c. Are there bilingual employees available? For what languages?
  
- d. Identify what materials and forms are available in languages other than English. Attach copies if possible.
  
- e. Review SDA guidance and training to local entities on how to serve LEP clients. Attach copy if possible.

- f. Identify any language line or other contracts that the SDA or local agencies use for obtaining interpretive services when needed.

**D. Training (ref. FNS 113 Section XI)**

- a. Evaluate civil rights training that the SDA has provided to its staff. Provide date(s) of most recent civil rights training and topics covered.
  
- b. Evaluate civil rights training that the SDA conducted for local agencies/institutions. Provide date(s) of most recent civil rights training and topics covered.
  
- c. Does training include all those topics identified in FNS Instruction 113?
  
- d. Explain how the SDA ensures that new SDA and local entity employees are trained in civil rights.

**E. Compliance Reviews (ref. FNS 113 Section XIII; CND Appendix B (G) (H); Food Distribution Appendix C (E))**

*Pre-award*

- a. Describe the SDA's system for conducting preaward CR compliance reviews. Identify whether the preaward CR compliance review instrument captures information as required in Instruction 113 Appendix B. Attach instrument used if possible.
  
- b. Identify whether the SDA has performed preaward CR compliance reviews for each newly approved local entity. Evaluate reviews conducted over the past year.

*Post-award*

- c. Describe the SDA's system for scheduling routine (post-award) compliance reviews. Does the schedule comply with frequency requirements outlined in Instruction 113 Appendices B or C?
- d. Do the instruments include assessments in the areas of public notification, training, monitoring, data collection and maintenance, complaint processing, and disability accommodations? Attach instrument used if possible.
- e. Note how many reviews were conducted over the past year. Review a random sample to ascertain that the reports are comprehensive and sufficiently documented.
- f. If required, has corrective action been completed within prescribed time frames? If not, have the deficiencies been referred to the Office of Civil Rights?
- g. Determine if Title IX and Section 504 self-evaluations are on file, if applicable (new programs only). If none, how does the SDA ensure that buildings and facilities are fully accessible?
- h. Describe the SDA's guidance to local entities about accommodating the needs of persons with disabilities and LEP applicants.

**F. Civil Rights Complaint Procedures (ref. FNS 113 Sections XV, XVI, XVII)**

- a. Describe the SDA's procedure for handling discrimination complaints.
- b. Describe the SDA's guidance to local entities about CR complaint procedures.

- c. Have CR complaints been forwarded to FNS in a timely manner?
  
- d. Provide the complaint log (or describe the complaints) that the SDA has received this year, along with the status of resolution, and evaluation of action taken by the SDA.

**G. Equal Opportunity for FBCO (ref. FNS 113 Section VIII)**

- a. Describe the types of program activities that involve faith-based and/or community-based organizations (FBCO).
  
- b. Describe any outreach conducted to FBCO's to educate them about rules and opportunities for participation in FNS programs. If possible, attach copies.
  
- c. Describe how FBCO's are monitored to ensure that they do not discriminate against program applicants or participants.
  
- d. Describe how the SDA ensures that FNS funds do not support inherently religious activities such as proselytizing or religious instruction.

**Worksheet #1**  
**SDA/Storage Facility Agreement**

Storage Facility Name/Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Reg Citation	Requirement	Included?
250.12(b)(1)	The distribution and use of donated foods is in accordance with this part.	
250.12(b)(2)	Subdistributing agencies, recipient agencies, warehouses, carriers, or other persons to whom donated foods are delivered by the DA are responsible to the DA for any improper distribution or use of donated foods or for any loss of, or damage to, donated foods caused by their fault or negligence.	
250.14(d)(1)	Assurance that the storage facilities will be maintained in accordance with the standards specified in 250.14(b) as detailed below: <ul style="list-style-type: none"> <li>• are sanitary and free from rodent, bird, insect and other animal infestation;</li> <li>• safeguard against theft, spoilage and other loss;</li> <li>• maintain foods at proper storage temperatures;</li> <li>• stock and space foods in a manner so that USDA-donated foods are readily identified;</li> <li>• store donated food off floor in a manner to allow for adequate ventilation; and</li> <li>• take other protective measures as may be necessary.</li> </ul>	
250.14(d)(2)	Evidence that donated food shall be clearly identified.	
250.14(d)(3)	Assurance that an inventory system shall be maintained and an annual physical inventory will be conducted, and reconciled with the inventory records.	
250.14(d)(4)	Beginning and ending dates of the contract.  Start Date: _____	

Reg Citation	Requirement	Included?
	End Date: _____	
250.14(d)(6)	A provision allowing for termination of the contract for cause by either party upon 30 days written notification.	
250.14(d)(7)	The amount of any insurance coverage which has been purchased to protect the value of food items which are being stored.	
250.14(d)(8)	Express written consent for inspection and inventory by the DA, subDA, recipient agency, the Comptroller General, the Dept. or any of their duly authorized representatives.	

Per 250.14(d), DA agreements with storage facilities shall be effective for no longer than five years, including option years extending a contract.

Contract reviewed is in year \_\_\_\_ of \_\_\_\_.

Before the exercise of option years, the storage facility shall update all pertinent information and demonstrate that all donated foods received during the previous contract period have been accounted for.

NOTES:

**Worksheet #2**  
**SDA/Carrier Agreement**

Carrier Name/Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Reg Citation	Requirement	Included?
250.12(b)(1)	The distribution and use of donated foods is in accordance with this part.	
250.12(b)(2)	Carriers to whom donated foods are delivered by the DA are responsible to the DA for any improper distribution or use of donated foods or for any loss of, or damage to, donated foods caused by their fault or negligence.	
250.12(c)(3)	The agreement may be terminated for cause by either party upon 30 days notice.	

Per 250.12(c), DA agreements with carriers shall be in effect for not longer than one year, and shall provide that they may be extended at the option of both parties for two additional one-year periods.

Contract reviewed is in year \_\_\_\_ of \_\_\_\_.

**Worksheet #3**  
**SDA/ERA Agreement**

Reg Citation	Requirement	Included?
251.2(c)(2)	The agreement may be terminated by either party upon 30 days written notice.	
251.2(d)(1)(i)	Assurance that the ERA agrees to operate the program in accordance with the requirements of Part 251, and, as applicable, Part 250.	
251.2(d)(1)(ii)	The name and address of the ERA receiving DF and/or administrative funds under the agreement.	
251.2(d)(2)	<p>The following information must also be identified, either in the agreement or in other documents incorporated by reference in the agreement:</p> <ul style="list-style-type: none"> <li>• If the SDA delegates the responsibility for any aspect of the program to an ERA, each function for which the ERA will be held responsible;</li> <li>• If the receiving ERA is to be allowed to further distribute TEFAP commodities and/or administrative funds to other ERAs, the specific terms and conditions for doing so, including, if applicable, a list of specific organizations or types of organizations eligible to receive commodities or administrative funds; and</li> <li>• If the use of administrative funds is restricted to certain types of expenses, the specific types of administrative expenses ERAs are permitted to incur.</li> </ul>	
FNS Instruction 113-1	The program applicant hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.); all provisions required by the implementing regulations of the Department of Agriculture; Department of Justice Enforcement Guidelines, 28 CFR Part SO.3 and 42; and FNS directives and guidelines, to the effect that, no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from	

	<p>participation in, be denied benefits of, or otherwise be subject to discrimination under any program or activity for which the program applicant receives Federal financial assistance from FNS; and hereby gives assurance that it will immediately take measures necessary to effectuate this agreement.</p>	
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Per 251.2(c)(2), agreements may be considered permanent, with amendments made as necessary.

We recommend that SDA/ERA agreements also include the following claims provisions from 250.12(b):

- The ERA is responsible to the DA for any improper distribution or use of donated foods or for any loss of, or damage to, donated foods caused by its fault or negligence;
- The ERA has a right to assert claims against other persons to whom donated foods are delivered for care, handling and distribution; and
- The ERA will take action to obtain restitution in connection with claims for improper distribution, use or loss of, or damage to, donated foods.

**Worksheet #4**  
**ERA/ERA Agreement**

Reg Citation	Requirement	Included?
251.2(c)(2)	The agreement may be terminated by either party upon 30 days' written notice.	
251.2(d)(1)(i)	Assurance that the ERA agrees to operate the program in accordance with the requirements of Part 251, and, as applicable, Part 250.	
251.2(d)(1)(ii)	The name and address of the ERA receiving commodities and/or administrative funds under the agreement.	

Per 251.2(c)(2), agreements may be considered permanent, with amendments made as necessary.