

A large, stylized silhouette of the state of Arizona is centered on the page. The silhouette is filled with a vertical gradient that transitions from a bright red at the top to a dark teal at the bottom. The text is overlaid on this silhouette.

TEFAP & CSFP

Policy & Procedure Manual

Hunger Relief Program

Arizona Department of Economic Security

www.des.az.gov

Rev. 10/2021

State Contact Information

Use of Manual

Terms and Acronyms

State and Federal Resources

TEFAP Section 1: Program Description and History

The Emergency Food Assistance Program

TEFAP Section 2: State Plan and Program Administration

State Plan

Program Administration Responsibilities

TEFAP Section 3: Allocation and Transfer of USDA Commodities

USDA Funding Formula for States

ADES/CHRP Funding Formula for RFBs

State Matching Funds

USDA Commodity Allocation to States

ADES/CHRP Commodity Allocation to RFBs

USDA Two-Tier Priority System Requirements

RFB Commodity Allocation to Distribution Sites

Allocation to Avoid Waste

USDA Commodity Transfers

TEFAP Section 4: Recipient Organization Eligibility and Participation Criteria

Tax Exempt Status

Regional Food Banks

Distributions Sites

TEFAP Section 5: Organizational Contracts, Agreements and Terminations

Contract Between USDA and ADES/CHRP

Agreements Between ADES/CHRP and RFBs

Agreements Between RFBs and Distribution Sites

Transfer of Responsibility

Termination of Agreement Between ADES/CHRP RFB

TEFAP Section 6: Civil Rights Requirements

Regulations Regarding Protected Bases

Public Notification

Limited English Proficiency (LEP)

Civil Rights Training

Complaints and Reporting

Complaint Timeline

TEFAP Section 7: Participant Eligibility Criteria

Participant Eligibility Criteria

TEFAP Section 8: Distribution Guidelines and Procedures

Frequency and Rate of Distribution

Distribution Site Guidelines and Procedures

Proxies

TEFAP Section 9: Participant Data Collection and Confidentiality

Link2Feed

Annual Client Satisfaction Survey

Mass Distributions

Confidentiality

TEFAP Section 10: Shipment and Receipt of USDA Foods

Shipping and Notifications

Delivery

Inspecting the Shipment

Accepting and Receipting Shipments

Unloading the Shipment

Disposal and Replacement of Out-of-Condition Foods

TEFAP Section 11: Receiving Local Donations into TEFAP

Receipt and Distribution Procedure

TEFAP Section 12: USDA Commodity Storage and Inventory

Federal Regulatory Storage Requirements

Arizona Specific Storage Requirements

Inventory

Commodity Losses, Spoilage and Out-of-Condition Food

Recall Procedure

Disposal Rules and Procedures

TEFAP Section 13: Record Keeping and Reporting

Records

RFB Required Reports

Distribution Site Required Reports

TEFAP Section 14: Administrative Funding, Usage and Accounting

Use of Funds

Financial Management Requirements

Program Audits

TEFAP Section 15: Compliance Monitoring and Accountability

USDA Reviews

ADES/CHRP Reviews of RFBs

RFB Reviews of Distribution Sites/Congregate Meal Sites

TEFAP Section 16: Forms

ADES/CHRP Forms

State Contact Information

State Agency: Arizona Department of Economic Security (ADES)
Division of Aging and Adult Services (DAAS)
Coordinated Hunger Relief Program (CHRP)

Address: 1789 W. Jefferson Street, Mail Drop 6282
Phoenix, AZ 85007

Email: CoordinatedHungerReliefProgram@azdes.gov

Program Manager: Gloria Garcia-Hernandez (480) 521-5700

Program Specialist: Laura Walsh (480) 387-9096

Inventory Specialist: Art Hernandez (480) 406-8615

Use of Manual

The Arizona Department of Economic Security (ADES) Coordinated Hunger Relief's (CHRP) The Emergency Food Assistance Program (TEFAP) Policy and Procedure Manual is intended for the use of Regional Food Banks (RFBs), their agency distribution sites (DSs) and congregate meal sites (CMSs) that participate in the distribution of the United States Department of Agriculture (USDA) commodity distribution. The purpose of this manual is to serve as a guide for the Code of Federal Regulations (CFRs), Federal and Nutrition Service (FNS) policies pertaining to TEFAP as well as outline discretionary state policies and procedures for program implementation by RFBs and DSs.

The Code of Federal Regulations (CFR) (TITLE 7 CFR, Subtitle B, Chapter II, Subchapters A & B, Parts §250 & §251) outlines the government program requirements for TEFAP. Throughout this manual, parenthetical notations are provided for all references to Federal regulations.

You may call the CHRP TEFAP and CSFP Program Specialist for further clarification.

The CFRs can be found at <https://www.ecfr.gov>

This Policy and Procedure Manual is a living document in that it contains current TEFAP policies and procedures required by the USDA and ADES. CHRP may clarify or add policies and procedures as situations arise in the field that prompt the need for further interpretation and/or greater program structure or if any changes in CFRs occur. In keeping with the CFR approach toward simplification and flexibility, this manual, in some instances, provides the spirit of certain policies and procedures rather than dictations as to how to meet the law to allow for discretion at the local level. ADES/CHRP's primary mission is to distribute USDA commodities to the agencies, households and individuals in need of food assistance and to treat our participants with dignity and respect.

It is the responsibility of the RFB to:

- Read this manual carefully and apply the policies and procedures herein with good judgement
- Stay current with subsequent ADES/CHRP policy and information notices issued after the creation of this manual and adhere to the policies and procedures therein
- Contact the ADES/CHRP TEFAP and CSFP Program Specialist when further clarification is needed

Terms and Acronyms

7 CFR §250	The USDA's regulations pertaining to the donation of foods for use in USDA food distribution programs.
7 CFR §251	The USDA's regulations pertaining to The Emergency Food Assistance Program.
AAC	Arizona Administrative Code
ADE	Arizona Department of Education
ADES	Arizona Department of Economic Security
ADHS	Arizona Department of Health Services
AHCCCS	Arizona Health Care Cost Containment System
Applicant	Any person who applies in writing, electronically, verbally, or through a designated representative for participation in an FNS federally assisted or conducted program. Applicants include CSFP program participants applying for recertification.
Bonus Foods	Section §32, Section §416, and Section §709 donated foods which are purchased under surplus removal or price support authority and provided to RFBs in addition to legislatively authorized levels of assistance.
Bill of Lading (BOL)	Documentation of the contents of a shipment and other pertinent information as required in the contract of carriage.
Bulkhead	A divider wall used to separate shipments inside a commercial trailer.
Carrier	A commercial enterprise that transports USDA Foods from one location to another but does not store such foods.
CFR	Code of Federal Regulation
Charitable Institution	An organization which is: <ol style="list-style-type: none">1. Public, or2. Private, possessing tax-exempt status pursuant to §251.5(a)(3); and3. Not a penal institution (this exclusion also applies to correctional institutions which conduct rehabilitation programs); and Provides food assistance to needy persons (§251.3).
CHRP	Coordinated Hunger Relief Program of Arizona
Civil Rights	The nonpolitical rights of a citizen; the rights of personal liberty guaranteed to U.S. citizens by the 13th and 14th Amendments to the U.S. Constitution and by acts of Congress.
CMS	Congregate Meal Site
Commodities	Nutritious foods purchased by the USDA to supplement the diets of program participants. Also, Foods donated, or available for donation, by USDA under any of the legislation pertaining to Title 7 CFR, Parts §247, §250, and §251 (§250.3).
Complainant	Any person or group of persons who allege discrimination in the delivery of program benefits or services by a state agency, local agency (RFB) or other subrecipient.

Complaint	A verbal or written allegation of discrimination that indicates an FNS-conducted or -assisted program is administered or operated in such a manner that it results in disparity of treatment or services being provided to person or groups of persons because of their protected bases.
Congregate Feeding Site	A public or charitable institution that, as an integral part of the normal activities of the institution, maintains an established feeding operation to provide food to needy homeless persons on a regular basis. Also referred to as a soup kitchen.
Consignee	The receiving RFB (also known as eligible recipient agency) to which commodities is shipped. Sometimes referred to as the receiver.
Contract Value	The price assigned by the USDA to a donated food which must reflect the USDA's current acquisition price. This may alternatively be referred to as the USDA purchase price.
DAAS	Division of Aging and Adult Services
DBME	Division of Benefits and Medical Eligibility
Demurrage	A penalty charge assessed for product delayed beyond a specified free time.
Department	The U.S. Department of Agriculture
Detention Charge	A penalty charge assessed by motor carriers or piggyback companies for detaining equipment beyond a specified free time. Mechanical detention occurs when rail cars are detained beyond a specified free time.
Disability	A physical or mental impairment that substantially limits one or more of an individual's major life activities, having a record of such impairment, or being regarded as having such an impairment.
Disaster	A Presidentially declared disaster or emergency, in accordance with Section §412 or §413 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5179-5180), in which Federal assistance, including donated food assistance, may be provided to persons in need of such assistance as a result of the disaster or emergency.
Disaster Organization	An organization authorized by FNS or the state officials to aid survivors of a disaster or a situation of distress.
Discrimination	The act of distinguishing one person or group of persons from others, either intentionally, by neglect, or by the effect of actions or lack of actions based on their protected bases.
Distribution Site	Location(s) where RFB or a local agency that distributes commodities to needy persons for household consumption or serve prepared meals to needy persons (§251.3).
Donated Foods	Foods purchased by the USDA for donation in food assistance programs, or for donation to entities assisting eligible persons, in accordance with legislation authorizing such purchase and donation. Donated foods are also referred to as USDA Foods.
Dunnage	Material used to protect or support freight during transit.
Emergency Feeding Organization (EFO)	An organization which provides nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons. Emergency feeding organizations have priority over other local agencies in the distribution of TEFAP commodities pursuant to §251.4(h).

Emergency Food Box (EFB)	A supply of emergency food which consists of USDA TEFAP commodities, private donations, gleaned or purchased food for eligible household or individual home use.
Federal Fiscal Year (FFY)	The period of October 1 through the following September 30.
FPL	Federal Poverty Level
Floor Loaded	Commodities that are not on pallets, including slip-sheeted and floor stacked.
FNS	Food and Nutrition Service
Food Insecurity	A household-level economic and social condition of limited or uncertain access to adequate food.
Food Pantry:	A public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress. Also referred to as a Local Agency.
Food Recall	An action to remove food products from commerce, warehouses or storage spaces when there is reason to believe the products may be unsafe, adulterated, or mislabeled. The action is taken to protect the public from products that may cause health problems or possible death.
Food Security	Access by all people at all times to enough food for an active, health life.
Fraud	The deliberate practice of deception in order to gain something unlawfully or unfairly.
Free Time	The amount of time established by carriers for the unloading of freight before penalty charges apply.
Gross Income	The total of income received prior to deductions for items such as income taxes, employees' social security taxes and insurance premiums.
Gross Weight	The weight of an article, together with the weight of its container and the material used for packing.
Household	Any of the following individuals or groups of individuals, exclusive of borders or residents of an institution: <ol style="list-style-type: none"> 1. An individual living alone; 2. An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from the others; 3. A group of individuals living together who customarily purchase and prepare meals in common for home consumption; and 4. Other individuals or groups of individuals, as provided in FNS regulations specific to particular food assistance programs.
Household Programs	Programs that provide USDA Foods to participants for home consumption
Hunger	A potential consequence of food insecurity that, because of prolonged, involuntary lack of food, results in discomfort, illness, weakness or pain that goes beyond the usual uneasy sensation.

In-kind Replacement	The replacement of a loss of donated food with the same type of food of U.S. origin, of equal or better quality as the donated food, and at least equal in value to the lost donated food.
Investigation	Formal gathering of facts by the appropriate Office of Civil Rights (OCR) or other authorized government agency or private contractor that will refute or substantiate an allegation of discrimination.
IRS	U.S. Department of the Treasury Internal Revenue Service
Lading	The freight which consists of a load.
Limited English Proficiency (LEP) Persons	Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. Recipients of Federal financial assistance (State, RFBs, DSs, etc.) have a responsibility to take reasonable steps to ensure meaningful access to their program and activities by person(s) with limited English proficiency.
Link2Feed	The State-required participant database software used to collect participant data.
Local Agency	An organization which is: <ol style="list-style-type: none"> 1. Public, or 2. Private, possessing tax exempt status pursuant to §251.5(a)(3); and 3. Not a Penal Institution; and 4. Provides food assistance <ol style="list-style-type: none"> a) exclusively to need persons for household consumption who self-declare eligibility requirements (§251.5 (b)) b) predominantly to needy person in the form of prepared meals (§251.5(a)(2)) 5. In an agreement with an RFB pursuant to §251.2(c) for the receipt of commodities 6. Falls into one of the following categories: <ol style="list-style-type: none"> a) Emergency feeding organization (food bank, food pantries and soup kitchens); b) Charitable Institutions (including hospitals and retirement homes); c) Summer camps for children, or child nutrition programs providing food service; d) Nutrition projects operating under the Older Americans Act of 1965 (Nutrition Program for the Elderly), including projects that operate congregate Nutrition sites and projects that provide home-delivered meals; and e) Disaster relief programs.
Lumper Fee	A fee assessed by a carrier to the consignee or vice versa for unloading a shipment. Lumper fees are not permitted when receiving USDA Foods.
Multi-food Shipment	A shipment from a Federal storage facility that usually includes more than one type of donated food.
National Multi-food Warehouse (NMFW)	A Federally contracted storage facility that includes more than one type of USDA Food.
Needy Persons	Persons provided service by charitable institutions, who, because of their economic status, need food assistance (§250.3).

Net Weight	The weight of an article clear of packing and container.
NOAA	Notice of Adverse Action; a written notification mailed to a participant's address of record or given directly to a participant, explaining the details of a negative action taken on a participant's eligibility and an explanation as to their right to appeal the action through the fair hearing process.
Noncompliance	The finding that any federal or state requirement, as interpreted by regulations, policy, state agency, local agency, or other subrecipient guidelines; has not been satisfied.
Nonprofit Agency	A private agency or organization with tax-exempt status under the Internal Revenue Code, or that has applied for tax-exempt status with the Internal Revenue Service.
Out-of-Condition Foods	Donated foods that are no longer fit for human consumption as a result of spoilage, contamination, infestation, adulteration, or damage.
Pallet	A small portable platform for holding material for storage or transportation.
Pallet Exchange	To trade pallets of equal quantity and quality for those delivered with shipment.
Palletize	To place commodities on a pallet.
Participants	Persons receiving donated foods, or a meal containing donated foods, provided by RFB or Local Agency. May also be referred to as Recipients.
Piggyback	The transportation of a trailer or container on railroad flat cars.
Pinwheeling	The process of arranging pallets on a truck with varied positioning, when dealing with items of different sizes. Pinwheeling is not permitted for shipments originating from the National Multi-Food Warehouse.
Pool Car	A rail car loaded, sent to a trans-load or break-bulk point, and transferred into trucks for final delivery, usually to different locations.
Privately Donated Products	Products that are donated by private individuals and organizations to TEFAP.
Protected Bases	The bases for nondiscrimination are race, color, national origin, age, disability, or sex. SNAP and Food Distribution Program on Indian Reservations (FDPIR) also prohibit discrimination on the basis of political beliefs or religion.
Proxy	Any person designated by a program participant to obtain supplemental foods on behalf of the participant.
Refused Shipment Request	A State Agency request to FNS to refuse all or part of a shipment due to out-of-condition USDA Foods. FNS in turn notifies the appropriate Contracting Office. In cases of issues relating to the integrity of high security seals (see Inspecting the Shipment), shipments must be refused by the consignee.
Rejected Shipment	Official Contracting Office designation, upon consideration of a State Agency refused shipment request regarding out-of-condition USDA Foods.
Regional Food Bank (RFB)	An RFB is a public or charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products of food or edible commodities, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food

to feed needy persons on a regular basis. Also known as eligible recipient agency or distributing agency.

Sales Order	An order for a specific USDA Food that includes the material description, quantity, delivery period, and destination, and that is identified by a specific code.
Sales Order Number	A state order number for a specific commodity designating quantity, delivery period and destination.
Seal	A device applied to freight car or motor vehicle door fastening to show that tampering has not taken place between the time of application of fastening and breakage of seal.
Similar Replacement	Replacement of lost donated foods with a quantity of similar foods of U.S. origin of the same types as those normally donated by USDA and of at least equal monetary value to USDA's cost of replacing the lost foods (§250.3).
Situation of Distress	A natural catastrophe or other event that does not meet the definition of disaster but that in the determination of the State, or of FNS, as applicable, warrants the use of donated foods to assist survivors of such catastrophe or other event. A situation of distress may include, for example, a hurricane, flood, snowstorm or explosion.
Slip Sheet	A piece of material, intended to reduce friction between a product and commercial trailer floor, used in place of a pallet.
SNAP	Supplemental Nutrition Assistance Program. Formerly known as Food Stamps.
Soup Kitchen	A public or charitable institution that, as an integral part of the normal activities of the institution, maintains an established feeding operation to provide food to needy homeless persons on a regular basis. Also referred to as a congregate feeding site.
Split Shipment	A shipment of donated foods from a vendor that is split between two or more RFBs or Local Agencies and that usually includes more than one stop-off or delivery location.
State	State of Arizona
State Agency	ADES – the agency designated by the State of Arizona to administer TEFAP and CSFP at the State level in accordance with an agreement with FNS, and with the requirements in the Code of Federal Regulations, as applicable.
State Fiscal Year (SFY)	The period of July 1 through the following June 30.
State Option	Federally granted discretionary policy decisions enabling the State to adjust program requirements in the interest of targeting benefits to those most in need and streamlining program operations.
State Plan	The Annual State Plan of TEFAP administration and operations as submitted to and approved by USDA/FNS; also known as "Plan" or "the Plan."
Storage Facility	A publicly owned or nonprofit facility or a commercial enterprise that stores donated foods or end products, and that may also transport such foods to another location.
Subrecipient	Any agency, organization, or corporation that receives Federal financial assistance indirectly from FNS. Examples of subrecipients include but are not limited to agencies of regional food banks, congregate meal sites, or any organization that has contract with RFB.
Tailgate	To move freight to the back end of the trailer for unloading.

TANF	Temporary Assistance for Needy Families; a Federal program designed to aid families in achieving self-sufficiency by providing financial benefits and support services to qualified households.
Tariff	A carrier's printed price list showing transportation charges and services.
TEFAP	The Emergency Food Assistance Program
Unitize	To band together and/or stretch or shrink-wrap cartons, cases, or bag goods into a single unit and place on a pallet or platform for shipping.
Vendor	A commercial food company from which the Department purchases foods for donation.
WBSCM	Web-Based Supply Chain Management, an integrated food purchasing, tracking and ordering system used by USDA and its customers, vendors, suppliers, and transportation personnel.
WBSCM Notification	WBSCM Requisition Line Items have been shipped to recipient.
WIC	The USDA supplemental nutrition program for Women, Infants, and Children which provides Federal grants to states for supplemental foods, health care referrals, nutrition education for low-income pregnant, breastfeeding and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.
SWRO	Southwest Region Office of the USDA of which the State of Arizona is a part.

STATE AND FEDERAL RESOURCES

State Resources

Arizona Department of Economic Security (ADES)

<https://des.az.gov>

ADES Food Assistance Programs

<https://des.az.gov/services/basic-needs/food-assistance>

ADES Adult Protective Services

<https://des.az.gov/services/basic-needs/adult-protective-services>

ADES Division of Aging and Adult Services

<https://des.az.gov/services/aging-and-adult/division-aging-and-adult-services>

ADES Forms Library (Documents Center)

<https://des.az.gov/documents-center>

AZ Health Zone (*Formerly The Arizona Nutrition Network*)

<https://www.azhealthzone.org/>

Arizona CSFP My Plate Cookbook

<http://azdhs.gov/documents/prevention/nutrition-physical-activity/csfp-recipe-cookbook-eng.pdf>

AZLINKS.gov Aging and Disability Resources

<https://azdaars.getcare.com/consumer>

Area Agency on Aging local contacts

<https://des.az.gov/services/aging-and-adult/aging-and-disability-services/area-agency-aging>

Arizona Department of Health Services, Arizona Healthy Aging

<http://www.azdhs.gov/prevention/tobacco-chronic-disease/healthy-aging/index.php>

TEFAP information and resources

<https://des.az.gov/services/basic-needs/food-assistance/emergency-food-assistance>

Multi-program benefits prescreening tool

<http://arizonaselfhelp.org>

Office of the Arizona Attorney General, Resources for Seniors

<https://www.azag.gov/seniors/resources-for-seniors>

Title 6 of the Arizona Administrative Code (Economic Security)

https://apps.azsos.gov/public_services/CodeTOC.htm#ID6

Federal Resources

Recipes for Food Distribution (FDD) programs

<https://www.choosemyplate.gov/eathealthy/recipes-cookbooks-and-menus>

USDA SNAP-Ed Connection website

https://snaped.fns.usda.gov/materials/search?f%5b0%5d=field_material_information%253Afield_rf_em_format%3A992&f%5b1%5d=field_snap_ed_intervention_chann%3A6

Nutrition.gov senior resources

<https://www.nutrition.gov/topics/audience/older-individuals>

Choosemyplate.gov senior resources

<https://www.choosemyplate.gov/browse-by-audience/view-all-audiences/adults/older-adults>

Title 2 Part 200 of the Code of Federal Regulations (Federal award regulations)

<https://nifa.usda.gov/federal-regulations>

Title 7 Part 200 of the Code of Federal Regulations (USDA/FNS regulations)

<https://nifa.usda.gov/federal-regulations>

FNS 113-1 (Civil Rights Compliance and Enforcement – Nutrition Programs and Activities)

<https://www.fns.usda.gov/civil-rights-compliance-and-enforcement-%E2%80%93-nutrition-programs-and-activities>

FNS 709-5 Shipment and Receipt of Goods

<https://www.fns.usda.gov/fdd/shipment-and-receipt-goods-fns-instruction-709-5>

TEFAP Section 1: Program Description and History

The Emergency Food Assistance Program (TEFAP)

TEFAP is a Federal program administered by the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS). This program helps supplement the diets of low-income Americans by providing them with emergency assistance at no cost. The USDA purchases a variety of nutritious, high-quality USDA Foods, and makes those foods available to the Arizona Department of Economic Security (ADES). The amount of food that Arizona receives out of the total food available is based on the number of unemployed persons and the number of people with incomes below the poverty level in the State.

ADES / Coordinated Hunger Relief Program (CHRP) enters into contractual agreements with Regional Food Banks (RFBs) which in turn distribute the food to Local Agencies such as soup kitchens and food pantries that directly serve the public. These distribution sites (also known as local agencies) distribute USDA Foods to eligible recipients for household consumption or use them to prepare and serve meals in a congregate setting.

TEFAP History

TEFAP was first authorized in 1981 to distribute foods purchased by USDA to support agriculture markets for household use. The program was designed to help reduce Federal food inventories while assisting low-income persons. Food inventories had largely been depleted by 1988. Therefore, the Hunger Prevention Act of 1988 authorized funds to be appropriated for the purchase of USDA Foods specifically for TEFAP. Foods acquired with appropriated funds are in addition to any 'bonus' foods purchased by the USDA to support agriculture markets. The program was formally named The Emergency Food Assistance Program under the 1990 Farm Bill. TEFAP funding is now appropriated by Congress every five years through the Farm Bill.

TEFAP Section 2: State Plan and Program Administration

State Plan

The State Plan describes how ADES/CHRP will operate TEFAP. ADES/CHRP develops the State Plan and submits it to the USDA/FNS for approval. Approved State Plans are considered PERMANENT (i.e., a new plan is not required to be submitted each year). The plan must be approved prior to Federal assignment of caseload or distribution of administrative funds. Plan approval does not guarantee that USDA/FNS will provide caseload or funding. When changes to the Plan are required, ADES/CHRP may submit Plan amendments to USDA/FNS. The State Plan can be downloaded from the [DES Documents Center](https://des.az.gov/documents-center) (des.az.gov/documents-center).

Program Administration Responsibilities

State Administration of USDA programs

ADES/CHRP is responsible for administering TEFAP at the State level. ADES/CHRP is also responsible for:

- Complying with civil rights requirements
- Completing and submitting State Plans to USDA/FNS
- Assigning TEFAP distribution and allocating administrative funds to RFBs
- Selecting RFBs to administer TEFAP in local areas of the State
- Entering into required agreements
- Ordering commodities for distribution
- Providing guidance to RFBs on all aspects of program operations, as needed
- Establishing program eligibility requirements, when the requirement is a State option
- Establishing procedures for resolving complaints about commodities
- Establishing a management review system (monitoring) and conducting reviews of RFBs
- Maintaining accurate and complete records
- Establish a financial management system that effectively accounts for funds received and distributed for program administration

- Establishing standards for, determining and pursuing claims against participants
- Ensuring compliance with Federal audit requirements
- Conduction program outreach

ADES/CHRP can delegate certain functions to RFBs. However, the establishment of State options and the management review system, along with conducting reviews, must remain at the State level (7 CFR, §247.3(b)).

Regional Food Bank Administration of USDA Programs

RFBs are responsible for administering TEFAP at the local level. For RFBs, this includes selecting and maintaining TEFAP agreements with DSs, RFBs are also responsible for:

- Complying with civil rights requirements
- Entering into required agreements with ADES/CHRP and DSs
- Storing commodities in accordance with all Federal, State and local food storage requirements
- Establishing internal procedures for resolving complaints about commodities
- Maintaining accurate and complete records
- Conducting program outreach
- Certifying applicants in accordance with Federal and State established program eligibility criteria
- Complying with Federal and State established fiscal and operational requirements
- Distributing commodities in accordance with the current food package minimum monthly distribution rate
- Informing participants of their program rights and responsibilities
- Meeting the special needs of homebound participants to the extent possible
- Pursuing claims against participants

TEFAP Section 3: Allocation and Transfer of USDA Commodities

USDA Funding Formula for States

The amount of funding provided by the USDA to each state is based on 60% of the number of persons in households within the state having incomes below the Federal poverty level and 40% of the number of unemployed persons within the state (7 CFR, §251.3).

ADES/CHRP Funding Formula for RFBs

The amount of reimbursement provided to each RFB is roughly sixty percent (60%) of the number of persons in households within the RFB service area having incomes below the Federal Poverty Level and forty percent (40%) of the number of unemployed persons within that area, adjusted by commodity available, demographics, geographic impact and historical data.

State Matching Funds

ADES/CHRP must provide a cash or in-kind contribution equal to the amount of TEFAP administrative funds received from USDA and retained by ADES/CHRP for State program costs or made available to RFBs that are not Emergency Feeding Organizations (EFO), and defined in Federal Regulation Final Rule, §251.3. ADES/CHRP is not required to match any portion of the federal grant passed through for administrative costs incurred by EFOs or directly expended by ADES/CHRP for such costs (Final Rule, §251.9).

USDA Commodity Allocation to States

USDA commodities are allocated to states on a monthly or quarterly basis, depending on quantities available nationally. The allocation formula for commodities is like the 60/40 formula for funds (7 CFR, §251.3). RFBs are given the opportunity to provide input on their commodity preferences and needs as TEFAP catalogs become available.

When a commodity is available in limited quantities, USDA will allocate such commodities among the states using allocation percentages, which are based on appropriate participation data for the program designated to receive the commodity (7 CFR, §250.13).

ADES/CHRP Commodity Allocation to RFBs

USDA commodities must be distributed only to RFBs that are eligible to receive them (7 CFR, §250.13).

ADES/CHRP apportions the quarterly USDA allocation of food to each RFB according to its fair share. County shares are calculated based on the estimated number of low-income potential program participants.

ADES/CHRP requires that RFBs receiving USDA commodities not diminish their normal expenditures for food due to receipt of commodities. Commodities must be withheld from distribution if it is determined that the commodities would substitute for the same or a similar product that would otherwise be purchased in the market (7 CFR, §251.4). This means that RFBs cannot use TEFAP commodities to meet the food supply needs of the RFB's other programs.

ADES/CHRP must notify RFBs of general USDA purchase information at least quarterly (7 CFR, §251.13).

USDA Two-Tier Priority System Requirements

The federal regulations contain a Two-Tier Priority System in the allocation of TEFAP food to RFBs. RFBs that are Emergency Feeding Organizations (EFOs) have priority in receiving TEFAP food over RFBs that are not EFOs. EFOs are those RFBs that provide nutrition assistance to relieve situations of emergency and distress of needy persons.

When ADES/CHRP cannot meet the commodity needs of all RFBs, ADES/CHRP must give priority in the allocation of USDA commodities to EFOs. ADES/CHRP may concentrate commodity resources upon a certain type or types of organizations, to the exclusion of others (Final Rule, §251.4).

RFB Commodity Allocation to Distribution Sites

RFBs that have agreements with ADES/CHRP in which delegation of authority to select Distribution Sites (DSs) is specified must ensure that they distribute USDA commodities to their subcontracted DSs in accordance with the requirements of the two-tier priority system. RFBs must therefore only distribute USDA commodities to subcontracted sites that are EFOs, i.e. organizations such as food banks, food pantries, and soup kitchens that provide nutrition assistance to relieve situations of emergency and distress of needy persons (Final Rule, §251.4).

RFBs are required to provide fair share of commodities, by type and quantity of item received, to subcontracted DSs. RFBs must maintain records to demonstrate that over time there is equity in issuance of commodities among all sites.

Allocation to Avoid Waste

USDA commodities must be requested and distributed by ADES/CHRP and by RFBs only in quantities that can be consumed without waste (7 CFR, §250.13).

ADES/CHRP must ensure that no RFB receives commodities in excess of anticipated use, based on inventory records and controls, or in excess of its ability to accept and store such commodities (7 CFR, §251.4).

USDA Commodity Transfers

All transfers of USDA commodities between RFBs must have prior approval of ADES/CHRP and must be documented. All transfers of USDA commodities between unlike organizations (i.e. RFBs and schools or charitable institutions) must have prior approval of USDA through ADES/CHRP and must be documented (7 CFR, §250.13 & §251.4).

After obtaining ADES/CHRP approval for transfer of USDA commodities, RFBs must:

- Mutually agree to the method of physical movement of the commodity involved and the responsibility for any charges incurred
- Document the transfer activity on the Commodity Transfer Form and in their respective Commodity Monthly Inventory Report and the Monthly Statistical Report

Notwithstanding any other provision of 7 CFR, §251, any quantity of USDA commodities for use by RFBs or recipient DSs may be transferred by ADES/CHRP or by RFBs to bona fide experimental or testing agencies, or for use in workshops, or for demonstrations or tests relating to the utilization of USDA commodities by the RFB or DS. No such transfer by any RFB shall be made without the approval of ADES/CHRP (7 CFR, §250.13).

TEFAP Section 4: Recipient Organization Eligibility and Participation Criteria

Tax Exempt Status

Organizations that are organized and operated exclusively for religious purposes are automatically tax-exempt according to the Internal Revenue Code. USDA does not require these organization to obtain tax-exempt status to be eligible as an eligible organization (Final Rule, §251.5).

Organizations that are not organized and operated exclusively for religious purposes are required to obtain tax-exempt status. Organizations that have applied for, but not yet obtained, tax-exempt status may participate in TEFAP for one hundred eighty (180) days, with a possible ninety (90) day extension for TEFAP if the organization can show good faith in its attempt to obtain tax-exempt status (Final Rule, §251.5). If the IRS denies a participating agency's application for tax-exempt status, the following actions must occur:

- The organization must IMMEDIATELY notify ADES/CHRP of the denial
- For TEFAP transfer of responsibility see Section 5: Transfer of Responsibility in this manual

RFBs must verify tax-exempt status annually for all DSs and Congregate Meal Sites (CMSs).

Regional Food Banks

Pursuant to Federal regulation, an organization is eligible to receive USDA commodities for distribution if it meets the following criteria. The organization:

- Is public or private and possesses tax-exempt status pursuant to Final Rule, §251.5;
- Is not a penal institution
- Provides food assistance exclusively to needy persons for household consumption, pursuant to a means test, or predominantly to needy persons in the form of prepared meals
- Has entered into an agreement with the State for the receipt of commodities and/or administrative funds, or receives commodities and/or administrative funds under an agreement with another RFB which has signed an agreement with the State;
- Falls into one of the following categories:
 - Emergency Feeding Organization (EFO) – (ex. food banks, food pantries, soup kitchens)
 - Charitable institutions (ex. Hospitals, retirement homes)
 - Summer camps for children or child nutrition programs providing food service
 - Nutrition projects operating under the Older Americans Act of 1965 (Nutrition Program for the Elderly)
 - Disaster relief programs (Final Rule, §250.13)

The eligible organization (ex. RFB) must have an ADES/CHRP approved inventory control and accountability system in place prior to handling USDA commodities, which must be maintained continuously at all points of commodity receipt and distribution.

The eligible organization (ex. RFB) must have an ADES/CHRP approved system to ensure that USDA commodities are distributed in accordance with Federal and State TEFAP laws, regulations, policies and procedures.

ADES/CHRP shall consider the past performance of potential eligible organizations when approving applications for participation (7 CFR, §250.4).

ADES/CHRP may impose additional requirements for participation that are not inconsistent with the provisions of Federal regulation (7 CFR, §250.4)

Distributions Sites

Distribution Sites (DSs) are also considered eligible organizations like RFBs and must meet the same eligibility criteria listed above for RFBs (Final Rule, §251.3).

Federal regulation allows ADES/CHRP to delegate to approved RFBs (have an agreement directly with ADES/CHRP) the authority to determine if organizations meet federal and state criteria to receive commodities and administrative funds in order to become a DS. RFBs must ensure that their selected DSs meet the established criteria. RFBs, however, are not granted authority to establish eligibility criteria (Final Rule, §251.5).

Congregate Feeding Agency (Soup Kitchen) Eligibility Criteria

Organizations providing prepared meals must demonstrate to ADES/CHRP or the contracting RFB that they serve predominantly needy persons.

It shall not be deemed a failure to comply with federal regulations if organizations serve meals that contain USDA commodities to non-eligible people if the non-eligible people share common preparation, serving or dining facilities with eligible people, as long as the non-eligible people are common beneficiaries with the eligible people of the program or the non-eligible people are few in number compared to the eligible people and receive meals as an incidence of their service to the eligible people, i.e., relief workers, teachers, etc.

TEFAP Section 5: Organizational Contracts, Agreements and Terminations

Note: For our purposes, the term “agreement” is synonymous with “contract”

Prior to receiving TEFAP commodities or administrative funding:

- ❖ An RFB must enter into a written contract with ADES/CHRP
- ❖ A DS must enter into written agreement with an RFB

All parties entering TEFAP agreements must keep on file copies of the agreements.

Contract Between USDA and ADES/CHRP

In Arizona, TEFAP administration is the responsibility of ADES/CHRP which entered into an agreement with the USDA. As such, ADES/CHRP is designated as the State agency responsible for entering into contractual relationships for the receiving, warehousing and distribution of TEFAP commodities (7 CFR, §241.2).

Agreements Between ADES/CHRP and RFBs

ADES/CHRP may establish agreements with public and private nonprofit agencies or organizations to function as a distribution network for USDA commodities. A formal agreement/contract with ADES/CHRP authorizes them to receive and distribute TEFAP commodities.

ADES/CHRP must have current contracts with RFBs in order for RFBs to receive TEFAP food and/or administrative funds. Contracts may be considered permanent (with amendments) and may be terminated for cause by either party with 30-day notice (7 CFR, §250.4 & §251.2). ADES/CHRP must have written contracts with all storage facilities, food processors, carriers and other entities that deal with donated foods (7 CFR, §250.12).

Contracts between ADES/CHRP and RFBs must include:

- a statement that the RFB agrees to operate in accordance with requirements of parts §250 and §251 of 7 CFR (Final Rule, §251.2)
- the name and address of the RFB receiving commodities and/or administrative funds (Final Rule, §251.2)
- specific identification of each function for which the RFB is responsible when ADES/CHRP delegates responsibilities to the RFB that are normally the responsibility of ADES/CHRP, and written requirement that the RFB perform these functions in accordance with §250 and §251 of 7 CFR (Final Rule, §251.2)

- specific terms and conditions for the RFB to distribute food and/or administrative funds to another distributing agency, when ADES/CHRP allows them to do so, along with a list of specific organizations or types of organizations eligible to receive food or funds (Final Rule, §251.2)

RFBs must provide, on a timely basis, by amendment to the contract, any changed information, including, but not limited to, any changes resulting from amendments to Federal regulatory requirements and policy and changes in site locations (7 CFR, §251.2).

Agreements Between RFBs and Distribution Sites

Form **HRP-1040** must be used for the agreement between RFBs and their DSs who receive TEFAP commodities.

RFBs that have a contract directly with ADES/CHRP are authorized to enter into agreements or contracts with other organizations to perform TEFAP functions.

Organizations that operate under RFBs directly contracted with ADES/CHRP are also eligible recipient agencies but are more commonly known as distribution sites (DSs). RFBs must have written agreements with their DSs before DSs may receive TEFAP food and/or administrative funds (Final Rule, §251.2).

An RFB may elect to subcontract all or part of its TEFAP storage and distribution services.

Agreements with DSs must be approved by ADES/CHRP initially and subsequently where substantive changes are initiated. Agreements between RFBs and DSs must include:

- A statement that the DS agrees to operate in accordance with requirements of §250 and §251 of 7 CFR (Final Rule, §251.2)
- The name and address of the DS receiving commodities and/or administrative funds (Final Rule, §251.2)

RFBs that have agreements directly with ADES/CHRP are responsible for ensuring that their subcontracted DSs meet all Federal and State program requirements. The RFB is not relieved of any program responsibility by subcontracting. Instead the RFB becomes responsible for the actions of the subcontractors in addition to all other implied or designated responsibilities. At the same time, subcontractors are not relieved of the responsibility of contracted performance to the RFB.

The form **HRP-1040A Annual USDA Commodity Food Service Application and Agreement Between Regional Food Bank and Distribution Site** must be used for the agreements with all DSs receiving TEFAP products.

RFBs must have written contracts with all storage facilities, food processors, carriers and other entities that deal with donated food. (7 CFR, §250.12).

Transfer of Responsibility

The following procedures apply to any change or transfer of RFB or DS responsibility:

- A request for transfer or termination of contractual obligation may originate with either party
- ADES/CHRP will review and approve or deny the change or transfer
- For approved transfers of RFB or DS responsibility, the first consideration will be the provision of continuity of service to recipients to the extent possible. Since contracts may be considered permanent with a 30-day notice, ADES/CHRP may request the existing contract stay in force until a contract with a new RFB or DS is signed
- In situations where ADES/CHRP deems it to be in the program's best interest, ADES/CHRP may provide a thirty-day (30) notice of contract termination to the RFB or DS or order an immediate termination of contract
- The new RFB's or DS's starting inventory records must reflect an opening balance of zero (0). Quantities received by the new RFB or DS on transfer of title must be approved by ADES/CHRP and have backup documentation to include verified physical tallies

Termination of Agreement Between ADES/CHRP RFB

- ADES/CHRP may terminate, or be required to terminate, an RFB agreement/contract in whole or in part, if it does not comply with Federal and State requirements. ADES/CHRP will notify the organization in writing at least thirty (30) calendar days in advance of the effective date of the termination, reasons for the action and effective date of termination.
- RFBs have the right to appeal the termination as outlined in the RFB Appeals of ADES/CHRP Actions section below.
- An RFB may terminate participation, in whole or in part, upon written notification to ADES/CHRP stating the reasons for and effective date of the action. Written notification must be given at least thirty (30) calendar days in advance of the effective date of termination.
- An RFB's participation may be terminated, in whole or in part, if both ADES/CHRP and the RFB agree that the action would be in the best interest of the program. ADES/CHRP and the recipient agency must come into agreement on the conditions of the termination, including effective date of the action.

TEFAP Section 6: Civil Rights

Regulations Regarding Protected Bases

ADES/CHRP, RFBs and DSs must ensure that no person is subjected to discrimination on the bases of race, color, national origin, age, sex or disability and must also comply with the requirements of the following regulations:

- Title VI of the Civil Rights Act of 1964
- Title IX of the Education Amendments of 1972
- Section 504 of the Rehabilitation Act of 1973
- Age Discrimination Act of 1975
- Titles II and III of the Americans with Disabilities Act of 1990
- USDA departmental regulations specified in 7 CFR §15 through §15f and §16
- Civil Rights Restoration Act of 1987
- The Food Stamp Act of 1977

See FNS Instruction 113-1 for additional information related to Civil Rights requirements.

Public Notification

DSs must include a public notification system as part of civil rights compliance. The public notification system must include all of the following:

- **Program availability**- information regarding program rights, responsibilities, and steps necessary for participation targeted toward program applicants, participants and potentially eligible persons
- **Complaint information**- an advisory at the service delivery point explaining the rights of applicants and participants, how to file a program complaint of discrimination and the complaint procedures
- **Nondiscrimination statement**- all program informational materials and sources, including websites, used to inform the public must contain the approved nondiscrimination statement

Methods of Public Notification

Each State agency, RFB and DS serving the public must take the actions below to inform the general public, potentially eligible populations, community leaders, grassroots organizations, and referral sources about FNS programs (TEFAP) and applicable civil rights requirements.

1. Inform potentially eligible persons, applicants, participants, and grassroots organizations (especially those in underserved populations) of programs. ADES/CHRP makes available forms **HRP-1048A The Emergency Food Assistance Program (TEFAP)** and **HRP-1048A-S El Programa de Asistencia de Alimentos de Emergencia (TEFAP)**.
2. Publicly display location, day, and times of TEFAP distributions. a. Any program changes must be communicated to the public in a timely manner. This includes information pertaining to the eligibility, benefits (type of

commodities), and services, the location of the DS, and hours of service. This information can be communicated by methods such as, but not limited to, Internet, newspaper articles, radio and television announcements, letters, leaflets, brochures, computer-based applications, and bulletins. (FNS Instruction 113-1). Any program changes at a DS must also be communicated to ADES/CHRP in a timely manner.

3. Provide appropriate information, including web-based information, in alternative formats for persons with disabilities.
4. Convey the message of equal opportunity in all photographic and other graphics that are used to provide program or program-related information.
5. Prominently display the USDA nondiscrimination “And Justice for All” poster (USDA/FNS Form AD-475 A). This poster must be displayed at its full size of 11 inches wide by 17 inches tall.
 - a. When possible, the “And Justice for All” poster should be displayed in its original full colors of green and white. RFBs may contact ADES/CHRP to request new posters, as needed.
 - b. When no supply of full color posters remains, and posters cannot be ordered from USDA/FNS, a full-size black and white poster may be printed and displayed to comply with the requirements of this section.
6. Have forms **HRP-1014A Civil Rights Complaint / Grievance and HRP-1014A-S Denuncia / Queja de Derechos Civiles (Civil Right Complaint/Grievance)** available for any person to take and complete.
7. Prominently display the Americans with Disabilities Act (ADA)504 Notice
8. Include the approved nondiscrimination statement on program material and participant documents.
 - a. When posting the approved nondiscrimination statement to a website, it is not required that the statement be included on every page of the site. At a minimum, the statement, or a link to it, must be included on the home page of the program information.
 - b. In the event the informational material or sources are too small to permit legible printing of the full nondiscrimination statement, the material must, at the minimum, include the following statement in print no smaller than the body text of the material or source: “The USDA is an equal opportunity provider and employer.”

Americans with Disabilities Act (ADA)504 Notice text:

Equal Opportunity Employer/Program

Under the Americans with Disabilities Act (ADA), the department must make a reasonable accommodation to allow a person with a disability to take part in a program, service or activity. For example, this means that if necessary, the department must provide sign language interpreters for people who are deaf, a wheelchair accessible location or enlarged print materials. It also means that the department will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. To obtain this document in an alternative format, please contact the Arizona Department of Economic Security ADA Coordinator at (602) 771-2893 Include the required nondiscrimination statement and complaint information on all appropriate FNS, State, RFB and DS publications, Web sites, posters, and informational materials provided to the public. English and Spanish versions provided below.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the

Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov

This institution is an equal opportunity provider.

De conformidad con la Ley Federal de Derechos Civiles y los reglamentos y políticas de derechos civiles del Departamento de Agricultura de los EE. UU. (USDA, por sus siglas en inglés), se prohíbe que el USDA, sus agencias, oficinas, empleados e instituciones que participan o administran programas del USDA discriminen sobre la base de raza, color, nacionalidad, sexo, discapacidad, edad, o en represalia o venganza por actividades previas de derechos civiles en algún programa o actividad realizados o financiados por el USDA.

Las personas con discapacidades que necesiten medios alternativos para la comunicación de la información del programa (por ejemplo, sistema Braille, letras grandes, cintas de audio, lenguaje de señas americano, etc.), deben ponerse en contacto con la agencia (estatal o local) en la que solicitaron los beneficios. Las personas sordas, con dificultades de audición o discapacidades del habla pueden comunicarse con el USDA por medio del Federal Relay Service [Servicio Federal de Retransmisión] al (800) 877-8339. Además, la información del programa se puede proporcionar en otros idiomas.

Para presentar una denuncia de discriminación, complete el Formulario de Denuncia de Discriminación del Programa del USDA, (AD-3027) que está disponible en línea en:

http://www.ocio.usda.gov/sites/default/files/docs/2012/Spanish_Form_508_Compliant_6_8_12_0.pdf y en cualquier oficina del USDA, o bien escriba una carta dirigida al USDA e incluya en la carta toda la información solicitada en el formulario. Para solicitar una copia del formulario de denuncia, llame al (866) 632-9992. Haga llegar su formulario lleno o carta al USDA por:

- (1) correo: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; o
- (3) correo electrónico: program.intake@usda.gov

Esta institución es un proveedor que ofrece igualdad de oportunidades.

Faith-Based Organization Public Notification

Form **HRP-1050A The Emergency Food Assistance Program (TEFAP) Written Notice of Beneficiary Rights** and **HRP-1050A-S Programa de Asistencia de Alimentos de Emergencia (TEFAP)** should be displayed in public view as part of Public Notification as it advises participants of their rights under this section. Poster must be 11"x17" and printed in color.

Faith-Based Organization Referral to Other DSs

If a participant or applicant of a domestic social services program supported by USDA objects to the religious character of an organization that provides commodities under TEFAP, that organization must promptly undertake reasonable efforts to identify and refer the participant to an alternate DS, within reasonable geographic proximity to the current DS, if available, to which participant has no objection. In making the referral, the organization shall comply with all applicable privacy laws and regulations.

A referral may be made to another faith-based organization, if the participant has no objection to that DS. But if the participant requests a secular provider, and a secular provider is available, then a referral must be made to that DS. The referral must be to an alternate DS that is in reasonable geographic proximity to the DS making the referral and offers TEFAP, if one is available. The alternate DS should also have the capacity to accept additional participants, if one with capacity to accept additional participants is available.

If the DS determines that it is unable to identify an alternate DS, the organization shall promptly notify the RFB, and the RFB shall determine whether there is any other suitable alternate DS to which the participant may be referred. DSs or RFBs may request assistance from ADES/CHRP or the Western Regional Office of USDA.

In some cases, USDA may require that RFBs provide DSs with information regarding alternate DSs. Such information should include DSs (including secular DSs) within a reasonable geographic proximity that offer TEFAP and that would reasonably be expected to have the capacity to accept additional participants, provided any such DS exists. A DS which relies on such information provided by the RFB shall be considered to have undertaken reasonable efforts to identify an alternate DS.

When the participant objects to receiving services from the DS due to the religious character of the agency, use form **HRP-1026A USDA Beneficiary Referral Request (HRP-1026A-S Spanish version)** to document the referral request and outcome. Keep copy of HRP-1026A on file at the agency and provide a copy to the participant.

Limited English Proficiency (LEP)

Title VI of the Civil Rights Act of 1964 states, “No person in the United States shall, on the ground of race, color, or national origin, be excluded from the participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” The term “program or activity” is broadly defined. There is no numerical threshold that must be met before provisions of the Civil Rights Act, prohibiting discrimination based on national origin, are applicable.

Failing to provide services or denying access to federally assisted programs and activities based on LEP may be discriminating on the basis of national origin in violation of Title VI and its implementing regulations. Title VI and its regulations require ADES/CHRP, RFBs, and DSs to take reasonable steps to assure “meaningful” access to the information and services they provide. What constitutes reasonable steps to assure meaningful access will be contingent on a number of factors. Among the factors to be considered are:

- The number or proportion of LEP persons eligible to be served or likely to be encountered; the greater the number or proportion of these LEP person, the more likely language services are needed
- The frequency in which LEP individuals encounter the program; RFBs and DSs must assess, as accurately as possible, the frequency with which a DS has or should have contact with LEP individuals from different language groups seeking assistance. The more frequent the contact with a particular language group, the more likely that enhanced language services in that language are needed
- The nature and importance of the program, activity or service provided by the program to people’s lives; when denial or delay of services could have serious or life-threatening implications for the LEP individual, language services are more likely needed

- The resources available and costs likely to be incurred; smaller DSs with more limited budgets are not expected to provide the same level of language services as larger organizations, however technological advances and the sharing of language assistance services among DSs may help in reducing costs

RFBs and DSs should explore the most cost-effective means of delivering competent and accurate language services. **At a minimum, DSs should be prepared to offer services and materials in English and Spanish languages.**

Civil Rights Training

Training is required so that all persons involved with all levels of TEFAP administration and distribution understand civil rights laws, regulations, procedures, and instructions. ADES/CHRP is responsible for training RFB staff, RFBs are responsible for training DS/Agency staff including supervisors of frontline agency staff. Agency managers or lead volunteers are responsible for training all staff/volunteers at the DS.

Civil rights training must be provided annually and include, at a minimum, the following components:

- Collection and use of data, including confidentiality requirements
- Effective public notification systems
- Complaint procedures
- Compliance review techniques
- Resolution of noncompliance
- Requirements for reasonable accommodation of persons with disabilities
- Language assistance requirements
- Conflict resolution
- Customer service

Civil Rights Training must be completed by the following:

- a) RFB key staff who work with CSFP/TEFAP programs (*i.e., Program Staff, Warehouse Staff, Leadership*)
- b) RFB client-interacting staff and volunteers
- c) Agency client-interacting staff and volunteers

After training is completed, staff and volunteers must complete an **HRP-1015A Annual Civil Rights Training** form. Completed forms should be kept on file at either the RFB or Agency.

TEFAP and CSFP civil rights requirements are covered in the same training.

Complaints and Reporting

Civil Rights Complaints

A civil rights complaint is a verbal or written allegation of discrimination in the administration or operation of TEFAP. Complaints result from the perception of disparate treatment or services being provided to a person or group of persons because of their membership in a protected class.

Civil Rights Complaints Reporting

A person's status as an applicant, participant or observer at a distribution is not a factor in determining who is able to file a complaint of discriminatory treatment. Anyone can file a civil rights complaint. When a person reports perceived unfair treatment based on any protected class or the person feels as though discrimination has occurred, DSs must assist the person in filing a complaint. Note that DSs must fully document each step of the process, from initial complaint to resolution, in the DSs civil rights complaint log. Full documentation includes every conversation and step taken related to the complaint.

The complaint procedure is as follows:

- When receiving a report of discrimination, use **HRP-1014A Civil Rights Complaint / Grievance** whenever possible, to document the allegation fully. The complainant can complete the form, or the DS can complete the form on behalf of the complainant. When the DS completes the form, allow the complainant the opportunity to review the form for accuracy and provide a signature. The DS should maintain a supply of hard-copy Civil Rights Complaint/Grievance Forms and all frontline staff/volunteers, and supervisors of frontline staff/volunteers, should be trained on use of the form
- Retain the original form in the DS's civil rights complaint log and send a copy to the DS's RFB
- The RFB retains a copy of the report and forwards it to ADES/CHRP in a timely manner
- ADES/CHRP reviews the complaint and notifies the RFB of whether the complaint involved a protected class. When the complaint involves a protected class, ADES/CHRP forwards the complaint to USDA/FNS
- Throughout the process ADES/CHRP and RFB staff work together to identify corrective actions to be taken, if necessary, to satisfy the complaint and opportunities to prevent further complaints against the DS
- A letter describing the final outcome of the complaint and copies of correspondence related to resolution of the complaint will be forwarded by the RFB to ADES/CHRP and the DS within sixty (60) days

Note that persons always have the option of filing a complaint directly with ADES/CHRP or USDA. If the person is at the DS and wishes to file a complaint with ADES/CHRP, provide form **HRP-1030A Civil Rights Complaint/Grievance** and highlight the ADES/CHRP and USDA contact information.

RFBs must respond to ADES/CHRP as required in a timely manner to inquiries ADES/CHRP receives. All complaints must be investigated and researched. If evidence of wrongdoing is discovered, the RFB must inform ADES/CHRP. ADES/CHRP may require the RFB to submit a corrective action plan related to the DS. If ADES/CHRP does not approve the submitted plan, ADES/CHRP may require the RFB to revise the plan or may prepare its own plan that the RFB is required to implement. If no evidence of impropriety or wrongdoing is found, the RFB will prepare a report of findings and explanations. In every case, the complainant should receive a response from the RFB.

Verbal Civil Rights Complaints

If a verbal complaint is received and the participant is not willing to place allegations in writing, the person receiving the complaint may write up the elements of the complaint for the complainant using form **HRP-1030A Civil Rights Complaint/Grievance (HRP-1030A)**. The person receiving the call should make every effort to collect:

- Name, address, telephone number, or other means of contacting the complainant
- Specific location and organization delivering the commodities
- Nature of the incident or action that led the complainant to feel discriminated against
- Basis on which the complainant feels discrimination occurred (race, color, national origin, age, sex, religion, political beliefs, disability, reprisal, or retaliation, etc.)
- Names, titles, and business address of person who may have knowledge of the discriminatory action
- Date(s) during which the alleged discriminatory actions occurred, or if continuing, the duration of such actions

Anonymous complaints are to be handled just as any other complaint, although full resolution through communication back to the participant will not be possible.

Customer Service Complaints

Complaints should be documented in the DSs civil rights complaint log even if not civil rights related. A complaint may describe poor customer service such as rudeness, impatience, apathy, lack of understanding, or verbal abuse. Using good judgment, the RFB and DS staff should address and find resolve within thirty (30) days.

A letter describing the final outcome of the complaint and copies of correspondence related to the resolution of the complaint must be forwarded to ADES/CHRP and the DS within sixty (60) days.

Food Complaints

Complaints about commodities must be handled immediately to prevent use of foods that may be unfit for human consumption. If a complaint is received, the RFB must:

- Immediately place all remaining product involved in the complaint on hold
- Immediately contact ADES/CHRP by phone and provide the following information:
 - o Description of the problem, including any known incidents or facts involved, such as injury or sickness
 - o Delivery order or notice to deliver number(s) of the product(s)
 - o Initial amount of product involved and amount of remaining product on hold
 - o Date the product was received by the RFB and the package date, which should be printed on the outside of the case
 - o Temperature at which the product was stored and the temperature conditions of distribution
 - o Name of person at RFB to contact for investigation and follow-up

Complete a written report containing the above information and forward to ADES/CHRP.

As soon as USDA determines the complaint is of a serious nature, ADES/CHRP will need to inform them of all the specific information supplied by the RFB. It is imperative that all reports be complete and accurate. With complaints of a serious nature, USDA will decide the appropriate course of action. This may include certain tests, such as lab analysis or a re-inspection of the product. USDA will also maintain close contact with ADES/CHRP until the complaint is resolved.

Complaint Timeline

Civil Rights complaints must be processed in accordance with established timeframes. When the complaint involves a protected class, ADES/CHRP forwards the complaint to the USDA/FNS. Once USDA/FNS accepts the complaint, they have up to ninety (90) days to issue a decision. The table below outlines the general timeframes of a civil rights complaint.

ACTION	TIMEFRAME
Complainant submits complaint	Has up to 180 calendar days after the occurrence of the incidence
ADES/CHRP or DS sends the complaint to RFB	Promptly after receipt (<1 day)
RFB sends complaint to ADES/CHRP if not already aware	Promptly after previous action (<1 day)
ADES/CHRP review the complaint and determines if a protected class is involved	Promptly after previous action (<1 day)
ADES/CHRP notifies the RFB of the protected class determination	Promptly after previous action (<1 day)
When a protected class is involved ADES/CHRP forward the complaint to USDA/FNS	Promptly after previous action (<1 day)
USDA/FNS investigates the complaint and issues a determination	Not later than 90 calendar days after acceptance of the complaint
When the complaint does not involve a protected class, the RFB and DS use good judgment to accomplish resolution	Not later than 30 calendar days after the receipt of the initial complaint
RFB issues a letter describing the root cause of the complaint and final outcome. The RFB sends the letter and copies of all correspondence related to the resolution to ADES/CHRP and the DS.	Not later than 60 calendar days after receipt of the initial complaint

TEFAP Section 7: Participant Eligibility Criteria

ADES/CHRP Responsibility

ADES/CHRP must establish uniform statewide criteria determining the eligibility of households to receive commodities provided under TEFAP legislation for home consumption. Criteria must include:

- Income-based standards and the methods by which households may demonstrate eligibility under these standards.
- A requirement that households reside in the geographic location served by the State agency at the time of applying for assistance, but length of residency shall not be used as an eligibility criterion. (Final Rule, §251.5)

RFB Responsibility

USDA commodities must be distributed only to recipients who are eligible to receive them (7 CFR, §251.5). ADES/CHRP requires RFBs to ensure that DSs that distribute USDA commodities are determining recipients are eligible. (7 CFR, §251.5).

Participant Eligibility Criteria

Income

Federal regulations prohibit ADES/CHRP from requiring a means test of income eligibility. ADES/CHRP may require a higher standard than “predominantly,” and may determine whether organizations meet the applicable standard by considering socioeconomic data on the area in which the organization is located or from which it draws its participants. (Final Rule, §251.5).

For a recipient or household to be eligible to receive TEFAP commodities for home consumption, their income must fall within the guidelines listed on the TEFAP Eligibility Guidelines chart ([HRP-1023A - Food Assistance Program - The Emergency Food Assistance Program \(TEFAP\)\(English/Spanish\)](#))

The current TEFAP income eligibility is established according to the number of persons in the household based on 185% of the Federal Poverty Income Guidelines, which is updated annually.

Household eligibility may be determined on either monthly or annual income; it is not necessary to qualify on both. Eligibility may occur during any month that the recipient meets the ADES/CHRP established income guidelines. Eligibility may also occur based on annual income, even if the current month’s earnings exceed the monthly income guideline.

Homeless individuals are subject to the same income requirement.

For purposes of calculating TEFAP income eligibility, the following items are not considered income:

- Student aid assistance received from a program funded by Title IV
- Employer or union paid non-cash benefits, such as health insurance, food, or rent received in lieu of wages, etc.
- Value of non-cash benefit programs such as Medicare, Medicaid, SNAP, school lunches, housing assistance, etc.

Categorical eligibility (*automatic qualification*)

1. Households receiving Supplemental Nutrition Assistance Program (SNAP) benefits
2. Households with children who receive free/reduced-price meals through the National School Lunch Program

**Per State policy, a household must show an award or approval letter from the program to be categorically eligible.*

Geographic Requirements

Participants must live in Arizona and within the DS’s service area to be eligible for TEFAP. A participant’s length of residency in Arizona or intent to remain in Arizona is NOT an eligibility determination.

Verification of address must be obtained at each certification. Acceptable forms include, but are not limited to: Driver's license, Photo ID containing the participant's address, Lease agreement, property ownership documentation, rent or mortgage receipt or utility bill.

Program Violations

Program violations are actions taken by TEFAP applicants, participants, or proxies to obtain or use USDA benefits improperly. Program violations include the following actions (7 CFR, §247.20):

- Intentionally making false or misleading statements, verbally or in writing (fraud)
- Selling USDA commodities gained through TEFAP participation or exchanging the commodities for non-food items (fraud)
- Physically abusing or threatening to physically abuse program staff

If applicants, participants, or proxies commit program violations, please report them to ADES/HRP.

TEFAP Section 8: Distribution Guidelines and Procedures

Frequency and Rate of Distribution

Federal regulation does not specify the number of distributions that RFBs and DSs are required to conduct.

ADES/CHRP has discretion to develop distribution rates required by all RFBs. Currently for Arizona, ADES/CHRP requires that all DSs distribute TEFAP, at a minimum, of once monthly. RFBs and DSs may use their discretion to increase the number of TEFAP distributions they feel are needed per month per site.

Distributions must meet the following criteria:

- RFBs must ensure that TEFAP food is distributed in fair share proportions per household size, meaning larger families receive more food.
- Income eligible recipients must have equal access to receive the same amount of TEFAP food. RFBs must ensure that each recipient has equal access to the same possible amount of food at each DS.

DS personnel must document that households are receiving amounts of TEFAP food in fair share proportions according to family size. *This is accomplished in Link2Feed when a new TEFAP visit is recorded.*

Distribution Site Guidelines and Procedures

DSs must be open to the general population. Sites that limit participation or attendance to only their members are not eligible to be TEFAP Distribution Sites.

Eligibility Guidelines charts must be prominently posted at each distribution site. Poster **HRP-1023A Food Assistance Program – The Emergency Food Assistance Program (TEFAP) (English/Spanish)** is available to fulfill this requirement. It is advisable to post the chart at the point of sign-up for TEFAP commodities.

USDA foods shall be distributed only to recipients who are eligible to receive them (7 CFR, §251.5). Recipients self-declare that they are eligible to receive TEFAP commodities and agree to program requirements by signing for their TEFAP visit in Link2Feed or by signing the paper application if Link2Feed live is not available at the time of distribution. Proof of household income shall not be required for a participant to receive TEFAP food.

Under no circumstance shall recipients be required to make any payments in money, materials or services for or in connection with the receipt of donated foods, nor shall voluntary contributions (donations) be solicited in connection with

the receipt of USDA foods for any purpose (7 CFR, §250.1). If it is determined that a DS is collecting social security numbers and/or requiring verification of household income, this will be cause for the RFB to terminate the TEFAP agreement.

Mass Distributions

Currently, any TEFAP distribution that serves over 100 households is not required to enter participants names individually into Link2Feed but may use the “mass distribution” field to document the aggregate number of households served. The Household Distribution Site Sign-In Sheet is still required to be completed by participants.

Recording Participant Information

Each DS must collect and maintain on record, for each household TEFAP commodities for home consumption:

- Address of the household (to the extent practicable)
- Number of persons in the household
- Basis for determining that the household is eligible to receive commodities (7 CFR §251.10)
- Signature of the household member receiving commodities

This is accomplished through Link2Feed or **HRP-1013A – The Emergency Food Assistance Program (TEFAP) Household Distribution Site – Sign-In Sheet (English/Spanish)**. If using Sign-in sheets, they must be collected and maintained at the RFB of the DS.

DS may ask for further participant information for use with other programs. However, it is the RFB’s responsibility to ensure that DSs proactively post for all participants to view and/or inform participants in writing that additional information is not required to receive TEFAP food. Participants shall not be denied TEFAP food if they refuse to reveal any information that is not a requirement of TEFAP.

DS’s are encouraged to record other personal data points listed in Link2Feed: Marital Status, Housing Type, Contact Phone/Email, Ethnicity, and any Self-Identifiers. This information provides insight into additional needs of the populations served, and helps DES identify people who may be eligible to receive other DES programs’ benefits.

Affirmation of Eligibility

Upon receiving TEFAP participants will affirm to the certification statement that their income is within the posted TEFAP guidelines. If access to Link2Feed is not available, participants must sign the **HRP-1013A – The Emergency Food Assistance Program (TEFAP) Household Distribution Site – Sign-In Sheet (English/Spanish)**.

By signing for commodities, the participants are certifying, under penalty of perjury, that:

- They are income eligible to receive USDA commodities according to the TEFAP eligibility guidelines
- They reside in the distribution site’s service area (if there is one)
- Their agreement that USDA commodities are for personal home use, and therefore must not be sold, traded, or given away (7 CFR, 250.1)

If a participant is incapable of signing their name, DS personnel may sign for the person who would then make an ‘x’ or other mark on the signature line.

All persons who are willing to sign the statement shall be deemed program eligible.

Unrelated Activity

Participants cannot be pressured or influenced to support any religious, social or political point of view in association with receipt of USDA commodities. Unrelated activities may be conducted at a DS as long as:

- a. The person(s) conducting the activity makes it clear that the activity is not part of TEFAP and is not endorsed by the USDA; and

- b. Information not related to TEFAP is not placed in or printed on the distribution containers or any other container of food during same distribution; and
- c. The person(s) conducting the activity makes it clear that cooperation is not a condition of receipt of USDA commodities (e.g., praying, attending religious services, contributing money, signing petitions, or conversing with people; and
- d. The activity does not disrupt distribution of USDA commodities (7 CFR §251.10).

RFBs and DSs staff/volunteers are responsible for ensuring that activities unrelated to the distribution of USDA commodities are conducted in a manner consistent with the above conditions.

DSs found in violation of the policies regarding unrelated activity in this section are subject to termination from further USDA commodity distributions.

TEFAP Distribution in Conjunction with Other Programs

RFBs and DSs may distribute TEFAP food simultaneously with other programs, as long as the site is open to the public and access is not limited to specific individuals. TEFAP recipients must be income-eligible, according to TEFAP income guidelines, and must sign for commodities in either Link2Feed or on the Household Distribution Sign-in Sheet.

RFBs and DSs may incorporate the distribution of foods that have been donated by charitable organizations or other entities with the distribution of USDA commodities or distribute them separately (7 CFR, §251.4).

Proxies

A proxy is someone a participant authorizes to act on his/her behalf, and may:

- Complete the benefits application
- Provide participant verification documents
- Report changes to the participant’s household circumstances
- Receive the participant’s commodity distribution

Proper proxy authorization includes:

1. A valid proxy letter (see example below)
2. A copy of the participant’s picture ID, and
3. A copy of any document that shows the participant’s name and address (driver’s license, utility bill, etc.)

Authorization must be entered into Link2Feed, **written and kept on file at the DS** for the duration the proxy is authorized to pick up commodities for the participant.

A proxy letter should be detailed and include the date written, name and contact information of the participant, name of proxy and number of adults and children who live in household.

Acceptable example:

March 20, 2021

My name is John L. Carlson; I am requesting that Jasmine Lindsay pick up a box for my family and me. There are 4 children and 2 adults in the household. Please contact me with any questions at 123-456-7890.

*John L. Carlson
1789 W. Food Bank Way
Phoenix AZ 85042*

Unacceptable example:

*Please let Jasmine pick up my food.
-John L. Carlson*

Proxies are valid for up to 1 year from the date of authorization. It is the responsibility of the DS to maintain proxy records, and request reauthorization from the participant.

TEFAP Section 9: Participant Data Collection and Confidentiality

Link2Feed

Arizona ADES/CHRP has selected Link2Feed as its vendor for statewide data collection for TEFAP. Participant data must be established and maintained.

DSs must use Link2Feed at the time of application. If unavailable, DSs may utilize form **HRP-1028A Application for Benefits (TEFAP/CSFP)** and kept until information is entered into Link2Feed. Information must be entered into Link2Feed within 48-hours of a distribution taking place.

DSs must use Link2Feed at the time of distribution. If unavailable, DSs may utilize **HRP-1013A The Emergency Food Assistance Program (TEFAP) Household Distribution Site Sign-in Sheet (English/Spanish)**, and keep on file at the DS.

Annual Client Satisfaction Survey

RFBs must develop and conduct an annual client satisfaction survey in Link2Feed:

- Survey questions must be submitted to CHRP for approval by October 1.
- Survey conduction period is November 1 through April 30.
- Survey results are submitted to CHRP by July 15.
-

Survey response goals:

- Achieve at least eighty-five percent (85%) client response rate
- Achieve at least eighty-five percent (85%) of Recipient Agencies response rate

Mass Distributions

Any TEFAP distribution that serves over 100 households does not required each of the participants names to be input individually into Link2Feed, but DSs may use the “mass distribution” field to document the aggregate number of individuals and households served. The Household Distribution Site Sign-In Sheet is still required to be completed by participants.

Confidentiality

All staff and volunteers of the ADES/CHRP, contracted RFBs and DSs that provide services associated with commodities at food banks, food pantries, soup kitchens and shelters, must maintain the strictest confidence and protect the confidentiality and security of all protected data and information to which they have access. Confidential information may include, but is not limited to, recipients of food assistance, household composition, names, addresses, and phone numbers. It may be from any source or in any form (oral, written, or electronic). This information may be protected by state and federal laws and by policies of the Department.

All client-interacting or client data-handling staff and volunteers are required to fill out an **HRP-1016A Volunteer Confidentiality** form. Signed forms must be kept on file for a minimum of 5 years. This only needs to be completed once.

TEFAP Section 10: Shipment and Receipt of USDA Foods

USDA FNS Instruction 709-5 Rev. 3, effective date March 2019, regulates this section. Shipment and receipt of USDA Foods is based on CFR 7, Section 250.

Shipping and Notifications

Direct Shipping from USDA

USDA Foods may be directly shipped to RFBs from the USDA and originate from a National Multi-Food Warehouse (NMFW).

ADES/CHRP must notify RFBs of general USDA purchase information for TEFAP at least quarterly through the Delivery Order Status Reports (DOR). The DOR contains information related to the anticipated ADES/CHRP delivery schedule with types and quantities of commodities and any changes in delivery schedules. Specific delivery dates are pre-arranged between the RFB and the NMFW and reflected in the Web-based Supply Chain Management (WBSCM) system.

The NMFW must arrange regular delivery dates with each RFB. If an order includes multiple truckloads, every effort must be made to arrange for all deliveries on the same day. The RFB must negotiate any tailgating by the NMFW when setting the delivery date. If the regularly scheduled delivery date must be postponed (e.g., as a result of inclement weather or equipment failure), the NMFW will immediately contact the RFB to determine a revised delivery date that is agreeable to both parties.

Shipping from a Vendor

For shipments originating from a vendor, the vendor or carrier must arrange for a delivery appointment with the RFB at least twenty-four (24) hours before the expected delivery. Direct shipments from USDA via commercial carriers are prepaid. RFBs are not to pay any charges requested by the driver or other agent of the carrier. RFBs should notify ADES/CHRP immediately of any such request.

For vendor shipments, the vendor will create the Advance Shipping Notification (ASN) in Web- WBSCM in advance of delivery as to provide the consignee sufficient advance notice of the delivery. ADES/CHRP and the receiving destination designated in WBSCM will receive the ASN by email. The ASN will include the following information:

- Required delivery date
- Expected delivery date
- Delivery ship-to agency
- Nutrition program acronym (e.g., TEFAP)
- USDA Food product material number and description (i.e. material code)
- Sales order number
- Sales order item number
- Quantity in shipment (e.g., cases, units, etc.)
- Establishment number, if applicable
- Purchase order item number
- Purchase order number
- Product vendor information

For split shipment (i.e., shipments that are split between two or more RFBs), the vendor or carrier must arrange for a delivery appointment with each RFB. The vendor or carrier may make an earlier delivery than scheduled only if a new delivery date is arranged that is acceptable to the RFB and USDA personnel are available, as necessary, to perform any required inspections; otherwise the original delivery date must be honored.

If the vendor or carrier arrives without a delivery appointment or is late for an appointment, the RFB should accept the shipment, if able, or work with the vendor or carrier to schedule delivery at a later time. When a carrier does not make a delivery appointment in advance, it is recommended that the RFB report the issue to ADES/CHRP who will identify the carrier in the comment section of WBSCM when receipting for the delivery.

Delivery

Destination Changes

RFBs wishing to change the shipment destination for shipments originating from the NMFW or a vendor, after the purchase order has been issued, must submit a request to ADES/CHRP, which in turn must submit the request to the FNS Western Regional Office (FNS SWRO). The change request must be submitted at least thirty-five (35) days in advance of the start of the delivery period. Select USDA Foods may require additional advance notice, per applicable USDA guidance.

The FNS SWRO will work to address the change request.

Carriers will not deliver to a receiving location that is not shown on the BOL without prior authorization from ADES/CHRP. Costs incurred as a result of an RFB's failure to make timely notification will be charged to the RFB. A detention charge or charge for redelivery when the driver is asked by the RFB to deliver the load to a destination other than what's on the BOL is the responsibility of the RFB.

Vendor Unable to Deliver USDA Foods

If a vendor or carrier arrives at the delivery location at the appointed time and is unable to unload USDA Foods as a result of action or inaction by the RFB, the vendor or carrier has the right and obligation to protect the commodities by placing them in storage or move them to another location, if necessary. Movement or storage may subject the RFB to additional charges. Any disputes between the RFB and the vendor or carrier regarding liability for such charges that are not resolved at the ADES/CHRP level must be referred to the FNS SWRO for resolution by FNS and the Contracting Office, as applicable.

Pallet Exchange

- For shipment originating from the NMFW, carriers do not exchange pallets.
- For shipments originating from a vendor, pallet exchange is not required but may occur at the discretion of the RFB and should be arranged in advance of delivery.

Inspecting the Shipment

General Requirements

Responsibility for USDA commodities passes to the RFB at the time the products are unloaded. Therefore, the RFB must carefully inspect each shipment and commercial delivery receipt (e.g., Bill of Lading (BOL)) prior to unloading to ensure that the high security seal(s) is intact, determine the overall condition of the USDA Foods and the number of units in the shipment and to ensure the accuracy of the receipt.

All USDA shipments are made on commercial BOLs. The BOL is the primary document on which all verifications of delivery, condition of commodities upon receipt, and commodity counts must be recorded. Carriers are paid via signed BOLs that serve as proof the load was delivered.

High Security Seal

High security seals are used to provide evidence of tampering and can assist in the detection of theft or contamination. The RFB must ensure the high security seal(s) in the door or other point of entry of the truck or trailer is intact and must make a record of the serial number of the seal. If the high security seal is broken or lacking, or the serial number on the seal does not match the number on supporting documentation (e.g., BOL), the RFB must refuse the shipment and immediately notify ADES/CHRP which in turn must notify FNS SWRO. FNS will notify the appropriate Contracting Office or the NMFW, as applicable.

For shipments origination from a vendor, a previously refused shipment may only be accepted by the RFB after a Condition of Container Inspection has been performed by a USDA representative, as designation by the Contracting Office, and a Certificate of Quality and Condition has been issued which documents that the Condition of Container meets the applicable U.S. Standards for Condition of Food Containers. Any inspection costs must be paid by the vendor or carrier.

Removal of Seal and Temperature Check

The RFB is responsible for the removal of the high security seal(s), which must be done with bolt cutters or a similar tool. For frozen or refrigerated foods, at a minimum, the RFB must check the thermometer, which is usually located outside of the truck, to ensure that the temperature in the freezer or refrigeration unit is at an acceptable level, in accordance with USDA guidance, and must ensure that the unit is switched on and working.

If the seal is removed by anyone but the RFB, contact ADES/HRP immediately for guidance.

Quantity of USDA Foods

The RFB must determine if there is any obvious discrepancy from the quantity of USDA Foods ordered (e.g., an overage or shortage). A more careful count must be conducted as the shipment is unloaded and prior to the vendor or carrier departing.

When a shipment is delivered, and it's determined there's a shortage or overage, the RFB complete the following and send to ADES/CHRP:

- Record on the BOL the exact amount of the commodity shortage or overage; and
- Document the following information:
 - Delivery order number, contract number, and Notice of Delivery number
 - Railcar number and initial, piggyback trailer number or truck/trailer identification
 - Name of shipper, origin, and date of shipment
 - Quantity and description of food in the shipment
 - Date and time shipment received
 - The specific item and quantity affected (over or under)
 - Current status (unloaded, trailer left warehouse, etc.)
 - Name, title and phone number of the person who conducted the inspection. Note if inspection report was prepared. If so, send copy of report with this documentation

Observing Condition of USDA Foods

The RFB must inspect the shipment to determine if the USDA Foods have been delivered in good condition and with no evidence of product tampering. The RFB should take note of any odors, infestation (e.g., dead insects or nesting materials), or damage to inner or outer containers. For frozen foods, the RFB should look for signs of defrosting or signs of thawing and re-freezing of the foods that could have occurred prior to the arrival of the shipment. For USDA Foods that are not intended to be frozen (e.g., canned products), is recommended that the consignee also check to ensure that such foods do not arrive in such manner.

Fresh fruit or vegetable shipments, with the exception of fresh apples, must be inspected by a USDA representative prior to unloading in accordance with contract specification. The vendor must arrange for the inspection at each delivery destination and pay any costs associated with inspection.

Out-of-Condition USDA Foods and Required Notification

When a shipment is delivered which all or a portion appears to be off-grade, out-of-condition or damaged, the RFB must do the following:

- Call ADES/CHRP before accepting the shipment and report the facts of the condition of the shipment and then receive instruction from ADES/CHRP.
- If directed by ADES/CHRP, obtain an inspection by a qualified person.

- If the inspector confirms those of the initial examination, hold the shipment and report full detail immediately to ADES/CHRP by phone.
- Document the following information and immediately email ADES/CHRP:
 - Purchase order number, contract number and sales order number
 - Railcar number and initial, piggyback trailer number, or truck/trailer identification
 - Name of shipper, origin and date of shipment
 - Quantity and description of food in shipment
 - Date and time shipment received
 - Specifically, the problem and quantity affected
 - Current status (unloaded, trailer left warehouse, etc.)
 - Cause of condition if it is obvious (e.g. damaged container, fire, temperature unit not operating, etc.)
 - Protective services provided
 - Name, title and phone number of the person who made the inspection. Note if inspection report was prepared. If so, forward a copy with this documentation
 - Name and location of carrier's agent who was notified, along with the agent's response, including time and date, and name of person making the notification
 - Specific location within the transportation conveyance
 - Person and phone number to contact regarding shipment

Await instructions from ADES/CHRP for possible disposal and replacement.

Note on BOL a brief description of the problem, referencing the full documentation was sent to ADES/CHRP.

For shipments originating from either a NMFV or a vendor, where RFB inspection and documentation indicates that all, or a major portion, of the USDA Foods in the shipment are out-of-condition, ADES/CHRP will in turn notify FNS SWRO. FNS will work to address the issue by consulting with the NMFV or Contracting Office, as applicable, to determine if the shipment is to be rejected, or if an inspection by State or local health authorities or authorized USDA agent must first be obtained to determine the condition of the USDA Foods.

If an inspection is required, ADES/CHRP must inform FNS SWRO of the RFB's inspection results so that FNS and the appropriate office can determine if the shipment should be rejected. ADES/CHRP or the RFB must also ensure that the vendor or carrier is aware of the results of the RFB's inspection, subsequent inspection by health authorities, as applicable, and the decision to accept or reject the shipment.

The vendor or carrier is responsible for the prompt removal of a rejected shipment. The cost of the inspection must be paid by the RFB if it is determined that the USDA Foods are not out-of-condition. Inspection costs must otherwise be paid by the vendor or carrier.

If there is a doubt as to the condition of the USDA Foods, or a disagreement with the vendor or carrier regarding their condition, the RFB must immediately notify ADES/CHRP, which must in turn notify FNS SWRO. FNS will consult with the Contracting Office or the NMFV, as applicable, to determine a course of action.

Any fresh fruit and vegetable delivery which fails to meet USDA specifications will be rejected by the USDA representative and Contracting Office. If any lot of fresh fruit or vegetable fails to meet the product or packaging requirements, the vendor may request in writing that USDA accept delivery of the lot. USDA, with agreement from the RFB may, at its option, accept delivery.

Accepting and Receipting Shipments

Acceptance of a Shipment

For shipments originating from a NMFV that include out-of-condition USDA Foods or that do not have the quantity of USDA Foods ordered, the RFB must accept the entire shipment, segregate unusable products, and report the loss or

shortage to ADES/CHRP, which must in turn inform FNS Western Regional Office (FNS SWRO) and request guidance on disposing of any out-of-condition foods in accordance with Section X (ten) of FNS instruction 709-5 Rev. 2, and file a complaint in WBSCM for issue tracking purposes.

For shipments originating from a vendor, if the RFB inspection indicates that some, but not a major portion, of the USDA Foods in the shipment are out-of-condition, or that there is only a minor discrepancy from the quantity of USDA Foods ordered, the RFB may accept the entire shipment and segregate any out-of-condition USDA Foods.

The RFB in turn must notify ADES/CHRP of the out-of-condition foods, as mentioned above, which must in turn notify the FNS SWRO and file a complaint in WBSCM. FNS will consult with the appropriate Contracting Office to determine a course of action. Alternatively, when the RFB inspection indicates that some, but not a major portion, of the USDA Foods are out-of-condition, the RFB has the option to immediately notify ADES/CHRP, as applicable, of the out-of-condition foods upon receipt, requesting refusal of that part of the shipment. ADES/CHRP must in turn notify the FNS SWRO and file a complaint in WBSCM. FNS will consult with the appropriate Contracting Office to determine a course of action. This course of action may lead to part of the shipment being rejected.

In the above referenced instances, ADES/CHRP must note within the WBSCM complaint that the delivery issue is being handled as a contracting matter. The WBSCM complaint will be used for trend analysis only, in order for USDA to track such issues over time and ensure the best possible service to consignees.

For latent product defects observed by the RFB after acceptance of the shipment, the RFB must notify ADES/CHRP of the out-of-condition foods, which in turn must notify FNS SWRO and file a complaint in WBSCM.

See Section X (ten) of FNS Instruction 709-5 Rev. 2 for details on the disposition and replacement of out-of-condition USDA Foods.

Delivery Receipt

The RFB must ensure that the delivery receipt (e.g., BOL) indicates the quantity of USDA Foods received, including product that is rejected at the time of receipt for being out of condition and the quantity received in good condition, before signing and dating such receipt and returning it to the vendor or carrier. The carrier, and not the RFB, is responsible for providing the vendor with the signed delivery receipt, with the exception of select bulk products for further processing (e.g., chicken), where the RFB provides grading certificates to the vendor. The signed delivery receipt must match the Goods Receipt quantity entered in WBSCM.

The RFB must email all receipting documents to CHRP within 2 business days of the receipt of each shipment.

WBSCM Goods Receipt

ADES/HRP is responsible for entering the Goods Receipt in WBSCM within two calendar days of receipt of the product. Electronic receipting within two calendar days permits expeditious notification to FNS and other parties of the receipt of the shipment and allows payment to vendors in a timely manner. The Goods Receipt must indicate the quantity received in good condition and, if applicable, the quantity received damaged or rejected.

If ADES/HRP has not entered a Goods Receipt within two calendar days of delivery and the Contracting Office has received an invoice for the shipment, the Contracting Office will enter a Goods Receipt in WBSCM in order to meet prompt payment requirements. The Goods Receipt entry will be based on vendor or carrier-provided proof of delivery documentation such as a signed BOL.

Note that if the entire shipment is rejected by the Contracting Office, no information is required or should be entered into WBSCM.

Unloading the Shipment

RFB Responsibilities

The RFB is responsible for unloading the shipment of USDA Foods and for removing and disposing of dunnage and other debris. The RFB may request reimbursement for costs associated with restacking items that arrive unpalletized or pallets that arrive poorly stacked if appropriate documentation, including photographs, is provided via ADES/CHRP to FNS SWRO before the shipment is accepted. Fees levied on the vendor or carrier (e.g., gate fees or lumper fees) are not permissible. For shipments of frozen or refrigerated foods, the RFB must ensure the freezer or refrigeration unit remains on during unloading.

For shipments originating from a NMFV, the RFB is responsible for unloading their entire order, including items that may be segregated (e.g., frozen under bulkhead), and ensuring that proper temperature is maintained.

RFBs are responsible for unloading palletized loads, even if they do not have the proper equipment to handle the pallets. In addition, RFBs should inquire at the time of delivery scheduling if any USDA direct shipments are slip-sheeted rather than palletized. RFBs are responsible for providing the proper equipment and off-loading labor for handling slip-sheeted loads. If an RFB requests or requires a driver to restock product onto pallets or perform any service in relation to unloading, the RFB should be aware that the driver will normally charge for the service and that the RFB will be responsible for any restocking or unloading charges.

Vendor or Carrier Responsibilities

All shipments originating from a NMFV will arrive on pallets that must be positioned to facilitate timely unloading of USDA Foods (e.g., no pinwheeling). The NMFV Carrier is responsible for tailgating if previously arranged with the RFB.

The vendor or carrier is responsible for shipping product on pallets or equivalent (e.g., slip sheets) that are in acceptable condition, in accordance with applicable contract specifications. If pallet exchange is desired, the vendor or carrier must arrange for pallet exchange with the RFB prior to delivery. Fees levied on the RFB (e.g., lumper fees) are not permissible.

Free Time

The RFB must complete the unloading of the shipment and removal of dunnage and other debris within the period of free time. For palletized loads, free time is up to two hours. For non-palletized loads, free time is up to six hours. USDA may make exceptions for additional free time.

Failure to complete unloading within the free time may incur a demurrage or detention charge, which the RFB is obligated to pay. Charges may be due even if the delivery arrives with no advance notice. In the event the carrier should allow less time than the free time established, USDA will pay the difference. Bills for such charges should be sent to ADES/CHRP who will forward the information to the Kansas City Commodity Office, which will review the bill and file the claim through the appropriate FNS regional office.

Split Shipments

Temperature at time of arrival and time of departure must be recorded. In addition, RFBs must record seals on the outbound shipment from the stop-off point.

Additional cost or time for unloading damaged shifted or jumbled products should be documented in the RFB's records.

When shortages in split shipments are reported at a final destination only, the stop-off RFB must provide ADES/CHRP with proof of the following when the truck departed their facility:

- Quantity – unloading documentation or a statement supporting the unloaded quantity reported
- Seals – complete inbound and outbound seal numbers
- Location – where unloading was performed
- Protection and supervision – protection and supervision given the carrier during unloading

Segregating Out-of-Condition USDA Foods

As provided in “Acceptance of Shipment”, if the RFB inspection indicates some, but not a major portion, of the USDA Foods in the shipment are out of condition, or there is only a minor discrepancy from the quantity of USDA Foods ordered, the RFB may accept the entire shipment and segregate any out of condition USDA Foods.

In such circumstances, the RFB must identify cases or other units of USDA Foods, or those USDA Foods within a case or other unit, that are out of condition, and segregate such foods from those that are in good condition, making note on the delivery documentation (e.g., BOL) as applicable. USDA Foods with cosmetic damage (e.g., small dents) should be retained for use as feasible.

Verifying Quantity of USDA Foods, Overages and Shortages

The RFB must confirm the quantity of USDA Foods received when unloading to determine if the quantity of foods delivered is the quantity ordered or if there is an overage or shortage of the quantity ordered. Any overages or shortages must be noted on the signed delivery receipt and reflected in WBSCM Goods Receipt.

For shipments originating from a vendor, when there is a shortage of the quantity ordered, ADES/CHRP should notify the FNS SWRO to address any need for additional USDA Foods or to credit entitlement TEFAP. As applicable, the FNS SWRO will work with FNS HQ to address the issue. For split shipments between two or more destinations, it is the responsibility of the RFB to unload the correct quantity at each delivery location in accordance with the Sales Orders. It is the responsibility of ADES/CHRP to make the necessary corrections in the event of an unloading error for split shipments.

For shipments originating from a National Multi-Food Warehouse that have less than the quantity of foods ordered, the RFB must notify ADES/CHRP which must in turn notify FNS SWRO and make arrangements to receive the missing product as appropriate.

Re-Sealing for Subsequent Delivery

It is the responsibility of the vendor or carrier to reseal and rebrace the truck for subsequent deliveries, such as in split shipments, or shipments originating from a NMFV. In a split shipment, the RFB, at the next delivery location, must ensure the high security seal(s) is intact and the serial number on the seal matches the number on supporting documentation. Issues related to resealing, such as broken or lacking seals, should be referred to ADES/CHRP, which must in turn refer such issues to FNS SWRO.

For questions or issues regarding re-sealing for subsequent deliveries originating from the NMFV, the consignee should contact ADES/CHRP, which must in turn contact FNS SWRO.

Delivery Service Upgrade Requests

When notified of shipments, the RFB may request upgraded delivery services or delivery to an alternate warehouse (e.g., delivery within the RFB’s premises, direct delivery tailgating or delivery to a specific room within a building. Note that such delivery terms are beyond USDA contractual requirements.

Any negotiations to upgrade services are between the vendor or carrier and RFB and any additional charges for special delivery terms are between RFB and the vendor or carrier. Any charges invoiced to USDA for additional delivery services will be denied.

Required Records and Retention

The RFB must maintain documentation of:

- The serial number of the high security seal(s)
- The temperature of a freezer or refrigerated truck or trailer upon arrival
- The result of any inspections by State or local health authorities or USDA certification agent to determine the condition of USDA foods

- The disposition of USDA Foods received out-of-condition, including, as applicable, the destruction of such foods, or a signed salvage receipt for the vendor or carrier

All records must be retained for a period of five (5) years from the close of the fiscal year to which they pertain.

Disposal and Replacement of Out-of-Condition Foods

Disposition of Out-of-Condition Foods

For shipments originating from a NMFW, if the shipment has already been accepted, the RFB must contact ADES/CHRP, which must in turn contact FNS SWRO for guidance in disposing of any out-of-condition foods.

For shipments originating from a vendor that are found to contain out-of-condition USDA Foods, after taking the necessary steps provided in "Out of Condition USDA Foods and Required Notification", the RFB must provide the vendor or carrier with the opportunity to remove such out-of-condition USDA Foods for salvage. If the vendor or carrier chooses to remove such USDA Foods, the RFB must obtain a signed salvage receipt or equivalent and provide it to FNS via ADES/CHRP, upon request.

If the vendor's shipment has already been accepted and the vendor or carrier is unwilling to remove such foods, it is the responsibility of the RFB to destroy or otherwise dispose of the out-of-condition USDA Foods, in accordance with State or local requirements pertaining to food safety and health. Out-of-condition USDA Foods may NOT be used in any USDA food assistance programs. Any USDA markings must be obliterated if the product is salvaged for other use. **HRP-1003A Commodity Disposal Report (CDR)** See Section 12: "Disposal Rules and Procedures" for complete information.

Replacement of Out-of-Condition Foods

For shipments originating from a NMFW that contain out of condition foods, the RFB must work with ADES/CHRP, which must in turn work with FNS SWRO to make arrangements to receive replacement product, as appropriate.

For shipments originating from a vendor the vendor is responsible for replacing USDA Foods shipments that are rejected by the Contracting Office in full or those USDA Foods that are delivered out-of-condition in an accepted shipment. Such replacement must be in-kind, unless FNS approves similar replacement.

In certain limited cases, FNS, working with the appropriate Contracting Office, may pursue a claim against the vendor to the relevant Federal agency for payment of the value of the USDA Foods in lieu of physical replacement of the USDA Foods. The RFB must contact ADES/CHRP, which must in turn contact FNS SWRO to make arrangements to receive replacement product, as appropriate (7 CFR, §250.11).

Claims Against Vendor or Carrier

As applicable, FNS, in coordination with the appropriate Contracting Office, will pursue claims against vendors or carriers, as necessary, to ensure replacement of USDA Foods delivered out-of-condition, in accordance with FNS Instruction 420-1, "Managing Agency Debts."

Reimbursement for Expenses

The RFB may request from FNS SWRO, through ADES/CHRP, reimbursement for expenses incurred in unloading, storing, inspecting, or disposing of USDA Foods that are delivered out-of-condition. In making such request for reimbursement, the RFB must use **USDA form FSA-21, "Public Voucher - Commodity Programs,"** which must be submitted to FNS SWRO via ADES/CHRP.

TEFAP Section 11: Receiving Local Donations into TEFAP

RFBs are encouraged to solicit local donations to supplement commodities provided by the USDA.

Receipt and Distribution Procedure

RFBs are not required to obtain approval before accepting local donations and counting them as TEFAP inventory. However, ADES/CHRP reserves the right to reject items that are not nutritious and wholesome to be counted as TEFAP inventory.

Local donations that RFB inventory as TEFAP product must be treated like TEFAP product, which cannot be sold, bartered or traded.

Local donations that RFBs inventory as TEFAP product may be distributed with USDA commodities or in conjunction with other programs. However, all guidelines and procedures outlined in the distribution of USDA commodities must be followed in the distribution of these products (See TEFAP Section 8 of this manual.)

Receiving USDA Commodities as Donations

USDA commodities are sometimes returned as donations from individual recipients and other agencies. When USDA commodities are returned as donations, the RFB should, if at all practical, mark out with a black felt pen the USDA marking except for the name of the product itself. When this is complete, the RFB may use the product the same as any other product received as a donation.

TEFAP Section 12: USDA Commodity Storage and Inventory

Federal Regulatory Storage Requirements

Storage Facilities

- RFBs, DSs, and CMSs must provide facilities for the handling, storage, and distribution of USDA foods which:
- Are sanitary and free from rodent, bird, insect and other animal infestation
- Safeguard against theft, spoilage, and other loss
- Maintain foods at proper storage temperatures
- Stock and space foods in a manner so that USDA-donated foods are readily identified
- Store donated food off the floor in a manner to allow for adequate ventilation
- Take other protective measures as may be necessary (7 CFR, §250.14)

ADES/CHRP and RFBs must make sure that storage facilities have any Federal, State, and local health inspections and approvals that are required and that all are current (7 CFR, §250.14). RFBs and DSs should check within their county for required inspections and approvals. RFBs must also ensure all storage facilities support compliance with food recall procedures.

Commercial Storage Facilities Contracts

Contracts for commercial storage facilities shall be effective for no longer than five years, including option years to extend the contract. Before exercising option years after the fifth year, the storage facility must update all pertinent information and demonstrate that all USDA food received during the previous contract period has been accounted for (7 CFR, §250.14).

Contracts with storage facilities must contain, at a minimum:

- An assurance that the storage facility will be maintained in accordance with the specifications listed above in "Storage Facilities"
- Evidence that donated food will be clearly identified
- Assurance that annual physical inventory will be conducted, and inventory records maintained by the RFB
- Beginning and ending dates of contract
- Provision for immediate termination of contract due to non-compliance

- Provision for termination of contract for cause by either party upon thirty-days (30 days) written notice
- Amount of insurance coverage for stored food items
- Express written consent for inspection and inventory by ADES/CHRP, RFB, the Comptroller General or the USDA (7 CFR, §250.14)

Arizona Specific Storage Requirements

RFBs must adhere to the following requirements, as specified by ADES/CHRP per Arizona’s Health and Safety Codes:

- All food must be stored, transported, and served so as to be pure, free from contamination, adulteration and spoilage, and protected from vermin
- Food facilities must at all-times be so constructed, equipped, maintained, and operated as to prevent the entrance of vermin, rodents, insects, etc.
- Food facilities must be kept clean and free of litter, rubbish, contaminant, pollutants, etc.
- Food must be stored under climate-controlled conditions in accordance with guidelines printed and distributed by ADES/CHRP
- Food must be placed no closer than six inches to walls, dividers, or other barriers to permit air to flow around stacking of cases. Additional spacing may be allowed to provide access to product
- When not palletized, food must be stored off the floor, e.g., on shelves, racks, 2” by 4”s, or larger wooden boards
- All food products must be stored away from non-food items that may contaminate food, such as cleaning products, insecticides, rat poison, etc.

FIFO: RFBs must implement a system of stock rotation that assures the oldest stock is issued to recipients before more recent stock is issued; often referred to as “first in, first out.”

RFBs must implement an inventory procedure to check physical count and condition for all movement of USDA foods in and out of storage locations. Food items found to be lost, stolen, or out-of-condition must be identified during the inventory and reported by the RFB to ADES/CHRP.

Inventory

Inventory Management

TEFAP USDA Foods must be stored in a manner that permits them to be distinguished from each other and non-USDA Foods in storage. RFBs must maintain a separate inventory record for TEFAP USDA Foods.

Inventory management systems must ensure that all USDA Foods are distributed to participants in a timely manner that permits use of the commodities while still in optimal condition.

RFBs must distribute TEFAP commodities within five (5) months of the receipt of the shipment.

Annual Inventory Count

A physical inventory of ALL USDA Foods must be conducted at least annually at each commodity storage and distribution site. RFBs must send the results of the physical inventory to ADES/CHRP for reconciliation with inventory records. ADES/CHRP and recipient agencies are required to keep the results of the physical inventory on file, in accordance with Section 14 “Record Keeping and Reporting” of this manual.

Inventory Records

RFBs must maintain records to document the receipt, disposal, and inventory of commodities received (7 CFR, §251.10)

RFBs must maintain accurate and complete records with respect to the receipt, distribution/disposal and inventory of USDA foods, including end products processed from donated foods, and with respect to any funds that arise from the

operation of the distribution program, including refunds made to RFBs by processors. All entities that contract with RFBs must also maintain such records (7 CFR, 250.16).

RFBs are responsible for documentation of the physical movement and receipt of all commodities between RFB locations and DSs.

Excessive Inventory

ADES/CHRP must determine if an RFB's inventory is excessive based on the rate of distribution, anticipated distribution, and other concerns such as logistical and economic considerations (7 CFR, §250.14).

In no case may the inventory level of each donated item in storage exceed a six-month (6 month) supply for TEFAP, unless the RFB submits justification to ADES/CHRP for additional inventory and obtains approval.

ADES/CHRP shall take corrective action to ensure that excess inventory at all levels is eliminated and shall document actions taken (7 CFR, 250.14).

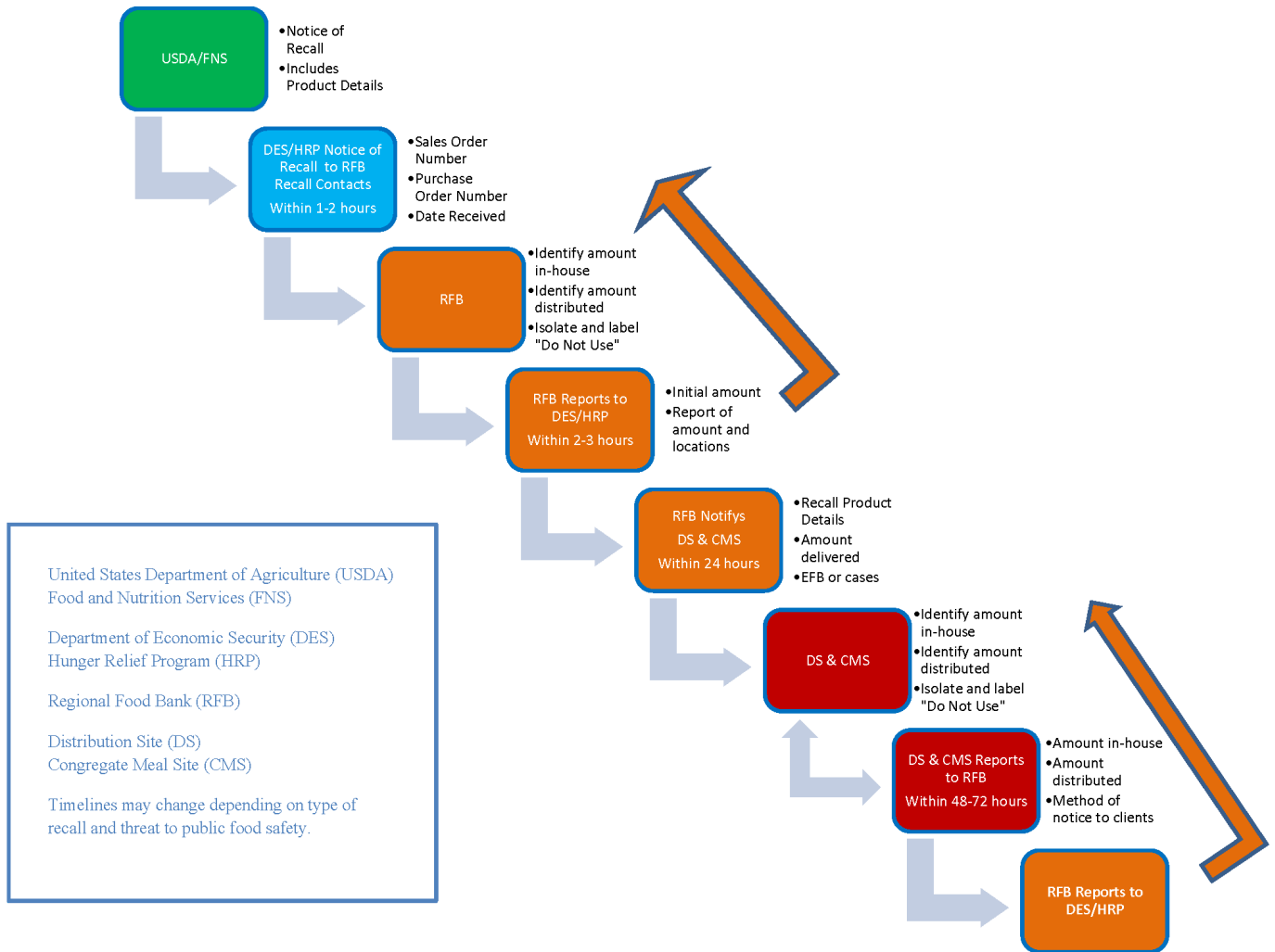
Inventory Shortages

In the case of an inventory shortage, ADES/CHRP need not take any further claims actions against the RFB when:

- The loss of any one commodity does not exceed one percent of the total quantity of USDA foods distributed or utilized from any single storage facility during the fiscal year in which the loss occurred, or during the period for which an audit was conducted by USDA or ADES/CHRP (as approved by USDA)
- The cause of the shortage cannot be established
- The lost donated foods were held in non-commercial storage or other facilities owned or operated by ADES/CHRP or an RFB
- There is no indication that the loss was the result of negligence or continued inefficiency in operations

The factual basis for not taking action is subject to review by USDA (7 CFR, §250.15).

Recall Procedure



Replacement of Commodities by RFB

This information applies to both Theft and Vandalism and Spoiled or Out-of-Condition Food.

In the event of loss of USDA commodities due to improper storage, improper distribution and/or use, neglect, or damage at the fault of the RFB, the RFB will be responsible for full replacement of the USDA commodities. Replacement may be either food of similar type and quality, or cash payment to TEFAP.

If the value of the loss of commodities is less than \$2,500, ADES/CHRP has the discretion to determine whether or not the RFB must replace the loss, by either similar replacement or cash payment. If the value of the loss of commodities is greater than \$2,500, USDA will determine the RFB's obligation and method of replacement.

USDA Commodity Transfers to Other RFBs

RFBs may transfer USDA commodities only after receiving approval from USDA/FNS or ADES/CHRP.

When an RFB wants to transfer TEFAP commodities to another RFB for use in the same USDA program (e.g. TEFAP transfer for TEFAP use), the RFB must submit a transfer request to ADES/CHRP for approval. ADES/CHRP will review the request and inform the initiating RFB of the decision. Both transferring and receiving RFBs must complete the same **HRP-1007A Commodity Transfer Report** and document in the appropriate monthly reporting.

Commodity Losses, Spoilage and Out-of-Condition Food

RFBs must provide facilities for USDA foods that are safe against theft and other loss (7 CFR, §250.14).

**Take several photos to document losses. Photos are to be submitted to DES.*

Liability

Upon the occurrence of any event creating a claim in favor of ADES/CHRP against an RFB, warehouseman, carrier, or other person, for the improper distribution, use, or loss of, or damage to USDA foods, ADES/CHRP must take action to obtain recovery (7 CFR, §250.15).

Theft or Vandalism

To prevent loss due to theft or vandalism, it is important that storage areas be secured. RFBs must implement procedures and controls to meet security needs according to the accessibility and design of the storage facilities. Control procedures must be open and visible to the public and staff. Upon discovery of a theft or loss due to vandalism or other criminal act, the RFB must:

- Immediately, file a police report
- Notify ADES/CHRP by phone for specific instructions
- Complete **HRP-1001A USDA Commodity Loss Report (CLR)** and email to ADES/HRP
CoordinatedHungerReliefProgram@azdes.gov **For DSs, HRP-1001A should be completed and sent to the RFB*

Spoiled or Out-of-Condition Food

USDA food must not be disposed of without approval of the USDA (7 CFR, §250.13). If USDA foods go out-of-condition for any reason, the DS and/or RFB must:

- Set the product aside to isolate it from other product
- Notify RFB (if DS) and/or ADES/CHRP (if RFB) by phone as soon as the discovery is made
- Complete **HRP-1001A USDA Commodity Loss Report (CLR)** and email to ADES/HRP
CoordinatedHungerReliefProgram@azdes.gov **For DSs, HRP-1001A should be completed and sent to the RFB*

Do not dispose of out-of-condition food until instructed to do so.

Once an RFB obtains approval, **HRP-1003A Commodity Disposal Report (CDR)** must be completed and sent to ADES/CHRP. See “Disposal Rules and Procedures” for details.

Disposal Rules and Procedures

USDA commodities must not be sold, exchanged, or disposed of without approval of USDA (7 CFR, §250.13). Therefore, RFBs may not dispose of any USDA commodities at their own discretion. RFBs must get written authorization from ADES/HRP to dispose of USDA commodities.

Any product to be disposed of is also considered a commodity loss.

To obtain authorization to dispose of product that is out-of-condition, the RFB must:

- Set aside or appropriately isolate the out-of-condition product from other products. RFBs must exercise special care in isolating infested or contaminated food away from other product. Affected product must not be accessible to the public
- Call ADES/CHRP for further instructions.
- Complete **HRP-1003A USDA Commodity Loss Report (CLR)** and email to ADES/HRP
CoordinatedHungerReliefProgram@azdes.gov .

Certification from a local public health official or a USDA inspector may be required prior to disposal.

Disposal Procedures

Upon written authorization from ADES/CHRP to dispose of the product, the RFB must either:

- Render the affected product unfit for human consumption by mixing it with dirt and burying it in a landfill
- Donated the affected product to be used as livestock feed
- Transfer the affected product to a successful bidder or vendor specified by ADES/CHRP or USDA
- Send the affected product to a composting center

If the product will not be donated as livestock feed or transferred to a vendor, the RFB must ensure that affected product is properly disposed of and does not find its way to the public through scavengers. If affected food does find its way to the public and proper procedures have not been followed, the RFB may be held liable. This also means that affected product must be secure while awaiting disposal authorization and procedures.

Disposal Records

RFBs must maintain documentation for each authorized disposal (7 CFR, §251.10). RFBs must also record disposed product on the Monthly Statistical Report submitted to ADES/CHRP. HRP-1003A is considered backup documentation to the monthly statistical inventory report. Therefore, the RFB must retain one copy of HRP-1003A for inventory audit purposes. ADES/CHRP will forward a copy of HRP-1003A to the USDA.

TEFAP Section 13: Record Keeping and Reporting

Records

Required Records

RFBs must maintain accurate and complete records with respect to the receipt, distribution/ disposal and inventory of USDA foods, including end products processed from USDA foods, and with respect to any funds, which arise from the operation of the distribution program, including refunds made to RFBs by processors. All entities that contract with RFBs, including DSs, must also maintain such records (7 CFR, 250.16 & 251.10).

RFBs must maintain ADES/HRP–required fiscal and accounting records documenting the amount of funds received and costs incurred. These records must be maintained in accordance with generally accepted accounting principles.

RFBs must maintain the following records:

- Number of program participants by program, by month, by county
- The receipt, disposal, distribution, and inventory of commodities
- The receipt and disbursement of administrative funds and other funds
- Eligibility determinations, participant demographics, fair hearings, and other program activities
- The use of loss of or damage to commodities
- Results obtained from the pursuit of claims arising in favor of ADES/CHRP or the RFB

Records must be retained for a period of five (5) years from the end of the fiscal year to which the records pertain. Records related to unresolved claims actions, audits or investigations must be retained until the unresolved activity is completed.

All records must be available during normal business hours for use in management reviews, audits, investigations or reports due to the Federal or State government (7 CFR, §247.29(a), and §251.10(4)).

RFB Required Reports

Reports are to be completed as of last business day of the reporting month and must be sent to ADES/CHRP by the 15th of the following month. If the 15th lands on a weekend, RFBs may submit them the following Monday.

ADES/CHRP requires RFBs to submit the following reports:

Monthly

- **HRP-1012A Food Distribution Monthly Statistical Report**
- TEFAP Monthly Commodity Inventory Report
- TEFAP Monthly ADES Produce Report
- (As Needed) Corrective Action Plan Status or Completion Reports.
 - RFBs must submit to ADES/CHRP status or completion reports monthly, or as scheduled, according to corrective action plans required as the result of a processed complaint, monitoring report, review report, or as requested by ADES/CHRP

Quarterly (Oct, Jan, Apr, July)

- Recipient Agency List

Annually

- Current certificates of insurance
- TEFAP Client Survey results
- **HRP-1027A USDA Compliance Review(s)**

Post-Conduction

- Copy of Feeding America audit (within 30 days of receipt)

As Needed

- **HRP-1014A Civil Rights Complaint / Grievance**
- **HRP-1001A USDA Commodity Loss Report (CLR)**
- **HRP-1003A Commodity Disposal Report (CDR)**
- **HRP-1007A Commodity Transfer Report**
- **HRP-1017A Request to Terminate USDA Distribution Site**

Distribution Site Required Reports

Specific reporting requirements for DSs are as follows:

Monthly

- **HRP-1005A TEFAP Monthly Inventory and Participation Report (MIPR) - Distribution Sites**
- **HRP-1013A The Emergency Food Assistance Program Household Distribution Site Sign-In Sheet** (if not using Link2Feed)

Annually

- **HRP-1040A Annual USDA Commodity Food Service Application and Agreement Between Regional Food Bank and Distribution Site**
- **HRP-1015A Annual Civil Rights Training**

As Needed

- **HRP-1003A Commodity Disposal Report**
- **HRP-1001A USDA Commodity Loss Report**
- **HRP-1016A Volunteer Confidentiality**
- **HRP-1014A Civil Rights Complaint / Grievance**

TEFAP Section 14: Administrative Funding, Usage and Accounting

Use of Funds

Administrative funds are used to ensure the efficient and effective operation (administration) of the program (7 CFR, §247.25(a) & §251.8(e)(2)). RFBs must maintain ADES/CHRP required fiscal and accounting records documenting the amount of funds received and costs incurred. These records must be maintained in accordance with generally accepted accounting principles.

RFBs must submit the ADES/CHRP Contractor's Invoice and Statement of Expenditures form monthly.

Allowable Use

Direct and indirect allowable costs for expenses, as outlined in Federal regulations, include:

- Intrastate transportation, storage, handling, distribution, repackaging, and processing
- Salaries of persons directly administering program and program-related expenses
- Fringe benefits and travel expenses
- Rent and utilities
- Accounting, auditing, and other administrative services
- Computer services
- Costs related to providing program services to DSs subcontracted to primary RFBs, i.e., technical assistance workshops
- Costs associated with determination of eligibility, verification, and documentation
- Costs associated with providing information to persons receiving USDA commodities regarding proper storage and preparation
- Costs for publications about times and locations of distributions (7 CFR, §250.15 & §251.8; Final Rule, Sec. 251.8)
- Meals provided to volunteers (i.e., non-salaried staff) for services rendered during the distribution of USDA commodities. Meal cost must be reasonable (reflect the cost of an average meal) and adequately documented with volunteer's name, hours worked, receipts, invoices, or other evidence of the cost of providing meals, and the volunteer's signature for each meal received (FNS Instruction 716-3)

Distribution charges shall not be based on a percentage of the value of the commodities distributed (7 CFR, §250.15).

An RFB may not rent equipment from itself, but it may charge a use fee or a depreciation allowance in accordance with Internal Revenue Service guidelines and generally accepted accounting principles (see Federal Office of Management and Budget (OMB) Circular A-87 for details).

TEFAP funds can be used for processing, transporting, storing, handling, repackaging, and distributing both USDA and non-USDA food. Use priority should be for USDA food, however. Interstate expenditures are also allowed, even before the agency receives commodities, as long as commodities are earmarked for the agency (Final Rule, Sec. 251.8). RFBs must obtain prior approval from ADES/CHRP before claiming these costs. Only costs approved by ADES/CHRP will be allowable for reimbursement.

Capital Expenditures

RFBs must keep separate accounting records for all capital expenditures. These records must be easily accessible for review by ADES/CHRP and USDA staff.

Equipment purchased with TEFAP monies becomes the property of USDA and may not be given, traded, or sold without permission from ADES/CHRP.

Capital expenditures, including the acquisition of facilities or equipment or enhancements to such capital assets, with a cost per unit of \$5,000 or more require **prior approval** from USDA/FNS before the funds can be spent (7 CFR 247.25(c)).

An Equipment Inventory Form must be completed and submitted within 30 days of the acquisition of new equipment purchased with CSFP funds and submitted annually thereafter every July. Examples of equipment include, but are not limited to automated information systems, automated data processing systems, and other computer hardware and software.

Procurement Procedures

When procuring property, equipment, or services with program funds, or disposing of property or equipment purchased with program funds, ADES/CHRP and RFBs must use the procedures identified in 2 CFR Part 200, as appropriate. ADES/CHRP and RFBs are authorized to use procurement procedures established by the State or RFB, insofar as the State or RFB procedures do not conflict with Federal regulations.

Federal regulations do NOT relieve ADES/CHRP or RFBs from their respective responsibilities as established in contracts relating to the procurement of property, equipment or services.

ADES/CHRP is the responsible authority regarding the settlement of all contractual and administrative issues arising from procurements related to TEFAP.

Program Income

Program income is income directly generated from program activities (7 CFR § 247.25 (e)). Program income includes revenue from activities such as the sale of packing containers or pallets and the salvage of commodities. Program income does not include interest earned from administrative funds.

ADES/CHRP and RFBs must use program income for allowable costs supporting TEFAP operations.

Funds Recovered from Claims Actions

ADES/CHRP must use program funds recovered as a result of claims actions against RFBs in accordance with 7 CFR § 250.15(c), which addresses the replacement of recalled USDA Foods and reimbursements for specific costs related to handling USDA Foods recalls.

7 CFR § 250.15(c): DESC/HRP, RFBs and DSs, as appropriate, must follow all applicable Federal, State and local requirements for USDA Foods subject to food recall. In the event of a recall, USDA and all other responding parties provide guidance, procedures and instructions for the replacement of recalled USDA Foods and reimbursement of specific costs incurred as a result of such actions.

ADES/CHRP must use program funds recovered as a result of claims actions against participants for allowable program costs. RFBs are authorized to use such funds for allowable program costs at the local level.

Surplus Funds

If by the end of the fiscal year ADES/CHRP has not obligated all allocated administrative funds, ADES/CHRP must return the unobligated funds to USDA/FNS.

Financial Management Requirements

ADES/CHRP and RFBs must maintain a financial management system that is in compliance with Federal regulations contained in 2 CFR Part 200, as appropriate. The ADES/CHRP system must provide accurate, current, and complete disclosure of the financial status of the program, including an accounting of all program funds received and expended during each fiscal year. In addition to other requirements, the ADES/HRP financial management system must provide for:

- Prompt and timely payment of allowable costs

- Timely disbursement of funds to RFBs
- Timely and appropriate resolution of claims and audit findings
- Maintenance of records identifying the receipt and use of:
 - Administrative funds
 - Funds recovered as a result of claims actions
 - Program income
 - Property and other assets procured with program funds

RFBs must develop, implement, and maintain a financial management system that allows the RFBs and ADES/CHRP to meet all Federal requirements in addition to the requirements outlined in this section.

Program Audits

Audits are used to ensure that financial operations are properly conducted, financial reports are fairly presented, proper inventory controls are maintained, and all applicable laws, regulations and administrative requirements are being followed.

USDA may conduct an audit of ADES/CHRP or RFBs at any time, while ADES/CHRP may conduct an audit of RFBs at any time. Audits may include reviews of financial documents, policies, and practices, as applicable to the specific area of concern.

Auditees must provide access to any records or documents related to the program and must ensure that all audit reports are kept available for USDA/FNS or ADES/CHRP review.

When deficiencies (i.e., audit findings or recommendations) are identified, the auditee must submit a response to the auditor describing the actions planned or taken to address deficiencies. The auditor reviews the response to ensure it adequately addresses the deficiencies. If additional actions are needed, the auditor will schedule a follow up review and allow sufficient time for further corrective actions.

Auditees have the right to take exception to particular identified deficiencies. All audits must be conducted in compliance with 2 CFR Part 200.

TEFAP Section 15: Compliance Monitoring and Accountability

USDA Reviews

The FNS of USDA reviews State agencies, RFBs and distribution sites at random. Frequently, these are unannounced visits of which neither ADES/CHRP nor RFBs are notified in advance.

With FNS approval, site reviews conducted by the FNS SWRO may be counted toward the total number of reviews that ADES/CHRP is required to perform annually.

The Secretary, the Comptroller General of the United States, or any of their duly authorized representatives, may:

- Inspect and inventory USDA Foods in storage
- Inspect the facilities used in the handling or storage of such donated foods
- Inspect and audit all records, including financial records, and reports pertaining to the distribution of USDA Foods
- Review or audit the procedures and methods used in carrying out the requirements at any reasonable time (7 CFR, §250.18)

ADES/CHRP Reviews of RFBs

ADES/HRP has established a management review system to ensure that all agencies conducting TEFAP program activities meet program requirements and objectives. During the onsite review, ADES/CHRP evaluates all aspects of program administration, including eligibility/certification procedures, nutrition education, civil rights compliance, food storage practices, inventory controls and financial management systems.

ADES/HRP reviews of ERAs and distribution sites must include:

- Eligibility determinations, including a review of RFB procedures and controls to ensure that distribution sites are complying with eligibility guidelines and notifications
- Food ordering procedures
- Storage and warehousing practices, including inspection of off-site and/or commercial storage facilities, for adequacy of space, pest control, health and safety requirements, and storage and handling procedures
- Inventory controls, including review of perpetual inventory records, records of issuance to and return from distribution sites, physical inventory counts, and records of receipt by eligible signatures on either Link2Feed or sign-up sheets
- Approval of distribution sites to ensure proper and equitable selection of sites to meet the needs of the population
- Reporting and recordkeeping requirements, including review of accounting records and documentation in support of claims submitted
- Civil rights and nondiscrimination procedures (Final Rule, §251.10)
- Evaluation of program outreach, advertising, and notification methods to ensure that all eligible recipients are advised of distribution times and locations
- Evaluation of compliance with household participation data collection and reporting requirements

ADES/CHRP also evaluates program administration on an ongoing basis by reviewing financial reports, audit reports, food orders, inventory reports and other relevant information. ADES/CHRP compliance reviews are an on-going process. ADES/CHRP may conduct documented reviews of RFBs and DSs as often as once every fiscal year.

The minimum Federal requirement of ADES/CHRP reviews of RFBs and DSs must be conducted during actual distribution of commodities or meal service, and eligibility determination (Final Rule, Sec. 251.10). ADES/CHRP may, at its discretion, also review distribution sites and meal service sites at times other than during distributions.

ADES/CHRP is required to monitor the operation of TEFAP to ensure that it is being administered in accordance with Federal and State requirements. ADES/CHRP must review, at a minimum, 25 percent of all RFBs that have an agreement with ADES/CHRP annually and review all such RFBs at least once every four years. Of the RFBs that have agreements with DSs, ADES/CHRP must review one-tenth or twenty, whichever is fewer, each year (Final Rule, Sec. 251.10).

Deficiencies

When a deficiency is found, ADES/CHRP must record all deficiencies identified during the review and institute follow-up procedures to ensure that RFBs or DSs correct all deficiencies within a reasonable period of time. To ensure improved program performance in the future, ADES/CHRP may require that RFBs adopt specific review procedures for use in reviewing their own operations and those of contractors.

ADES/CHRP must provide copies of review reports to USDA/FNS upon request. ADES/CHRP must only submit a report of findings to RFBs if a deficiency is found. In such cases, ADES/CHRP will produce a report for the RFB that includes a description of each deficiency found and contributing factors, requirements for corrective actions, and timetable for completion of corrective action (Final Rule, §251.10).

RFB Reviews of Distribution Sites/Congregate Meal Sites

RFBs are required to conduct annual monitoring and review visits of their distribution sites each year using the form **HRP-1027A USDA Compliance Review** or **HRP-1011A TEFAP Compliance Review Report (CRR) - Congregate Meal Site**. The distribution site must demonstrate compliance with Federal and State regulations and requirements.

RFB review of distribution sites must include all of the same elements as listed above for ADES/CHRP reviews of RFBs. Additionally, it must also include the following:

- Ensure that proper signage is prominently posted (“And Justice for All,” ADA 504 Notice and Eligibility Guidelines)
- Evaluation of distribution rates to ensure that commodities are being distributed in equitable proportions based on household size; and
- Ensure that unrelated activity is being conducted in accordance with Federal regulations

Results of the RFB review of DSs are to be reported to ADES/CHRP via **HRP-1027A USDA Compliance Review**.

Corrective Action Plans

Any RFB or DS that fails to comply with any Federal regulation or program requirement must submit a corrective action plan to ADES/CHRP for approval. ADES/CHRP will issue instructions related to the proposed plan and/or monitor the implementation of the plan for correction. RFBs are required to respond to any findings that require correction within thirty (30) days of receipt of the corrective action report.

Accountability

ADES/CHRP Accountability

ADES/CHRP is accountable to USDA for the proper recording and usage of all TEFAP funds and commodities allocated to the State of Arizona.

RFB Accountability

RFBs are accountable to ADES/CHRP and USDA for adherence and compliance with all laws, rules, regulations, policies, and procedures set forth by USDA or ADES/CHRP in manuals, letters, and other correspondence.

When not specifically outlined in Federal regulation or State policy, RFBs should follow generally accepted, industry-wide practices for recordkeeping, storage, warehousing, inventory, and other responsibilities of the RFB.

An RFB subcontractor is equally accountable to ADES/CHRP for compliance and adherence to all laws, rules, regulations, policies, and procedures set forth by USDA or ADES/CHRP in manuals, letters, and other correspondence, as is any RFB.

Distribution sites are accountable to the RFB, ADES/CHRP and USDA, although routine program direction and guidance will normally be issued by the RFB. In the event of an emergency, ADES/CHRP or USDA may intercede as necessary.

TEFAP Section 16: Forms

ADES/CHRP Forms

ADES/CHRP creates and provides forms that must not be altered except with approval from ADES/CHRP. RFBs and DSs complete the forms and submit to the identified parties. Please note that all reports and forms are subject to an on-going review and may be revised at any time.

All forms may be downloaded from the ADES [Documents Center](https://des.az.gov/documents-center) (des.az.gov/documents-center) under the filter category “Hunger Relief”

Report Forms

HRP-1001A	USDA Commodity Loss Report (CLR)
HRP-1003A	Commodity Disposal Report (CDR)
HRP-1005A	TEFAP Monthly Inventory and Participation Report (MIPR) Distribution Site
HRP-1007A	Commodity Transfer Report
HRP-1011A	TEFAP Compliance Review Report (CRR) – Congregate Meal Site
HRP-1012A	Food Distribution Monthly Statistical Report
HRP-1012B	Food Distribution Monthly Statistical Report Instructions

Operations Forms

HRP-1013A	The Emergency Food Assistance Program Household Distribution Site Sign-In Sheet
HRP-1015A	Annual Civil Rights Training
HRP-1016A	Volunteer Confidentiality
HRP-1017A	Request to Terminate USDA Distribution Site
HRP-1027A	USDA Compliance Review
HRP-1040A	Annual USDA Commodity Food Service Application and Agreement Between Regional Food Bank and Distribution Site

Participant Forms

HRP-1014A HRP-1014A-S	Civil Rights Complaint / Grievance
HRP-1026A HRP-1026A-S	USDA Beneficiary Referral Request
HRP-1028A HRP-1028A-S	Application for Benefits (TEFAP, CSFP)

Flyers and Posters

HRP-1022A	Food Assistance Programs – Nutrition Assistance (English/Spanish)
HRP-1023A	Food Assistance Program – The Emergency Food Assistance Program (TEFAP)
HRP-1048A HRP-1048A-S	The Emergency Food Assistance Program (TEFAP)
HRP-1050A HRP-1050A-S	The Emergency Food Assistance Program (TEFAP) Written Notice of Beneficiary Rights

Other

Equipment Inventory Form	*Obtain this from the assigned DES Contract Specialist
--------------------------	--

State Contact Information

Use of Manual

Terms and Acronyms

State and Federal Resources

CSFP Section 1: Program Description and History

The Commodity Senior Food Program

CSFP Section 2: State Plan and Program Administration

State Plan

Program Administration Responsibilities

CSFP Section 3: Caseload Allocation

Caseload Allocation

CSFP Section 4: Recipient Organization Eligibility

Recipient Organization Eligibility

CSFP Section 5: Organizational Contracts, Agreements and Terminations

Contract Between USDA and ADES/CHRP

Agreements Between ADES/CHRP and RFBs

Agreements Between RFBs and Distribution Sites

Transfer of Responsibility

Termination of Agreement Between ADES/CHRP RFB

CSFP Section 6: Civil Rights Requirements

Regulations Regarding Protected Bases

Public Notification

Limited English Proficiency (LEP)

Civil Rights Training

Complaints and Reporting

Complaint Timeline

CSFP Section 7: Participant Eligibility Criteria

Participant Eligibility Criteria

CSFP Section 8: Certification Process

Certification Period

Proxies

Written Notifications

Certification Timeline Table

CSFP Section 9: Distribution Guidelines and Procedures

Distribution

Unrelated Activity

CSFP Section 10: Nutrition Education

ADES/CHRP Requirements

RFB Requirements

CSFP Section 11: Participant Data Collection and Confidentiality

Link2Feed
Confidentiality
Data Collection

CSFP Section 12: Program Violations and Fair Hearing Process

Program Violations
Fair Hearing Process

CSFP Section 13: Claims Regarding CSFP Commodities

Claims Against the State and RFBs
Claims Against Program Participants

CSFP Section 14: Shipment and Receipt of USDA Foods

Shipping and Notifications
Delivery
Inspecting the Shipment
Accepting and Receipting Shipments
Unloading the Shipment
Disposal and Replacement of Out-of-Condition Foods

CSFP Section 15: USDA Commodity Storage and Inventory

Federal Regulatory Storage Requirements
Arizona Specific Storage Requirements
Inventory
Recall Procedure
Commodity Losses, Spoilage and Out-of-Condition Food
Disposal Rules and Procedures

CSFP Section 16: Record Keeping and Reporting

Records
RFB Required Reports
Distribution Site Required Reports

CSFP Section 17: Administrative Funding, Usage and Accounting

Use of Funds
Financial Management Requirements
Program Audits

CSFP Section 18: Compliance Monitoring and Accountability

USDA Reviews
ADES/CHRP Reviews of RFBs
RFB Reviews of Distribution Sites/Congregate Meal Sites

CSFP Section 19: Forms

ADES/CHRP Forms

State Contact Information

State Agency: Arizona Department of Economic Security (ADES)
Division of Aging and Adult Services (DAAS)
Coordinated Hunger Relief Program (CHRP)

Address: 1789 W. Jefferson Street, Mail Drop 6282
Phoenix, AZ 85007

Email: CoordinatedHungerReliefProgram@azdes.gov

Program Manager: Gloria Garcia-Hernandez (480) 521-5700
Program Specialist: Laura Walsh (480) 387-9096
Inventory Specialist: Art Hernandez (480) 406-8615

Use of Manual

The Arizona Department of Economic Security (ADES) Coordinated Hunger Relief's (CHRP) Commodity Senior Food Program (CSFP) Policy and Procedure Manual is intended for the use of Regional Food Banks (RFBs), and their agency distribution sites (DSs) that participate in the distribution of the United States Department of Agriculture (USDA) commodity distribution. The purpose of this manual is to serve as a guide for the Code of Federal Regulations (CFRs), Federal and Nutrition Service (FNS) policies pertaining to CSFP as well as outline discretionary state policies and procedures for program implementation by RFBs and DSs.

The Code of Federal Regulations (CFR) (TITLE 7 CFR, Subtitle B, Chapter II, Subchapters A & B, Part §247) outlines the government program requirements for CSFP. Throughout this manual, parenthetical notations are provided for all references to Federal Regulations.

You may call the CHRP TEFAP and CSFP Program Specialist for further clarification.

The CFRs can be found at <https://www.ecfr.gov>

This Policy and Procedure Manual is a living document in that it contains current CSFP program policies and procedures required by the USDA and ADES. CHRP may clarify or add policies and procedures as situations arise in the field that prompt the need for further interpretation and/or greater program structure or if any changes in CFRs occur. In keeping with the CFR approach toward simplification and flexibility, this manual, in some instances, provides the spirit of certain policies and procedures rather than dictations as to how to meet the law to allow for discretion at the local level. ADES/CHRP's primary mission is to distribute USDA commodities to the agencies, households and individuals in need of food assistance and to treat our participants with dignity and respect.

It is the responsibility of the RFB to:

- Read this manual carefully and apply the policies and procedures herein with good judgement
- Stay current with subsequent ADES/CHRP policy and information notices issued after the creation of this manual and adhere to the policies and procedures therein
- Contact the ADES/CHRP TEFAP and CSFP Program Specialist when further clarification is needed

Terms and Acronyms

7 CFR §247	The USDA's regulations pertaining to Commodity Supplemental Food Program.
AAC	Arizona Administrative Code
ADE	Arizona Department of Education
ADES	Arizona Department of Economic Security
ADHS	Arizona Department of Health Services
AHCCCS	Arizona Health Care Cost Containment System
Applicant	Any person who applies in writing, electronically, verbally, or through a designated representative for participation in an FNS federally assisted or conducted program. Applicants include CSFP program participants applying for recertification.
Bill of Lading (BOL)	Documentation of the contents of a shipment and other pertinent information as required in the contract of carriage.
Bulkhead	A divider wall used to separate shipments inside a commercial trailer.
Carrier	A commercial enterprise that transports USDA Foods from one location to another but does not store such foods.
Caseload	The number of CSFP participants the state may serve on an average monthly basis over the course of the caseload cycle (January 1 through the following December 31).
Certification Period	The time that a participant may continue to receive CSFP program benefits without review of his or her eligibility.
CFR	Code of Federal Regulation
Charitable Institution	An organization which is: <ol style="list-style-type: none">1. Public, or2. Private, possessing tax-exempt status pursuant to §251.5(a)(3); and3. Not a penal institution (this exclusion also applies to correctional institutions which conduct rehabilitation programs); and Provides food assistance to needy persons (§251.3).
CHRP	Coordinated Hunger Relief Program of Arizona
Civil Rights	The nonpolitical rights of a citizen; the rights of personal liberty guaranteed to U.S. citizens by the 13th and 14th Amendments to the U.S. Constitution and by acts of Congress.
Commodities	Nutritious foods purchased by the USDA to supplement the diets of program participants. Also, Foods donated, or available for donation, by USDA under any of the legislation pertaining to Title 7 CFR, Part §247
Complainant	Any person or group of persons who allege discrimination in the delivery of program benefits or services by a state agency, local agency (RFB) or other subrecipient.
Complaint	A verbal or written allegation of discrimination that indicates an FNS-conducted or -assisted program is administered or operated in such a manner that it results in disparity of treatment or services being provided to person or groups of persons because of their protected bases.

Consignee	The receiving RFB (also known as eligible recipient agency) to which commodities is shipped. Sometimes referred to as the receiver.
Contract Value	The price assigned by the USDA to a donated food which must reflect the USDA's current acquisition price. This may alternatively be referred to as the USDA purchase price.
CSFP	Known on the Federal level as the Commodity Supplemental Food Program. Known in Arizona as the Commodity <i>Senior</i> Food Program.
DAAS	Division of Aging and Adult Services
DBME	Division of Benefits and Medical Eligibility
Demurrage	A penalty charge assessed for product delayed beyond a specified free time.
Department	The U.S. Department of Agriculture
Detention Charge	A penalty charge assessed by motor carriers or piggyback companies for detaining equipment beyond a specified free time. Mechanical detention occurs when rail cars are detained beyond a specified free time.
Disability	A physical or mental impairment that substantially limits one or more of an individual's major life activities, having a record of such impairment, or being regarded as having such an impairment.
Disaster	A Presidentially declared disaster or emergency, in accordance with Section §412 or §413 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5179-5180), in which Federal assistance, including donated food assistance, may be provided to persons in need of such assistance because of disaster or emergency.
Disaster Organization	An organization authorized by FNS or the state officials to aid survivors of a disaster or a situation of distress.
Discrimination	The act of distinguishing one person or group of persons from others, either intentionally, by neglect, or by the effect of actions or lack of actions based on their protected bases.
Disqualification	The act of ending CSFP program participation of a participant as a punitive action.
Distribution Site	Location(s) where RFB or a local agency that distributes commodities to needy persons for household consumption or serve prepared meals to needy persons (§251.3).
Dual Participation	The simultaneous participation by an individual in CSFP at more than one CSFP participation site.
Dunnage	Material used to protect or support freight during transit.
Elderly	Persons at least 60 years of age.
Federal Fiscal Year (FFY)	The period of October 1 through the following September 30.
FPL	Federal Poverty Level
Floor Loaded	Commodities that are not on pallets, including slip-sheeted and floor stacked.
FNS	Food and Nutrition Service
Food Insecurity	A household-level economic and social condition of limited or uncertain access to adequate food.

Food Package Maximum Monthly Distribution Rate	The highest allowable quantity, on a per-person-per-month basis, for each food item in a CSFP food box.
Food Pantry:	A public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress. Also referred to as a Local Agency.
Food Recall	An action to remove food products from commerce, warehouses or storage spaces when there is reason to believe the products may be unsafe, adulterated, or mislabeled. The action is taken to protect the public from products that may cause health problems or possible death.
Food Security	Access by all people at all times to enough food for an active, health life.
Fraud	The deliberate practice of deception in order to gain something unlawfully or unfairly. For CSFP, fraud is defined as any of the following: <ol style="list-style-type: none"> 1. Intentionally making false or misleading statements to obtain CSFP commodities. 2. Intentionally withholding information to obtain CSFP commodities. 3. Selling CSFP commodities or exchanging them for nonfood items.
Free Time	The amount of time established by carriers for the unloading of freight before penalty charges apply.
Gross Income	The total of income received prior to deductions for items such as income taxes, employees' social security taxes and insurance premiums.
Gross Weight	The weight of an article, together with the weight of its container and the material used for packing.
Household	Any of the following individuals or groups of individuals, exclusive of borders or residents of an institution: <ol style="list-style-type: none"> 1. An individual living alone; 2. An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from the others; 3. A group of individuals living together who customarily purchase and prepare meals in common for home consumption; and 4. Other individuals or groups of individuals, as provided in FNS regulations specific to particular food assistance programs.
Household Programs	Programs that provide USDA Foods to participants for home consumption
Hunger	A potential consequence of food insecurity that, because of prolonged, involuntary lack of food, results in discomfort, illness, weakness or pain that goes beyond the usual uneasy sensation.
In-kind Replacement	The replacement of a loss of donated food with the same type of food of U.S. origin, of equal or better quality as the donated food, and at least equal in value to the lost donated food.
Investigation	Formal gathering of facts by the appropriate Office of Civil Rights (OCR) or other authorized government agency or private contractor that will refute or substantiate an allegation of discrimination.
IRS	U.S. Department of the Treasury Internal Revenue Service

Lading	The freight which consists of a load.
Limited English Proficiency (LEP) Persons	Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. Recipients of Federal financial assistance (State, RFBs, DSs, etc.) have a responsibility to take reasonable steps to ensure meaningful access to their program and activities by person(s) with limited English proficiency.
Link2Feed	The State-required participant database software used to collect participant data.
Local Agency	An organization which is: <ol style="list-style-type: none"> 1. Public, or 2. Private, possessing tax exempt status pursuant to §251.5(a)(3); and 3. Not a Penal Institution; and 4. Provides food assistance <ol style="list-style-type: none"> a) exclusively to need persons for household consumption who self-declare eligibility requirements (§251.5 (b)) b) predominantly to needy person in the form of prepared meals (§251.5(a)(2)) 5. In an agreement with an RFB pursuant to §251.2(c) for the receipt of commodities 6. Falls into one of the following categories: <ol style="list-style-type: none"> a) Emergency feeding organization (food bank, food pantries and soup kitchens); b) Charitable Institutions (including hospitals and retirement homes); c) Summer camps for children, or child nutrition programs providing food service; d) Nutrition projects operating under the Older Americans Act of 1965 (Nutrition Program for the Elderly), including projects that operate congregate Nutrition sites and projects that provide home-delivered meals; and e) Disaster relief programs.
Lumper Fee	A fee assessed by a carrier to the consignee or vice versa for unloading a shipment. Lumper fees are not permitted when receiving USDA Foods.
Multi-food Shipment	A shipment from a Federal storage facility that usually includes more than one type of donated food.
National Multi-food Warehouse (NMFW)	A Federally contracted storage facility that includes more than one type of USDA Food.
Needy Persons	Persons provided service by charitable institutions, who, because of their economic status, need food assistance (§250.3).
Net Weight	The weight of an article clear of packing and container.
NOAA	Notice of Adverse Action; a written notification mailed to a participant's address of record or given directly to a participant, explaining the details of a negative action taken on a participant's eligibility and an explanation as to their right to appeal the action through the fair hearing process.
Noncompliance	The finding that any federal or state requirement, as interpreted by regulations, policy, state agency, local agency, or other subrecipient guidelines; has not been satisfied.

Nonprofit Agency	A private agency or organization with tax-exempt status under the Internal Revenue Code, or that has applied for tax-exempt status with the Internal Revenue Service.
Out-of-Condition Foods	Donated foods that are no longer fit for human consumption as a result of spoilage, contamination, infestation, adulteration, or damage.
Pallet	A small portable platform for holding material for storage or transportation.
Pallet Exchange	To trade pallets of equal quantity and quality for those delivered with shipment.
Palletize	To place commodities on a pallet.
Participants	Persons receiving donated foods, or a meal containing donated foods, provided by RFB or Local Agency. May also be referred to as Recipients.
Piggyback	The transportation of a trailer or container on railroad flat cars.
Pinwheeling	The process of arranging pallets on a truck with varied positioning, when dealing with items of different sizes. Pinwheeling is not permitted for shipments originating from the National Multi-Food Warehouse.
Pool Car	A rail car loaded, sent to a trans-load or break-bulk point, and transferred into trucks for final delivery, usually to different locations.
Protected Bases	The bases for nondiscrimination are race, color, national origin, age, disability, or sex.
Proxy	Any person designated by a program participant to obtain supplemental foods on behalf of the participant.
Refused Shipment Request	A State Agency request to FNS to refuse all or part of a shipment due to out-of-condition USDA Foods. FNS in turn notifies the appropriate Contracting Office. In cases of issues relating to the integrity of high security seals (see Inspecting the Shipment), shipments must be refused by the consignee.
Rejected Shipment	Official Contracting Office designation, upon consideration of a State Agency refused shipment request regarding out-of-condition USDA Foods.
Regional Food Bank (RFB)	An RFB is a public or charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products of food or edible commodities, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis. Also known as eligible recipient agency or distributing agency.
Sales Order	An order for a specific USDA Food that includes the material description, quantity, delivery period, and destination, and that is identified by a specific code.
Sales Order Number	A state order number for a specific commodity designating quantity, delivery period and destination.
Seal	A device applied to freight car or motor vehicle door fastening to show that tampering has not taken place between the time of application of fastening and breakage of seal.
Similar Replacement	Replacement of lost donated foods with a quantity of similar foods of U.S. origin of the same types as those normally donated by USDA and of at least equal monetary value to USDA's cost of replacing the lost foods (§250.3).

Situation of Distress	A natural catastrophe or other event that does not meet the definition of disaster but that in the determination of the State, or of FNS, as applicable, warrants the use of donated foods to assist survivors of such catastrophe or other event. A situation of distress may include, for example, a hurricane, flood, snowstorm or explosion.
Slip Sheet	A piece of material, intended to reduce friction between a product and commercial trailer floor, used in place of a pallet.
Split Shipment	A shipment of donated foods from a vendor that is split between two or more RFBs or Local Agencies and that usually includes more than one stop-off or delivery location.
State	State of Arizona
State Agency	ADES – the agency designated by the State of Arizona to administer CSFP at the State level in accordance with an agreement with FNS, and with the requirements in the Code of Federal Regulations, as applicable.
State Fiscal Year (SFY)	The period of July 1 through the following June 30.
State Option	Federally granted discretionary policy decisions enabling the State to adjust program requirements in the interest of targeting benefits to those most in need and streamlining program operations.
State Plan	The Annual State Plan of CSFP administration and operations as submitted to and approved by USDA/FNS; also known as “Plan” or “the Plan.”
Storage Facility	A publicly owned or nonprofit facility or a commercial enterprise that stores donated foods or end products, and that may also transport such foods to another location.
Subrecipient	Any agency, organization, or corporation that receives Federal financial assistance indirectly from FNS. Examples of subrecipients include but are not limited to agencies of regional food banks, congregate meal sites, or any organization that has contract with RFB.
Tailgate	To move freight to the back end of the trailer for unloading.
TANF	Temporary Assistance for Needy Families; a Federal program designed to aid families in achieving self-sufficiency by providing financial benefits and support services to qualified households.
Tariff	A carrier’s printed price list showing transportation charges and services.
Unitize	To band together and/or stretch or shrink-wrap cartons, cases, or bag goods into a single unit and place on a pallet or platform for shipping.
Vendor	A commercial food company from which the Department purchases foods for donation.
WBSCM	Web-Based Supply Chain Management, an integrated food purchasing, tracking and ordering system used by USDA and its customers, vendors, suppliers, and transportation personnel.
WBSCM Notification	WBSCM Requisition Line Items have been shipped to recipient.
SWRO	Southwest Region Office of the USDA of which the State of Arizona is a part.

State and Federal Resources

State Resources

Arizona Department of Economic Security (ADES)

<https://des.az.gov>

ADES Food Assistance Programs

<https://des.az.gov/services/basic-needs/food-assistance>

ADES Adult Protective Services

<https://des.az.gov/services/basic-needs/adult-protective-services>

ADES Division of Aging and Adult Services

<https://des.az.gov/services/aging-and-adult/division-aging-and-adult-services>

ADES Forms Library (Documents Center)

<https://des.az.gov/documents-center>

AZ Health Zone *(Formerly The Arizona Nutrition Network)*

<https://www.azhealthzone.org/>

Arizona CSFP My Plate Cookbook

<http://azdhs.gov/documents/prevention/nutrition-physical-activity/csfp-recipe-cookbook-eng.pdf>

AZLINKS.gov Aging and Disability Resources

<https://azdaars.getcare.com/consumer>

Area Agency on Aging local contacts

<https://des.az.gov/services/aging-and-adult/aging-and-disability-services/area-agency-aging>

Arizona Department of Health Services, Arizona Healthy Aging

<http://www.azdhs.gov/prevention/tobacco-chronic-disease/healthy-aging/index.php>

TEFAP information and resources

<https://des.az.gov/services/basic-needs/food-assistance/emergency-food-assistance>

Multi-program benefits prescreening tool

<http://arizonaselfhelp.org>

Office of the Arizona Attorney General, Resources for Seniors

<https://www.azag.gov/seniors/resources-for-seniors>

Title 6 of the Arizona Administrative Code (Economic Security)

https://apps.azsos.gov/public_services/CodeTOC.htm#ID6

Federal Resources

Recipes for Food Distribution (FDD) programs

<https://www.choosemyplate.gov/eathealthy/recipes-cookbooks-and-menus>

USDA SNAP-Ed Connection website

https://snaped.fns.usda.gov/materials/search?f%5b0%5d=field_material_information%253Afield_rf_em_format%3A992&f%5b1%5d=field_snap_ed_intervention_chann%3A6

Nutrition.gov senior resources

<https://www.nutrition.gov/topics/audience/older-individuals>

Choosemyplate.gov senior resources

<https://www.choosemyplate.gov/browse-by-audience/view-all-audiences/adults/older-adults>

Title 2 Part 200 of the Code of Federal Regulations (Federal award regulations)

<https://nifa.usda.gov/federal-regulations>

Title 7 Part 200 of the Code of Federal Regulations (USDA/FNS regulations)

<https://nifa.usda.gov/federal-regulations>

FNS 113-1 (Civil Rights Compliance and Enforcement – Nutrition Programs and Activities)

<https://www.fns.usda.gov/civil-rights-compliance-and-enforcement-%E2%80%93-nutrition-programs-and-activities>

FNS 709-5 Shipment and Receipt of Goods

<https://www.fns.usda.gov/fdd/shipment-and-receipt-goods-fns-instruction-709-5>

CSFP Section 1: Program Descriptions and History

The Commodity Senior Food Program (CSFP)

CSFP is a Federal program administered by the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS). This program works to improve the health of low-income persons at least 60 years of age by supplementing their diets with nutritious USDA Foods. CSFP food packages do not provide a complete diet, but rather are good sources of the nutrients typically lacking in the diets of low-income elderly persons.

CSFP is authorized under Section 4(a) of the Agriculture and Consumer Protection Act of 1973. It is administered at the Federal level by FNS. Through CSFP, USDA distributes both food and administrative funds to participating states and Indian Tribal Organizations (ITOs). ADES administers CSFP and distributes it to contracted Regional Food Banks (RFBs) who then distribute to Distribution Sites (also known as local agencies) that determine the eligibility of applicants, distribute the foods, and provide nutrition education. Distribution Sites also provide referrals to other welfare, nutrition, and healthcare programs such as WIC, SNAP, AHCCCS, and Medicare.

Participation in CSFP does NOT preclude or prevent a participant from simultaneously participating in other nutrition programs such as TEFAP, SNAP and the Senior Farmers' Market Nutrition Program, provided the eligibility requirements for those programs are met. (USDA Food Distribution National Policy Memorandum FD-096).

CSFP History

During the 1960s and 1970s, several laws were enacted to create programs with USDA Foods which were designed to meet the food needs of specific segments of the population. CSFP—originally intended to supplement the diets of low income pregnant and breastfeeding women, other new mothers up to one year postpartum, infants, children up to age six and seniors—was authorized during this period in the Agriculture and Consumer Protection Act of 1973 (Pub. L. 93-86).

The Agricultural Act of 2014 (Pub. L. 113-79) brought a change to CSFP in that women, infants and children who applied to participate in CSFP on February 7, 2014, or later were no longer eligible for certification. Women, infants and children who were certified and receiving CSFP benefits as of February 6, 2014 remained eligible for continuing certification, until they were no longer eligible under program rules in effect on February 6, 2014.

CSFP now focuses on improving the health of low-income seniors at least 60 years of age by supplementing their diets with nutritious USDA Foods and providing administrative funds to participating states and Indian Tribal Organizations. (Food and Nutrition Service Nutrition Program Fact Sheet, January 2016).

State Plan

The State Plan describes how ADES/CHRP will operate CSFP and the caseload needed to serve participants. ADES/CHRP develops the State Plan and submits it to the USDA/FNS for approval. Approved State Plans are considered PERMANENT (i.e., a new plan is not required to be submitted each year). The plan must be approved prior to Federal assignment of caseload or distribution of administrative funds. Plan approval does not guarantee that USDA/FNS will provide caseload or funding. When changes to the Plan are required, ADES/CHRP may submit Plan amendments to USDA/FNS. The State Plan can be downloaded from the [DES Documents Center](https://des.az.gov/documents-center) (des.az.gov/documents-center).

Program Administration Responsibilities

State Administration of USDA programs

ADES/CHRP is responsible for administering CSFP at the State level. ADES/CHRP is also responsible for:

- Complying with civil rights requirements
- Completing and submitting State Plans to USDA/FNS
- Determining CSFP caseload needs and submitting caseload requests to USDA/FNS
- Assigning CSFP distribution and caseload, and allocating administrative funds to RFBs
- Selecting RFBs to administer CSFP in local areas of the State
- Entering into required agreements
- Ordering commodities for distribution
- Providing guidance to RFBs on all aspects of program operations, as needed
- Establishing program eligibility requirements when the requirement is a State option
- Establishing procedures for resolving complaints about commodities
- Establishing a management review system (monitoring) and conducting reviews of RFBs
- Maintaining accurate and complete records
- Establish a financial management system that effectively accounts for funds received and distributed for program administration
- Establishing standards for, determining and pursuing claims against participants
- Ensuring that program participation does not exceed Arizona's CSFP caseload allocation on an average monthly basis
- Ensuring compliance with Federal audit requirements
- Conduct program outreach

ADES/CHRP can delegate certain functions to RFBs. However, the establishment of State options and the management review system, along with conducting reviews, must remain at the State level (7 CFR, §247.3(b)).

Regional Food Bank Administration of USDA Programs

RFBs are responsible for administering CSFP at the local level. For RFBs, this includes selecting and maintaining CSFP agreements with DSs, RFBs are also responsible for:

- Complying with civil rights requirements
- Entering into required agreements with ADES/CHRP and DSs
- Storing commodities in accordance with all Federal, State and local food storage requirements
- Establishing internal procedures for resolving complaints about commodities
- Maintaining accurate and complete records
- Conducting program outreach
- Certifying applicants in accordance with Federal and State established program eligibility criteria
- Complying with Federal and State established fiscal and operational requirements
- Ensuring that participation does not exceed assigned caseload if Federal program has caseload requirements

- Distributing commodities in accordance with the current food package maximum (CSFP) monthly distribution rate
- Providing nutrition education and information on the availability of other nutrition and health assistance programs to participants
- Informing participants of their program rights and responsibilities
- Meeting the special needs of homebound participants to the extent possible
- Pursuing claims against participants

CSFP Section 3: Caseload Allocation

Caseload Allocation

Each year FNS assigns caseload to CHRP. The caseload allotment is finite and represents the number of people that can be served with CSFP each month. FNS caseload assignment methodology is dependent on multiple variables and drawn from the requirements of 7 CFR, §247.21.

Caseload Defined

Caseload means the number of persons the State agency may serve on an average monthly basis over the course of the caseload cycle. The term *caseload* has both singular and plural uses. Example:

Singular: 1 Caseload = 1 Participant

Plural: The overall statewide monthly allocated caseload in 2021 was 19,929

State Caseload

FNS determines each state's base caseload by comparing certain measures and using the highest measure to determine base caseload. FNS assigns states a base caseload by December 31st of each year, or within thirty (30) days after enactment of appropriations legislation covering the full fiscal year, whichever comes later.

When Applicants Exceed Caseload

After State caseload has been met, DSs must maintain a waiting list of eligible participants. The waitlist must include the date of application and information necessary to allow the DS to contact the applicant when caseload space becomes available.

State Request for Additional Caseload

States may request additional caseload to increase program participation. ADES/CHRP must submit the request for additional caseload to USDA/FNS as an amendment to the State Plan.

To request additional caseload for the next caseload cycle (beginning January 1st) ADES/CHRP must submit the request, as a State Plan amendment, to USDA/FNS no later than November 5th (7 CFR, §247.6(d)).

ADES/CHRP qualifies to receive additional caseload when the State participation level for the previous caseload cycle is equal to or greater than 95% of the assigned caseload for the previous caseload cycle. **For this reason, it is imperative for RFBs to stay within their allotted caseload and utilize a wait list.**

CSFP Section 4: Recipient Organization Eligibility

According to 7 CFR, §247.7 to be eligible for the receipt of CSFP commodities and administrative funding, eligible organizations (RFBs) must meet the following minimum requirements:

- a) be a tax-exempt nonprofit agency, nonprofit agency moving toward tax-exempt status or local government agency
- b) have the organizational capacity, including available staffing, to initiate and operate the program in accordance with federal and state requirements, and
- c) have a need for the program in the agency's projected service delivery area

CSFP Section 5: Organizational Contracts, Agreements and Terminations

Note: For our purposes, the term "agreement" is synonymous with "contract"

Prior to receiving CSFP commodities or administrative funding:

- ❖ An RFB must enter into a written contract with ADES/CHRP
- ❖ A DS must enter into written agreement with an RFB

All parties entering CSFP agreements must keep on file copies of the agreements.

Contract Between USDA and ADES/CHRP

In Arizona, CSFP administration is the responsibility of ADES/CHRP which entered into an agreement with the USDA. As such, ADES/CHRP is designated as the State agency responsible for entering into contractual relationships for the receiving, warehousing and distribution of CSFP commodities (7 CFR, §241.2).

Agreements Between ADES/HRP and RFBs

Agreements must contain the following RFB assurances:

- The RFB will provide, or cause to be provided, nutrition education to participants [7 CFR §247.18]
- The RFB will provide, or cause to be provided, information to participants about other health, nutrition, and public assistance programs, and make referrals as appropriate [7 CFR §247.14]
- The RFB will take steps to prevent and detect dual participation [7 CFR §247.19]
- The names and addresses of all certification, distribution, and storage sites under the RFB's authority
- The RFB will not subject any person to discrimination under the program on the grounds of race, color, national origin, sex, disability and reprisal or retaliation for prior civil rights activity
- Commodities will be distributed in accordance with the currently approved food package maximum monthly distribution rate

Agreements Between RFBs and DSs

Form [HRP-1040](#) must be used for the annual agreement between RFBs and their DSs who receive CSFP commodities.

It contains the following:

- An assurance that each agency will administer CSFP in accordance with the provisions of 7 CFR §247 and §250 unless the provisions of 7 CFR §250 are inconsistent with 7 CFR §247. Should inconsistency arise, 7 CFR §247 will be considered the final legal authority for CSFP
- An assurance that each party to the agreement will maintain accurate and complete records for a period of five years from the close of the fiscal year to which they pertain, or longer if the records are related to unresolved claims actions, audits, or investigations
- A statement that each agency receiving commodities for distribution is responsible for any loss resulting from improper distribution, storage, care of handling of commodities

- A statement that each agency receiving program funds is responsible for any misuse of program funds
- A description of any functions delegated to another agency
- A statement specifying that either party may terminate the agreement by written notice and the minimum number of days of advance notice of termination must be given – the advanced notification period must be no less than thirty (30) calendar days

Transfer of Responsibility

The following procedures apply to any change or transfer of RFB or DS responsibility:

- A request for transfer or termination of contractual obligation may originate with either party
- ADES/CHRP will review and approve or deny the change or transfer
- For approved transfers of RFB or DS responsibility, the first consideration will be the provision of continuity of service to recipients to the extent possible. Since contracts may be considered permanent with a 30-day notice, ADES/CHRP may request the existing contract stay in force until a contract with a new RFB or DS is signed
- In situations where ADES/CHRP deems it to be in the program’s best interest, ADES/CHRP may provide a thirty-day (30) notice of contract termination to the RFB or DS or order an immediate termination of contract
- The new RFB’s or DS’s starting inventory records must reflect an opening balance of zero (0). Quantities received by the new RFB or DS on transfer of title must be approved by ADES/CHRP and have backup documentation to include verified physical tallies

Termination of Agreement Between ADES/CHRP RFB

- ADES/CHRP may terminate, or be required to terminate, an RFB agreement/contract in whole or in part, if it does not comply with Federal and State requirements. ADES/CHRP will notify the organization in writing at least thirty (30) calendar days in advance of the effective date of the termination of the termination, reasons for the action and effective date of termination.
- RFBs have the right to appeal the termination as outlined in the RFB Appeals of ADES/CHRP Actions section below.
- An RFB may terminate participation, in whole or in part, upon written notification to ADES/CHRP stating the reasons for and effective date of the action. Written notification must be given at least thirty (30) calendar days in advance of the effective date of termination.
- An RFB’s participation may be terminated, in whole or in part, if both ADES/CHRP and the RFB agree that the action would be in the best interest of the program. ADES/CHRP and the recipient agency must come into agreement on the conditions of the termination, including effective date of the action.

Appeals of ADES/CHRP Actions

An RFB may appeal an ADES/CHRP decision that adversely affects the organization’s participation in CSFP, such as termination. When the RFB appeals the decision, the effective date of the decision is postponed until a decision on the appeal is made.

To ensure the RFB has a fair chance to present its case at the appeal hearing, ADES/CHRP must provide the RFB with:

- Adequate advance notice of the time and place of the hearing
- An opportunity to review the record before the hearing
- An opportunity to present evidence at the hearing
- An opportunity to confront and cross-examine witnesses
- An opportunity to be represented by counsel, if desired

Hearing must be conducted by an impartial person who must decide on the appeal based solely on the evidence presented at the hearing and on program legislation and regulations.

The decision must be made within sixty (60) days from the date of the hearing request and provided to the RFB in writing.

Regulations Regarding Protected Bases

ADES/CHRP, RFBs and DSs must ensure that no person is subjected to discrimination on the bases of race, color, national origin, age, sex, or disability and must also comply with the requirements of the following regulations:

- Title VI of the Civil Rights Act of 1964
- Title IX of the Education Amendments of 1972
- Section 504 of the Rehabilitation Act of 1973
- Age Discrimination Act of 1975
- Titles II and III of the Americans with Disabilities Act of 1990
- USDA departmental regulations specified in 7 CFR §15 through §15f and §16
- Civil Rights Restoration Act of 1987
- The Food Stamp Act of 1977

See FNS Instruction 113-1 for additional information related to Civil Rights requirements.

Public Notification

DSs must include a public notification system as part of civil rights compliance. The public notification system must include all the following:

- **Program availability** – information regarding program rights, responsibilities, and steps necessary for participation targeted toward program applicants, participants and potentially eligible persons
- **Complaint information** – an advisory at the service delivery point explaining the rights of applicants and participants, how to file a program complaint of discrimination and the complaint procedures
- **Nondiscrimination statement** – all program informational materials and sources, including websites, used to inform the public must contain the approved nondiscrimination statement

Methods of Public Notification

Each State agency, RFB and DS serving the public must take the actions below to inform the general public, potentially eligible populations, community leaders, grassroots organizations, and referral sources about FNS programs (CSFP) and applicable civil rights requirements.

1. Inform potentially eligible persons, applicants, participants, and grassroots organizations (especially those in underserved populations) of programs using CSFP flyer [HRP-1047](#).
2. Publicly display location, day, and times of CSFP distributions. This includes information pertaining to the eligibility, benefits (type of commodities), and services, the location of the DS, and hours of service. This information can be communicated by methods such as, but not limited to, Internet, newspaper articles, radio and television announcements, letters, leaflets, brochures, computer-based applications, and bulletins. (FNS Instruction 113-1). Any program changes at a DS must also be communicated to ADES/CHRP in a timely manner.
3. Provide appropriate information, including web-based information, in alternative formats for persons with disabilities.
4. Convey the message of equal opportunity in all photographic and other graphics that are used to provide program or program-related information.
5. Prominently display the USDA nondiscrimination “And Justice for All” poster (USDA/FNS Form AD-475 A). This poster must be displayed at its full size of 11 inches wide by 17 inches tall.
 - When possible the “And Justice for All” poster should be displayed in its original full colors of green and white. RFBs may contact ADES/CHRP to request new posters, as needed.
 - When no supply of full color posters remains, and posters cannot be ordered from USDA/FNS, a full-size black and white poster may be printed and displayed to comply with the requirements of this section.

6. Have forms [HRP-1014A Civil Rights Complaint / Grievance](#) and [HRP-1014A-S Denuncia / Queja de Derechos Civiles \(Civil Right Complaint/Grievance\)](#) available for any person to take and complete.
7. Prominently display the Americans with Disabilities Act (ADA)504 Notice
8. Include the approved nondiscrimination statement on program material and participant documents.
 - When posting the approved nondiscrimination statement to a website, it is not required that the statement be included on every page of the site. At a minimum, the statement, or a link to it, must be included on the home page of the program information.
 - In the event the informational material or sources are too small to permit legible printing of the full nondiscrimination statement, the material must, at the minimum, include the following statement in print no smaller than the body text of the material or source: “The USDA is an equal opportunity provider and employer.”

Americans with Disabilities Act (ADA)504 Notice text:

Equal Opportunity Employer/Program

Under the Americans with Disabilities Act (ADA), the department must make a reasonable accommodation to allow a person with a disability to take part in a program, service or activity. For example, this means that if necessary, the department must provide sign language interpreters for people who are deaf, a wheelchair accessible location or enlarged print materials. It also means that the department will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible.

To obtain this document in an alternative format, please contact the Arizona Department of Economic Security ADA Coordinator at (602) 771-2893.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov

This institution is an equal opportunity provider.

De conformidad con la Ley Federal de Derechos Civiles y los reglamentos y políticas de derechos civiles del Departamento de Agricultura de los EE. UU. (USDA, por sus siglas en inglés), se prohíbe que el USDA, sus agencias,

oficinas, empleados e instituciones que participan o administran programas del USDA discriminen sobre la base de raza, color, nacionalidad, sexo, discapacidad, edad, o en represalia o venganza por actividades previas de derechos civiles en algún programa o actividad realizados o financiados por el USDA.

Las personas con discapacidades que necesiten medios alternativos para la comunicación de la información del programa (por ejemplo, sistema Braille, letras grandes, cintas de audio, lenguaje de señas americano, etc.), deben ponerse en contacto con la agencia (estatal o local) en la que solicitaron los beneficios. Las personas sordas, con dificultades de audición o discapacidades del habla pueden comunicarse con el USDA por medio del Federal Relay Service [Servicio Federal de Retransmisión] al (800) 877-8339. Además, la información del programa se puede proporcionar en otros idiomas.

Para presentar una denuncia de discriminación, complete el Formulario de Denuncia de Discriminación del Programa del USDA, (AD-3027) que está disponible en línea en:

http://www.ocio.usda.gov/sites/default/files/docs/2012/Spanish_Form_508_Compliant_6_8_12_0.pdf y en cualquier oficina del USDA, o bien escriba una carta dirigida al USDA e incluya en la carta toda la información solicitada en el formulario. Para solicitar una copia del formulario de denuncia, llame al (866) 632-9992. Haga llegar su formulario lleno o carta al USDA por:

- (1) correo: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; o
- (3) correo electrónico: program.intake@usda.gov

Esta institución es un proveedor que ofrece igualdad de oportunidades.

Faith-Based Organization Written Notice

In accordance with 7 CFR §16.4(f), faith-based organizations that receive USDA foods or administrative funds for CSFP must give written notice, in a manner prescribed by USDA, to all beneficiaries (i.e., participants) and prospective beneficiaries of the right to be referred to an alternate provider when available.

The written notice must be handed or mailed to every CSFP applicant that receives CSFP commodities at a faith-based DS. This must be done prior to the time of enrollment in the program or receipt of services. When circumstances make it impracticable to provide such written notice in advance of the actual service, DSs must advise participants of their protection at the earliest available opportunity. Use [HRP-1034A Commodity Senior Food Program \(CSFP\) Individual Notice of Beneficiary Rights](#).

Faith-Based Organization Referral to Other DSs

If a participant or applicant objects to the religious character of an organization that provides commodities under CSFP, that organization must promptly undertake reasonable efforts to identify and refer the participant to an alternate DS, within reasonable geographic proximity to the current DS, if available, to which participant has no objection. In making the referral, the organization shall comply with all applicable privacy laws and regulations.

A referral may be made to another faith-based organization, if the participant has no objection to that DS. But if the participant requests a secular provider, and a secular provider is available, then a referral must be made to that DS.

The referral must be to an alternate DS that is in reasonable geographic proximity to the DS making the referral and offers CSFP, if one is available. The alternate DS should also have the capacity to accept additional participants, if one with capacity to accept additional participants is available.

If the DS determines that it is unable to identify an alternate DS, the organization shall promptly notify the RFB, and the RFB shall determine whether there is any other suitable alternate DS to which the participant may be referred. DSs or RFBs may request assistance from ADES/CHRP or the Western Regional Office of USDA.

RFBs should provide DSs with information regarding alternate DSs. Such information should include DSs (including secular DSs) within a reasonable geographic proximity that offer CSFP and that would reasonably be expected to have the capacity to accept additional participants, provided any such DS exists. A DS which relies on such information provided by the RFB shall be considered to have undertaken reasonable efforts to identify an alternate DS.

When the participant objects to receiving services from the DS due to the religious character of the agency, use form [HRP-1026A USDA Beneficiary Referral Request](#) to document the referral request and outcome. Keep copy of HRP-1026 on file at the agency and provide a copy to the participant.

Limited English Proficiency (LEP)

Title VI of the Civil Rights Act of 1964 states, “No person in the United States shall, on the ground of race, color, or national origin, be excluded from the participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” The term “program or activity” is broadly defined. There is no numerical threshold that must be met before provisions of the Civil Rights Act, prohibiting discrimination based on national origin, are applicable.

Failing to provide services or denying access to federally assisted programs and activities based on LEP may be discriminating on the basis of national origin in violation of Title VI and its implementing regulations. Title VI and its regulations require ADES/CHRP, RFBs, and DSs to take reasonable steps to assure “meaningful” access to the information and services they provide. What constitutes reasonable steps to assure meaningful access will be contingent on a number of factors. Among the factors to be considered are:

- The number or proportion of LEP persons eligible to be served or likely to be encountered; the greater the number or proportion of these LEP person, the more likely language services are needed
- The frequency in which LEP individuals encounter the program; RFBs and DSs must assess, as accurately as possible, the frequency with which a DS has or should have contact with LEP individuals from different language groups seeking assistance. The more frequent the contact with a particular language group, the more likely that enhanced language services in that language are needed
- The nature and importance of the program, activity or service provided by the program to people’s lives; when denial or delay of services could have serious or life-threatening implications for the LEP individual, language services are more likely needed
- The resources available and costs likely to be incurred; smaller DSs with more limited budgets are not expected to provide the same level of language services as larger organizations, however technological advances and the sharing of language assistance services among DSs may help in reducing costs

RFBs and DSs should explore the most cost-effective means of delivering competent and accurate language services. **At a minimum, DSs should be prepared to offer services and materials in English and Spanish languages.**

Civil Rights Training

Training is required so that all persons involved with all levels of CSFP administration and distribution understand civil rights laws, regulations, procedures, and instructions. ADES/CHRP is responsible for training RFB staff, RFBs are responsible for training DSs including supervisors of frontline agency staff. Agency managers or lead volunteers are responsible for training all staff/volunteers at the DS.

Civil Rights Training must be completed annually and include, at a minimum, the following components:

- Collection and use of data, including confidentiality requirements
- Effective public notification systems
- Complaint procedures
- Compliance review techniques
- Resolution of noncompliance
- Requirements for reasonable accommodation of persons with disabilities
- Language assistance requirements
- Conflict resolution
- Customer service

Civil Rights Training must be completed by the following:

- a) RFB key staff who work with CSFP/TEFAP programs (*i.e., Program Staff, Warehouse Staff, Leadership*)
- b) RFB client-interacting staff and volunteers
- c) Agency client-interacting staff and volunteers

After training is completed, staff and volunteers must complete an [HRP-1015A Annual Civil Rights Training](#) form. Completed forms should be kept on file at either the RFB or Agency.

TEFAP and CSFP civil rights requirements are covered in the same training.

Complaints and Reporting

Civil Rights Complaints

A civil rights complaint is a verbal or written allegation of discrimination in the administration or operation of TEFAP. Complaints result from the perception of disparate treatment or services being provided to a person or group of persons because of their membership in a protected class.

Civil Rights Complaints Reporting

A person's status as an applicant, participant or observer at a distribution is not a factor in determining who is able to file a complaint of discriminatory treatment. Anyone can file a civil rights complaint. When a person reports perceived unfair treatment based on any protected class or the person feels as though discrimination has occurred, DSs must assist the person in filing a complaint. Note that DSs must fully document each step of the process, from initial complaint to resolution, in the DSs civil rights complaint log. Full documentation includes every conversation and step taken related to the complaint.

The complaint procedure is as follows:

- When receiving a report of discrimination, use [HRP-1014A Civil Rights Complaint / Grievance](#) whenever possible, to document the allegation fully. The complainant can complete the form, or the DS can complete the form on behalf of the complainant. When the DS completes the form, allow the complainant the opportunity to review the form for accuracy and provide a signature. The DS should maintain a supply of hard-copy Civil Rights Complaint/Grievance Forms and all frontline staff/volunteers, and supervisors of frontline staff/volunteers, should be trained on use of the form
- Retain the original form in the DS's civil rights complaint log and send a copy to the DS's RFB
- The RFB retains a copy of the report and forwards it to ADES/CHRP in a timely manner
- ADES/CHRP reviews the complaint and notifies the RFB of whether the complaint involved a protected class. When the complaint involves a protected class, ADES/CHRP forwards the complaint to USDA/FNS
- Throughout the process ADES/CHRP and RFB staff work together to identify corrective actions to be taken, if necessary, to satisfy the complaint and opportunities to prevent further complaints against the DS

- A letter describing the final outcome of the complaint and copies of correspondence related to resolution of the complaint will be forwarded by the RFB to ADES/CHRP and the DS within sixty (60) days

Note that persons always have the option of filing a complaint directly with ADES/CHRP or USDA. If the person is at the DS and wishes to file a complaint with ADES/CHRP, provide form [HRP-1014A Civil Rights Complaint/Grievance](#) and highlight the ADES/CHRP and USDA contact information.

RFBs must respond to ADES/CHRP as required in a timely manner to inquiries ADES/CHRP receives. All complaints must be investigated and researched. If evidence of wrongdoing is discovered, the RFB must inform ADES/CHRP. ADES/CHRP may require the RFB to submit a corrective action plan related to the DS. If ADES/CHRP does not approve the submitted plan, ADES/CHRP may require the RFB to revise the plan or may prepare its own plan that the RFB is required to implement. If no evidence of impropriety or wrongdoing is found, the RFB will prepare a report of findings and explanations. In every case, the complainant should receive a response from the RFB.

Verbal Civil Rights Complaints

If a verbal complaint is received and the participant is not willing to place allegations in writing, the person receiving the complaint may write up the elements of the complaint for the complainant using form [HRP-1014A Civil Rights Complaint/Grievance](#). The person receiving the call should make every effort to collect:

- Name, address, telephone number, or other means of contacting the complainant
- Specific location and organization delivering the commodities
- Nature of the incident or action that led the complainant to feel discriminated against
- Basis on which the complainant feels discrimination occurred (race, color, national origin, age, sex, religion, political beliefs, disability, reprisal, or retaliation, etc.)
- Names, titles, and business address of person who may have knowledge of the discriminatory action
- Date(s) during which the alleged discriminatory actions occurred, or if continuing, the duration of such actions

Anonymous complaints are to be handled just as any other complaint, although full resolution through communication back to the participant will not be possible.

Customer Service Complaints

Complaints should be documented in the DSs civil rights complaint log even if not civil rights related. A complaint may describe poor customer service such as rudeness, impatience, apathy, lack of understanding, or verbal abuse. Using good judgment, the RFB and DS staff should address and find resolve within thirty (30) days.

A letter describing the final outcome of the complaint and copies of correspondence related to the resolution of the complaint must be forwarded to ADES/CHRP and the DS within sixty (60) days.

Food Complaints

Complaints about commodities must be handled immediately to prevent use of foods that may be unfit for human consumption. If a complaint is received the RFB must:

- Immediately place all remaining product involved in the complaint on hold
- Immediately contact ADES/CHRP by phone and provide the following information:
 - Description of the problem, including any known incidents or facts involved, such as injury or sickness
 - Delivery order or notice to deliver number(s) of the product(s)
 - Initial amount of product involved and amount of remaining product on hold
 - Date the product was received by the RFB and the package date, which should be printed on the outside of the case
 - Temperature at which the product was stored and the temperature conditions of distribution
 - Name of person at RFB to contact for investigation and follow-up

Complete a written report containing the above information and forward to ADES/CHRP.

As soon as USDA determines the complaint is of a serious nature, ADES/CHRP will need to inform them of all the specific information supplied by the RFB. It is imperative that all reports be complete and accurate. With complaints of a serious nature, USDA will decide the appropriate course of action. This may include certain tests, such as lab analysis or a re-inspection of the product. USDA will also maintain close contact with ADES/CHRP until the complaint is resolved.

Complaint Timeline

Civil Rights complaints must be processed in accordance with established timeframes. When the complaint involves a protected class, ADES/CHRP forwards the complaint to the USDA/FNS. Once USDA/FNS accepts the complaint, they have up to ninety (90) days to issue a decision.

ACTION	TIMEFRAME
Client/Customer submits complaint	Has up to 180 calendar days after the occurrence of the incidence
ADES/CHRP or DS sends the complaint to RFB	Promptly after receipt (<1 day)
RFB sends complaint to ADES/CHRP if not already aware	Promptly after previous action (<1 day)
ADES/CHRP review the complaint and determines if a protected class is involved	Promptly after previous action (<1 day)
ADES/CHRP notifies the RFB of the protected class determination	Promptly after previous action (<1 day)
When a protected class is involved ADES/CHRP forward the complaint to USDA/FNS	Promptly after previous action (<1 day)
USDA/FNS investigates the complaint and issues a determination	Not later than 90 calendar days after acceptance of the complaint
When the complaint does not involve a protected class, the RFB and DS use good judgment to accomplish resolution	Not later than 30 calendar days after the receipt of the initial complaint
RFB issues a letter describing the root cause of the complaint and final outcome. The RFB sends the letter and copies of all correspondence related to the resolution to ADES/CHRP and the DS.	Not later than 60 calendar days after receipt of the initial complaint

CSFP Section 7: Participant Eligibility Criteria

Participant Eligibility Criteria

To be eligible for CSFP, persons must:

- Be at least sixty (60) years of age
- Self-declare that their gross monthly household income is at or below one-hundred thirty percent (130%) of Federal Poverty Level (FPL)
- Live in the DSs service area, as defined by the DS, inside Arizona

Age Requirement

Participants must be at least 60 years of age to participate in CSFP. **Verification of age must be confirmed** and may be obtained by an applicant providing any of the following documents: Driver's license, Photo ID containing the participant's date of birth, Birth Certificate, Social Security Administration record, Passport or passport card (regardless of expiration date), Census documents, including Tribal census records, Baptismal certificate, Military discharge documents or any reasonable, non-questionable document establishing the participant's age

Household Concept

A household is a group of related or non-related individuals, exclusive of boarders, who are not residents of an institution but who are living as an economic unit and for whom food is customarily purchased and prepared in common. It also means a single individual living alone.

When the participant lives in an institution, the other residents of the institution are not counted in the participant's household.

Residents of group housing situations where congregate meals are provided to residents are not eligible to participate in CSFP.

Maximum Gross Income

The maximum gross income is one-hundred thirty percent (130%) of the appropriate Federal Poverty Level (FPL) as based on the size of a household. Income verification is obtained through participant self-declaration on the applicant form. When the participant declares that income requirements are met, do not request additional income verification. When the participant declares income exceeds one-hundred thirty percent (130%) of the FPL, the participant is ineligible for CSFP.

Countable and Noncountable Types of Income

Income sources countable toward the participant's household include:

- Earned income from employment or self-employment, such as salary, hourly wages, commission, or fees
- Unemployment insurance compensation
- Social Security Administration benefits including Supplemental Security Income
- Government civilian employee and military retirement, pension, or veteran's payments
- Private pension and retirement payments
- Net royalties and residuals
- Cash contribution (i.e., gift funds) received from persons not in the household
- Cash received or withdrawn from any source, including savings, investments, trust accounts and other resources, which is readily available to the household and not considered non-countable income

Countable income is verified via participant self-declaration. When monthly income is variable, the participant may consider their household's average income during the previous twelve (12) months as compared to their current household income to determine which more accurately reflects the household's status.

For example, a participant who has a fixed income and usually receives nine-hundred dollars (\$900) gross countable income per month received a one-time gift of five-thousand dollars (\$5,000) in the last thirty (30) days. Since the gift is not anticipated to reoccur and does not accurately represent the participant's true situation or monthly income, the participant may choose to use their average income over the prior twelve (12) months when self-declaring their countable income. In this case, the participant would average eleven (11) months of nine-hundred dollars (\$900) and one month of five-thousand dollars (\$5,000) to calculate an average annual income of fourteen-thousand, nine-hundred dollars (\$14,900) which is one-thousand, two-hundred forty-one dollars and sixty-seven cents (\$1,241.67) per month and within income guidelines for a household of one.

Participants must be made aware of the types of income they are required to include in their calculations when self-declaring household income.

The following **sources of income are not countable** when determining eligibility for CSFP:

- Any basic allowance for housing received by military services personnel residing off military installations
- The value of in-kind housing and other in-kind benefits
- Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
- Any payment to volunteers under Title I (Vista and others) and Title II (RSVP, foster grandparents and others) of the Domestic Volunteer Service Act of 1973 to the extent excluded by that Act
- Payment to volunteers under section 8(b)(1)(B) of the Small Business Act
- Income derived from certain sub marginal land of the United States which is held in trust for certain Indian tribes
- Payments received under the Alaska Native Claims Settlement Act
- The value of assistance to children or their families under the National School Lunch Act, as amended
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation
- Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980
- Payments under the Low-Income Home Energy Assistance Act, as amended
- Student financial assistance received from any program funded in whole or part under the Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Educational Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study and Byrd Honor Scholarship programs, which is used for costs described in section 472 (1) and (2) of the Act
- Payments under the Disaster Relief Act of 1974, as amended by the Disaster Relief and Emergency Assistance Amendments of 1989
- Payments received under the Carl D. Perkins Vocational Education Act, as amended by the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990
- Payments pursuant to the Agent Orange Compensation Exclusion Act
- Payments received for Wartime Relocation of Civilians under the Civil Liberties Act of 1988
- Value of any childcare payments made under section 402(g)(1)(E) of the Social Security Act, as amended by the Family Support Act
- Value of any "at-risk" block grant childcare payments made under section 5081 of Pub. L 101-508
- Value of any childcare provided or paid for under the Child Care and Development Block Grant Act, as amended
- Mandatory salary reduction amount for military service personnel which is used to fund the Veteran's Educational Assistance Act of 1984 (GI Bill), as amended
- Payments received under the Cranston-Gonzales National Affordable Housing Act, unless the income of the family equals or exceeds eighty percent (80%) of the median income of the area

- Payments received under the Housing and Community Development Act of 1987, unless the income of the family increases at any time to not less than fifty percent (50%) of the median income of the area
- Payments received under the Sac and Fox Indian Claims Agreement
- Payments received under the Judgment Award Authorization Act, as amended
- Payments for the relocation assistance of members of the Navajo and Hopi Tribes
- Payments to the Turtle Mountain Band of Chippewa Indians in Arizona under Pub. L. 97-403
- Payments to the Papago Tribe of Arizona under Pub. L. 97-408
- Payments to the Assiniboine Tribe of the Fort Belknap Indian community and the Assiniboine Tribe of the Fort Peck Indian Reservation under Pub. L. 98-124
- Payments to the Red Lake Band of Chippewa Indians under Pub. L. 98-123
- Payments received under the Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act
- Payments to the Mississippi River Band of Chippewa Indians under Pub. L. 99-377
- Payments received by members of the Armed Forces and their families under the Family Supplemental Subsistence Allowance from the Department of Defense
- Payments received by property owners under the National Flood Insurance Program
- Combat pay (Hostile Fire or Imminent Danger pay)

Geographic Requirements

Participants must live in Arizona and within the DS's service area to be eligible for CSFP. A participant's length of residency in Arizona or intent to remain in Arizona is NOT an eligibility determination.

Verification of address must be obtained at each certification. Acceptable forms include, but are not limited to: Driver's license, Photo ID containing the participant's address, Lease agreement, property ownership documentation, rent or mortgage receipt or utility bill

When the participant resides in an institution, a written statement from the representative of the institution. Note that residents of institutions must meet the following additional requirements:

- The CSFP commodities received must be to the benefit of the participant not the institution (i.e., the institution must not realize a financial or in-kind benefit from the participant's receiving of CSFP commodities)
- The CSFP commodities must be used only by certified participants (i.e., the commodities may not be shared among non-participants residing in the institution)
- The institution allows the participant to store, prepare and use CSFP commodities and encourages participation in all associated CSFP services (e.g., nutrition education, referrals to other agencies, etc.)

CSFP Section 8: Certification Process

Certification Period

The regular participant certification period is (12) months and extends to the final day of the month in which eligibility expires.

Recertification includes:

- Verifying the participant's address and continued interest in the program
- Participant self-declares that s/he meets the income eligibility standards

Temporary Enrollment

A temporary certification period of one (1) month may be assigned for participants meeting one of the following criteria:

- The participant is not able to verify their address at certification or recertification and is otherwise eligible to receive program commodities

- The participant is on a waiting list and is eligible to receive a distribution due to a regular program participant's decision not to receive a commodity distribution for the month

When a participant does not have verification of residency at the time of application, DSs must allow the participant thirty (30) calendar days to provide the verification. If all other eligibility requirements are satisfied, the participant may be enrolled under the one-month temporary certification, dependent upon available caseload, and receive one food box prior to submitting verification of residency.

Participants assigned to a temporary, one-month certification period must receive the notice of expiration at the same time commodities are distributed.

Complete form [HRP-1052A Commodity Senior Food Program \(CSFP\) Notice of Action](#) and give it to the participant at the same time commodities are distributed. Use the discontinuance reason, "No proof of address." The program benefits end date is the last day of the month in which the participant was temporarily certified to receive a food box.

When verification of residency is not provided within thirty (30) calendar days after the date of enrollment, the DS must discontinue the recipient's participation.

Moving within Arizona

DSs must serve a CSFP participant who moves from another area into an area served by CSFP and whose certification period has not expired. The participant must be given the opportunity to continue to receive CSFP commodities for the duration of the certification period.

If the DS has a waiting list, the participant must be placed on its waiting list ahead of all other waiting applicants. The DS that determined the participant's eligibility must provide verification of the expiration date of the certification period to the participant upon request.

Eligibility Determination Responsibility

DS staff/volunteers are responsible for determining eligibility for CSFP. Whenever possible, certification and distribution should be separated between two staff members to avoid the perception of a conflict of interest. Staff should not certify nor distribute commodities to participants with whom the staff member has a personal or familial relationship, unless no other staff member is available to complete the certification or distribution.

Documentation

DS staff, or RFB on behalf of the DS, must key participant information into Link2Feed. The following items must be documented:

- Participant name
- Address
- Telephone number, if applicable
- Date of Birth
- Race and ethnicity
- Certification determination
- CSFP ID number
- Other relevant information as applicable to the application

Application Processing

DSs must ensure applications are fully completed. Each participant, even when in the same household as another applicant, must complete a separate application for CSFP.

Applications should normally be done via in-person interview where designated agency staff/volunteers input applicant information into Link2Feed. If it is not possible to utilize Link2Feed live, have the applicant fill out form [HRP-1028 Application for Benefits \(TEFAP, CSFP\)](#). All participants need their own, individual applications.

Information must be keyed into Link2Feed within 1 business day of receiving the completed paper application.

Proxies

A proxy is someone a participant authorizes to act on his/her behalf, and may:

- Complete the benefits application
- Provide participant verification documents
- Report changes to the participant's household circumstances
- Receive the participant's commodity distribution

Proper proxy authorization includes:

1. A valid proxy letter (see example below)
2. A copy of the participant's picture ID, and
3. A copy of any document that shows the participant's name and address (driver's license, utility bill, etc.)

Authorization must be entered into Link2Feed, **written** and **kept on file at the DS** for the duration the proxy is authorized to pick up commodities for the participant.

A proxy letter should be detailed and include the date written, name and contact information of the participant, name of proxy and number of adults and children who live in household.

Acceptable example:

March 20, 2021

My name is John L. Carlson; I am requesting that Jasmine Lindsay pick up a box for my family and me. There are 4 children and 2 adults in the household. Please contact me with any questions at 123-456-7890.

*John L. Carlson
1789 W. Food Bank Way
Phoenix AZ 85042*

Unacceptable example:

Please let Jasmine pick up my food.

-John L. Carlson

Proxies are valid for up to 1 year from the date of authorization. It is the responsibility of the DS to maintain proxy records, and request reauthorization from the participant.

Written Notifications

This program requires participants to be notified, in writing, when the following occurs:

- Application approval
- Application denial
- Placement on waiting list
- Certification to be renewed
- Participant disqualification
- Participant discontinuance

NOTIFICATIONS TO ELIGIBLE RECIPIENTS

Applicants must be notified of their eligibility and (if relevant) wait list status within ten (10) calendar days from the date of application.

When Caseload is Available

HRP-1039A Commodity Senior Food Program (CSFP) Participant Rights and Obligations

Prior to receiving the first CSFP box, DSs staff must explain participant rights and obligations to all applicants approved for immediate participation, as well as provide this form. It is available in English and Spanish.

HRP-1033A Commodity Senior Food Program ID/Transfer Card (yellow card)

This card includes the participant's name, date the current certification will expire, name and address of certifying agency, name of participant's proxy (if they have one), the certification record, listing of distributions the participant has received.

Both the participant and the staff member completing certification must sign the ID/Transfer Card. Participants and proxies should bring the ID/Transfer Card with them each time they visit a DS to receive commodities.

By providing the participant the completed and signed ID/Transfer Card and CSFP Participant Rights and Obligations form, the participant is being notified of their eligibility for the program.

When Caseload is *Not* Available

HRP-1052A Commodity Senior Food Program (CSFP) Notice of Action (Waiting List section)

When an applicant is eligible for CSFP but there is no caseload availability, fill out the "Waiting List" section and issue to the applicant within ten (10) calendar days from the date of application.

This multi-use form advises that the applicant is being placed on a waiting list until additional caseload becomes available, a summary of program eligibility requirements, distribution site contact information and the necessary steps to take when the applicant remains interested in enrollment.

DS must also retain a copy of the application (if done on paper paper).

Placement on a waitlist is not considered an application denial. Therefore, the placement is not subject to appeal through the fair hearing process.

NOTIFICATIONS TO INELIGIBLE RECIPIENTS

Applicants must be notified of their ineligibility within ten (10) calendar days from the date of application.

HRP-1052A Commodity Senior Food Program (CSFP) Notice of Action (Application Denial section)

When an applicant is ineligible for CSFP, fill out the "Application Denial" section and issue to recipient in person or via mail.

This multi-use form contains the reason for the denial, the applicant's right to appeal the decision, and how to file a complaint of discrimination.

OTHER WRITTEN NOTIFICATIONS

These notifications are to be issued, as needed, in the timeframes listed on the table on page 19.

Waiting List Enrollment

HRP-1041A Commodity Senior Food Program Waiting List Enrollment Notification

When an applicant is on a waiting list and caseload becomes available, DSs must inform the person that they can be taken off the waiting list and have their eligibility determined for the program by mailing an to the applicant's address of record. RFBs or DSs may also contact the participant via telephone to inform persons of the caseload availability. Eligible individuals on the waiting list should be contacted by date of application on a first-come, first-served basis.

Recertification Notice

HRP-1037A Commodity Senior Food Program (CSFP) Recertification Notice

This form advises participants of upcoming program certification expiration and how to recertify.

Disqualification Notice

HRP-1052A Commodity Senior Food Program (CSFP) Notice of Action ("Disqualification" Section)

This multi-use form advised clients of their date of disqualification and why it occurred. Reasons for disqualification include:

1. intentionally withholding information or making false or misleading statements, orally or in writing, in order to obtain benefits to which the individual would not otherwise be eligible;
2. altering program documents for the purpose of receiving increased benefits or for the purpose of transferring benefits to unauthorized persons;
3. using supplemental foods in an unauthorized manner, such as trading or selling the food;
4. intentionally committing dual participation in more than one CSFP program;
5. physical abuse, or threat of physical abuse, of program staff.

Discontinuance Notice

HRP-1052A Commodity Senior Food Program (CSFP) Notice of Action ("Discontinuance" Section)

If a participant fails to pick up a CSFP box for 2 consecutive months, this notice is issued, notifying the participant to pick up their box by a given date or they will be discontinued from the program.

-See Certification Timeline Table on next page-

Certification Timeline

Certain forms/actions are time-sensitive and must be completed as shown in the table below

ACTION	TIMEFRAME
CSFP Participant Rights & Obligations (HRP-1039A/HRP-1039A-S)	As soon as person applies
CSFP Individual Notice of Beneficiary Protections (HRP-1034A/HRP-1034A-S)	As soon as person applies at faith-based organization
CSFP ID/Transfer Card (HRP-1033A/HRP-1033A-S) <i>Those with a 1-month temp certification do not receive one</i>	<ul style="list-style-type: none"> • As soon as possible after application receipt, yet within 10 days • Before participant receives first distribution
CSFP Beneficiary Referral Request (HRP-1026A/HRP-1026A-S)	If person requests another DS, as soon as he/she asks
CSFP Wait List Enrollment Notification (HRP-1041A/HRP-1041A-S)	Mail or call applicant as soon as caseload becomes available
CSFP Notice of Wait List Placement Use Form: CSFP Notice of Action (HRP-1052A/HRP-1052A-S)	As soon as possible after receiving application, yet within 10 days
CSFP Notice of Denial Use Form: CSFP Notice of Action (HRP-1052A/HRP-1052A-S)	As soon as possible after receiving application, yet within 10 days
CSFP Notice of Discontinuance Use Form: CSFP Notice of Action (HRP-1052A/HRP-1052A-S)	At least 15 calendar days before effective date of discontinuance (if participant hasn't recertified)
CSFP Notice of Disqualification Use Form: CSFP Notice of Action (HRP-1052A/HRP-1052A-S)	At least 15 calendar days before effective date of disqualification for program violation
CSFP Notice of <u>Temporary</u> Certification CSFP Notice of Action (HRP-1052A/HRP-1052A-S)	If participant is approved for one-month certification, this form is given at the same time. Use Discontinuance section.
CSFP Recertification Notice (Formerly Notice of Expiration) Use Form: CSFP Recertification Notice (HRP-1037A/HRP-1037A-S)	At least 15 calendar days before certification expiration May be given at distribution the month prior to expiration

CSFP Section 9: Distribution Guidelines and Procedures

Distribution

Frequency and Rate of Distribution

DSs must distribute a package of commodities to regular participants each month, or a two-month supply of commodities to participants every month, in accordance with the food package guide rates established by USDA/FNS. Note that participants assigned to a temporary, one-month certification period may only receive a one-month supply of commodities. (See section 8)

When caseload exists, participants are eligible to receive an initial commodity distribution as soon as the application is processed, eligibility has been determined and the participant has been given all necessary approval documents. The participant may receive either:

- One (1) CSFP box, when the participant intends to visit the DS monthly
- Two (2) CSFP boxes, when the participant intends to visit the DS every other month
If intending to distribute 2 boxes (bimonthly) you must notify ADES/HRP.

Federal, state, or local government program(s) material or information may be deemed related to USDA commodities if it is directed toward services for the needy.

Public Assistance Information

DSs must provide written information (i.e. flyers) available during intake on other public assistance programs for CSFP participants and be able to make referrals as appropriate (7 CFR, §247.14). These programs include:

- Supplemental security income benefits provided under Title XVI of the Social Security Act (42 U.S.C. 1381 *et seq.*)
<https://www.ssa.gov/benefits/ssi> <https://www.ssa.gov/agency/contact>
- Medical assistance provided under Title XIX of the Social Security Act (42 U.S.C. 1396 *et seq.*) including medical assistance provided to a qualified Medicare beneficiary (42 U.S.C. 1395(p) and 1396(5))
<https://www.azahcccs.gov> <https://www.azahcccs.gov/Members/GetCovered/apply.html>
- The Food Stamp Program (7 U.S.C. 2011 *et seq.*)
www.arizonaselfhelp.org www.healtharizonaplus.gov/Default/Default.aspx

Unrelated Activity

Participants cannot be pressured or influenced to support any religious, social or political point of view in association with receipt of USDA commodities. Unrelated activities may be conducted at a DS as long as:

- The person(s) conducting the activity makes it clear that the activity is not part of CSFP and is not endorsed by the USDA
- Information not related to CSFP is not placed in or printed on the distribution containers or any other container of food during same distribution
- The person(s) conducting the activity makes it clear that cooperation is not a condition of receipt of USDA commodities (e.g., praying, attending religious services, contributing money, signing petitions, or conversing with people)
- The activity does not disrupt distribution of USDA commodities (7 CFR §251.10).

RFBs and DSs staff/volunteers are responsible for ensuring that activities unrelated to the distribution of USDA commodities are conducted in a manner consistent with the above conditions. **DSs found in violation of the policies regarding unrelated activity in this section are subject to termination from further USDA commodity distributions.**

CSFP Section 10: Nutrition Education

RFBs must ensure CSFP participants receive easily understood nutrition education that is relevant to the participants' individual household situations.

ADES/CHRP Requirements

ADES/CHRP must complete the following nutrition education activities:

- Establish an overall nutrition education plan
- Ensure RFBs provide nutrition education to participants in accordance with the State Plan
- Establish an evaluation procedure to ensure the provided nutrition education is effective (normally done through a nutrition education survey)
- Ensure that evaluation procedure includes participant input and is directed by a nutritionist or other qualified professional

RFB Requirements

RFBs must provide nutrition education that can be easily understood by participants and is related to their nutritional needs and household situations. RFBs must provide nutrition education that includes the following information, which should account for specific ethnic and cultural characteristics whenever possible (7 CFR, §247.18):

- The nutritional value of CSFP foods, and their relationship to the dietary needs of the population groups served
- Nutritious ways to use CSFP foods
- Special nutritional needs of participants and how these needs may be met
- The importance of health care and the role nutrition plays in maintaining good health
- The importance of the use of the foods by the participant to whom they are distributed and not by another person

Nutrition Education Sources

Nutrition education material sources include, but are not limited to, the following:

- Arizona CSFP MyPlate Cookbook:
www.azdhs.gov/documents/prevention/nutrition-physical-activity/csfp-recipe-cookbook-eng.pdf
- ChooseMyPlate.gov
www.choosemyplate.gov/older-adults
- USDA Mixing Bowl recipes, cookbooks, and menus
www.choosemyplate.gov/recipes-cookbooks-and-menus
- USDA Nutrition.gov website
<https://www.nutrition.gov/topics/audience/older-individuals>
- USDA SNAP-Ed Connection website:
<https://snaped.fns.usda.gov>
- Arizona Health Zone
www.AZHealthZone.org

Nutrition Education Evaluation

RFBs must develop and conduct an annual nutrition education evaluation survey in Link2Feed:

- Survey questions must be submitted to CHRP for approval by November 1.
- Survey conduction period is January 1 through June 1.
- Survey results are submitted to CHRP by October 15.

At a minimum 50% of CSFP participants per service area shall be surveyed.

Survey should:

- Include measures compatible with the purpose of CSFP nutrition education
- Involve and encourage participant input
- Protect participant privacy and maintain confidentiality
- Be culturally and linguistically appropriate

RFBs must send survey results to ADES/CHRP by October 15 or within thirty (30) days of survey completion and include:

- Accurately reported positive and negative results
- Incorporate corrective action planning to improve upon negative results
- Measure shifts in participant knowledge of nutrition education
- Identify implementation barriers and detail steps taken to overcome the barriers
- Describe all nutrition education conducted and include total cost

RFBs are authorized to consult or contract with a registered dietician or other qualified nutrition professional for nutrition education evaluation services. For the purposes of this section a “registered dietician” is a person who meets the qualifications of the credentialing agency for the American Academy of Nutrition and Dietetics.

Nutrition education evaluation plans developed, implemented, and kept current by a registered dietician do not require ADES/CHRP approval; all other plans must be approved by a State registered dietician or qualified nutrition professional prior to implementation and after any major revision.

RFBs must share evaluation results with ADES/CHRP, and upon request, other hunger relief organizations.

Cooking Demonstrations

To support nutrition education, ADES/CHRP, RFBs and DSs are authorized to use a reasonable amount of CSFP commodities to conduct cooking demonstrations as part of the program. CSFP commodities may not be used for other purposes (7 CFR, §247.18). Commodities may only be used by RFBs/DSs for CSFP nutrition education demonstrations.

CSFP Section 11: Participant Data Collection and Confidentiality

Link2Feed

ADES/CHRP utilizes Link2Feed as its vendor for statewide data collection for CSFP. DSs must utilize Link2Feed “live” at the time of distribution, or if unable to utilize Link2Feed at the time of distribution, must use paper form [HRP-1028A Application for Benefits \(TEFAP/CSFP\)](#). **Data must be entered into Link2Feed after a distribution takes place within 24 hours.**

Confidentiality

All staff and volunteers of the ADES/CHRP, contracted RFBs and DSs that provide services associated with commodities at food banks, food pantries, soup kitchens and shelters, must maintain the strictest confidence and protect the confidentiality and security of all protected data and information to which they have access. Confidential information may include, but is not limited to, recipients of food assistance, household composition, names, addresses, and phone numbers. It may be from any source or in any form (oral, written, or electronic). This information may be protected by state and federal laws and by policies of the Department.

All client-interacting or client data-handling staff and volunteers are required to fill out an [HRP-1016A Volunteer Confidentiality](#) form. Signed forms must be kept on file for a minimum of 5 years. This only needs to be completed once.

Data Collection

ADES/CHRP and RFBs must provide for and maintain a system to collect participant racial and ethnic data in accordance with Federal policy. Racial and ethnic data will be used to determine how effectively USDA/FNS programs are reaching potentially eligible participants, identify areas where additional outreach is needed, assist in the selection of locations for compliance reviews and aid in the completion of required reports.

Race/Ethnicity

Race/ethnic data must be obtained on all CSFP applicants and participants. This is a requirement of set forth by the USDA. RFBs should regularly monitor to make sure this data is being collected by pulling appropriate Link2Feed reports.

To ensure data quality, ethnicity data must be collected prior to racial data. Participants are free to select one or more racial designations. The minimum designations for collection of ethnicity information are as follows:

- Hispanic or Latino
- Not Hispanic or Latino

The minimum designations for collection of race information are as follows:

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

While self-identification is the preferred method of data collection, participants must NOT be required to provide information on their race or ethnicity. When participants prefer not to furnish the information, the staff/volunteer must, through visual observation, secure and record the information and share with the participant what was marked. The staff/volunteer may not change or challenge a participant's self-declaration, unless the declaration is patently false.

Collection systems (Link2Feed) must ensure that applicant/participant information is:

- Collected and retained by the DS for each program as specified in the program regulations, instructions, policies and guidelines
- Based on documented records and maintained for five years
- Maintained under safeguards that restrict access of records only to authorized staff
- Able to be submitted, as requested, to USDA/FNS and/or ADES/CHRP

CSFP Section 12: Program Violations and Fair Hearing Process

Program Violations

Program violations are actions taken by CSFP applicants, participants or proxies to obtain or use USDA benefits improperly. Program violations include the following actions (7 CFR, §247.20):

- Intentionally making false or misleading statements, verbally or in writing (fraud)
- Intentionally withholding information pertaining to CSFP eligibility (fraud)
- Selling USDA commodities gained through participation or exchanging the commodities for non-food items (fraud)
- Physically abusing or threatening to physically abuse program staff
- Committing dual participation

If applicants, participants or proxies commit program violations, ADES/HRP MAY require DSs to disqualify the applicants or participants for a period of up to one year. If it is determined that disqualification would result in a serious health risk, ADES/HRP may waive the disqualification.

When a participant commits three program violations involving fraud, ADES/HRP MUST require DSs to disqualify the participant PERMANENTLY from CSFP, unless it is determined that permanent disqualification would result in a serious health risk to the participant.

When a participant is disqualified from the program, DSs must provide the individual with a written notification of disqualification at least 15 days before the effective date of disqualification. Use [HRP-1052A Commodity Senior Food Program \(CSFP\) Notice of Action](#) which includes the effective date and period of disqualification, the reason for the disqualification and a statement that the individual may appeal the disqualification through the fair hearing process (7 CFR, §247.33(a)).

Dual Participation

Dual participation, a condition in which the same participant receives more than the allowable distribution by intentionally or unintentionally maintaining multiple cases under CSFP or visiting multiple DSs, is not allowable.

ADES/CHRP, RFBs and DSs must collaborate on a plan for the prevention, detection and resolution of dual participation as applied to all CSFP participants. To aid in this requirement, Federal regulations require DSs to complete the following actions (7 CFR, §247.19):

- Check the identification of all participants when they are certified or recertified (7 CFR, §247.8(a)(1))
- Ensure the applicant signs the application form; the application form contains a statement advising the applicant that s/he may not receive CSFP commodities from more than one DS at the same time. (7 CFR, §247.8(b))

- When a DS finds a participant committing dual participation, the DS must determine the cause of the dual participation and complete the following actions (7 CFR, §247.19):
 - o When the participant is enrolled in multiple cases under the same program, discontinue all duplicative cases but not the original application, insofar as the original application is eligible to remain open
 - o When the participant is receiving multiple distributions for the same period by participating at more than one CSFP DS, discontinue the participant's benefits at the additional sites
 - o Notify the participant of any discontinuances by sending an [HRP-1052A Commodity Senior Food Program \(CSFP\) Notice of Action](#) at least fifteen (15) days before the effective date of discontinuance
 - o At the participant's request, allow the participant to appeal the discontinuance through the fair hearing process
 - o When the dual participation resulted from the participant or proxy making false or misleading statements or intentionally withholding information, the DS must notify the RFB who notifies ADES who may disqualify the participant from CSFP, unless it is determined that disqualification would result in a serious health risk for the participant
 - o Initiate a claim against the participant to recover the value of CSFP benefits improperly received, in accordance with 7 CFR, 247.30(c)

Fair Hearing Process

A fair hearing is a process that allows a CSFP participant to appeal an adverse action, which may include the denial or discontinuance of program benefits, disqualification from the program or a claim to repay the value of commodities received as a result of fraud (7 CFR, §247.33).

DSs must ensure that participants understand their right to appeal an adverse action through the fair hearing process, which includes providing written notification of the participant's right to a fair hearing along with notification of the adverse action.

Use [HRP-1032A Commodity Senior Food Program \(CSFP\) Informal Dispute Resolution Meeting / Fair Hearing Request](#) to provide this written notice of a fair hearing process. Notice of Adverse Action (NOAA) includes the discontinuance of benefits, denial of application, or notice of disqualification. Such notice is not required at the expiration of a certification period. ADES/CHRP has developed internal fair hearing procedures in compliance with Federal, State and ADES laws, rules and policies.

Requesting a Fair Hearing

A participant or proxy may request a fair hearing by making a clear expression, verbal or written, to ADES/CHRP, RFB or DS staff/volunteer that an appeal of the adverse action (HRP-1038A Notice of Ineligibility or HRP-1036A Notice of Disqualification) is desired. The participant must be allowed sixty (60) calendar days from the date the NOAA is mailed or handed directly to the participant to file the fair hearing request.

When receiving a verbal fair hearing request, the ADES/CHRP, RFB or DS staff/volunteer becomes responsible for completing the written request on the participant's behalf. Use [the HRP-1032A CSFP Informal Dispute Resolution Meeting/Fair Hearing Request](#) form to document the request. DSs or RFBs must email the completed form to ADES/CHRP at CoordinatedHungerRelief@azdes.gov as soon as practicable.

On receipt of a fair hearing request, ADES/CHRP or RFB coordinates hearing scheduling with the Division of Aging and Adult Services (DAAS) Assistant Director's office and informs the person requesting the hearing along with the DS of the time and date of the hearing.

Fair hearing requests may only be denied when the request meets any of the following conditions:

- The request is not received within the sixty (60) calendar days from the date the NOAA was mailed or given directly to the participant

- The participant or participant's proxy submits a written withdrawal of the fair hearing request
- The participant fails to appear without good cause for the scheduled hearing
- A change in law or policy requires service adjustments or the discontinuance of benefits for classes of recipients
- The participant filed the request as a result of being placed on a waiting list

Continuance of Benefits

Participants who appeal a discontinuance of program benefits within the fifteen (15) day advance notification period required under 7 CFR, §247.17 and §247.20 must be permitted to continue to receive benefits until a decision on the appeal is made by the hearing official, or until the end of the participant's certification period, whichever occurs first. However, if the hearing decision finds that a participant received program benefits fraudulently, the local agency must include the value of benefits received during the time that the hearing was pending, as well as for any previous period, in its initiation and pursuit of a claim against the participant (7 CFR, 247.33(f)).

Advance Notice of Hearing

ADES/CHRP or RFB must provide a participant with at least ten (10) days advanced written notice of the scheduled hearing (7 CFR, §247.33(g)). The following components must be included in the notice:

- the date, time and place of the hearing
- the name of the hearing officer
- the rules of procedure for the hearing
- the issues involved
- the participant's right to:
 - Examine documents supporting ADES/CHRP's decision before and during the hearing
 - Be assisted or represented by an attorney or other persons
 - Bring witnesses
 - Present arguments'
 - Question or refute testimony or evidence, including an opportunity to confront and cross-examine others at the hearing
 - Submit evident to help establish facts and circumstances

Conducting a Fair Hearing

The fair hearing must be conducted by an impartial official who has no personal stake or involvement in the decision and who was not directly involved in the initial adverse action that resulted in the hearing. The hearing official is responsible for:

- Administering oaths or affirmations, as required by the State
- Ensuring that all relevant issues are considered
- Ensuring that all evidence necessary for a decision to be made is presented at the hearing and included in the hearing record
- Ensuring that the hearing is conducted in an orderly manner, in accordance with due process
- Making a hearing decision that must:
 - Comply with Federal laws and regulations
 - Contain a summary of the facts of the case
 - Be made and communicated, in writing, to the participant within forty-five (45) calendar days from the date of the hearing request

When a hearing decision is in favor of an applicant who was denied CSFP benefits, the receipt of benefits must begin within forty-five (45) calendar days from the date that the hearing was requested, if the applicant is still eligible for the program.

When a hearing decision upholds the ADES/CHRP's or RFB's action, ADES/CHRP or RFB must inform the individual of the right and process to pursue judicial review (i.e., an appeal) of the decision.

The impartial fair hearing official is designated as the DAAS Deputy Assistant Director or, when the Deputy Assistant Director was involved with the decision prompting the fair hearing request, the DAAS Assistant Director.

Assistant Director contact information:

Arizona Department of Economic Security

Division of Aging and Adult Services

Office of the Assistant Director

1789 W. Jefferson Street, Mail Drop 6271

Phoenix, AZ 85007

CSFP Section 13: Claims Regarding CSFP Commodities

Claims Against the State and RFBs

If ADES/CHRP or an RFB misuses program commodities, FNS must initiate a claim against the State to recover the value of the misused commodities. Misused commodities include:

- Improper distribution
- Commodity loss or spoilage due to improper storage, care or handling
- Stolen or damaged commodities due to improper storage, care or handling

ADES/CHRP is then responsible for initiating and pursuing claims against RFBs or DSs. Use of funds recovered by ADES/CHRP due to claims actions must be in accordance with the Administrative Funds section of this manual.

Claims Against Program Participants

ADES/CHRP must ensure RFBs initiate a claim against participants to recover the value of CSFP commodities improperly received or used, when RFBs determine the participants or participant's proxy committed fraud to receive or use the commodities. Fraud includes:

- Intentionally making false or misleading statements
- Intentionally withholding information to obtain CSFP commodities
- Selling or exchanging CSFP commodities for non-food items.

RFBs must advise participants of the opportunity to appeal the claim through the fair hearing process.

Participants who have received or used CSFP commodities through fraud must be disqualified from CSFP for the period of up to one year, unless the RFB determines the disqualification would result in a serious health risk to the participant and ADES/CHRP waives the disqualification.

When pursuing claims against the participants, RFBs must use the following procedure:

- Issue a letter of demand for the value of commodities improperly received or used
- If repayment is not made in a timely manner, take cost-effective collection actions in consultation with ADES/CHRP
- Maintain all records related to claims actions taken against participants

CSFP Section 14: Shipment and Receipt of USDA Foods

USDA FNS Instruction 709-5 Rev. 3, effective date March 2019, regulates this section. Shipment and receipt of USDA Foods is based on CFR 7, Section 250.

Shipping and Notifications

Direct Shipping from USDA

USDA Foods may be directly shipped to RFBs from the USDA and originate from a National Multi-Food Warehouse (NMFV).

ADES/CHRP must notify RFBs of general USDA purchase information for CSFP at least quarterly through the Delivery Order Status Reports (DOR). The DOR contains information related to the anticipated ADES/CHRP delivery schedule with types and quantities of commodities and any changes in delivery schedules. Specific delivery dates are pre-arranged between the RFB and the NMFV and reflected in the Web-based Supply Chain Management (WBSCM) system.

The NMFV must arrange regular delivery dates with each RFB. If an order includes multiple truckloads, every effort must be made to arrange for all deliveries on the same day. The RFB must negotiate any tailgating by the NMFV when setting the delivery date. If the regularly scheduled delivery date must be postponed (e.g., as a result of inclement weather or equipment failure), the NMFV will immediately contact the RFB to determine a revised delivery date that is agreeable to both parties.

Shipping from a Vendor

For shipments originating from a vendor, the vendor or carrier must arrange for a delivery appointment with the RFB at least twenty-four (24) hours before the expected delivery. Direct shipments from USDA via commercial carriers are prepaid. RFBs are not to pay any charges requested by the driver or other agent of the carrier. RFBs should notify ADES/CHRP immediately of any such request.

For vendor shipments, the vendor will create the Advance Shipping Notification (ASN) in Web- WBSCM in advance of delivery as to provide the consignee sufficient advance notice of the delivery. ADES/CHRP and the receiving destination designated in WBSCM will receive the ASN by email. The ASN will include the following information:

- Required delivery date
- Expected delivery date
- Delivery ship-to agency
- Nutrition program acronym (e.g., TEFAP)
- USDA Food product material number and description (i.e. material code)
- Sales order number
- Sales order item number
- Quantity in shipment (e.g., cases, units, etc.)
- Establishment number, if applicable
- Purchase order item number
- Purchase order number
- Product vendor information

For split shipment (i.e., shipments that are split between two or more RFBs), the vendor or carrier must arrange for a delivery appointment with each RFB. The vendor or carrier may make an earlier delivery than scheduled only if a new delivery date is arranged that is acceptable to the RFB and USDA personnel are available, as necessary, to perform any required inspections; otherwise, the original delivery date must be honored.

If the vendor or carrier arrives without a delivery appointment or is late for an appointment, the RFB should accept the shipment, if able, or work with the vendor or carrier to schedule delivery at a later time. When a carrier does not make a delivery appointment in advance, it is recommended that the RFB report the issue to ADES/CHRP who will identify the carrier in the comment section of WBSCM when receipting for the delivery.

Delivery

Destination Changes

RFBs wishing to change the shipment destination for shipments originating from the NMFWS or a vendor, after the purchase order has been issued, must submit a request to ADES/CHRP, which in turn must submit the request to the FNS Western Regional Office (FNS SWRO). The change request must be submitted at least thirty-five (35) days in advance of the start of the delivery period. Select USDA Foods may require additional advance notice, per applicable USDA guidance.

The FNS SWRO will work to address the change request.

Carriers will not deliver to a receiving location that is not shown on the BOL without prior authorization from ADES/CHRP. Costs incurred as a result of an RFB's failure to make timely notification will be charged to the RFB. A detention charge or charge for redelivery when the driver is asked by the RFB to deliver the load to a destination other than what's on the BOL is the responsibility of the RFB.

Vendor Unable to Deliver USDA Foods

If a vendor or carrier arrives at the delivery location at the appointed time and is unable to unload USDA Foods as a result of action or inaction by the RFB, the vendor or carrier has the right and obligation to protect the commodities by placing them in storage or move them to another location, if necessary. Movement or storage may subject the RFB to additional charges. Any disputes between the RFB and the vendor or carrier regarding liability for such charges that are not resolved at the ADES/CHRP level must be referred to the FNS SWRO for resolution by FNS and the Contracting Office, as applicable.

Pallet Exchange

- For shipment originating from the NMFWS, carriers do not exchange pallets.
- For shipments originating from a vendor, pallet exchange is not required but may occur at the discretion of the RFB and should be arranged in advance of delivery.

Inspecting the Shipment

General Requirements

Responsibility for USDA commodities passes to the RFB at the time the products are unloaded. Therefore, the RFB must carefully inspect each shipment and commercial delivery receipt (e.g., Bill of Lading (BOL)) prior to unloading to ensure that the high security seal(s) is intact, determine the overall condition of the USDA Foods and the number of units in the shipment and to ensure the accuracy of the receipt.

All USDA shipments are made on commercial BOLs. The BOL is the primary document on which all verifications of delivery, condition of commodities upon receipt, and commodity counts must be recorded. Carriers are paid via signed BOLs that serve as proof the load was delivered.

High Security Seal

High security seals are used to provide evidence of tampering and can assist in the detection of theft or contamination. The RFB must ensure the high security seal(s) in the door or other point of entry of the truck or trailer is intact and must make a record of the serial number of the seal. If the high security seal is broken or lacking, or the serial number on the seal does not match the number on supporting documentation (e.g., BOL), the RFB must refuse the shipment and

immediately notify ADES/CHRP which in turn must notify FNS SWRO. FNS will notify the appropriate Contracting Office or the NMFW, as applicable.

For shipments origination from a vendor, a previously refused shipment may only be accepted by the RFB after a Condition of Container Inspection has been performed by a USDA representative, as designation by the Contracting Office, and a Certificate of Quality and Condition has been issued which documents that the Condition of Container meets the applicable U.S. Standards for Condition of Food Containers. Any inspection costs must be paid by the vendor or carrier.

Removal of Seal and Temperature Check

The RFB is responsible for the removal of the high security seal(s), which must be done with bolt cutters or a similar tool. For frozen or refrigerated foods, at a minimum, the RFB must check the thermometer, which is usually located outside of the truck, to ensure that the temperature in the freezer or refrigeration unit is at an acceptable level, in accordance with USDA guidance, and must ensure that the unit is switched on and working.

If the seal is removed by anyone but the RFB, contact ADES/HRP immediately for guidance.

Quantity of USDA Foods

The RFB must determine if there is any obvious discrepancy from the quantity of USDA Foods ordered (e.g., an overage or shortage). A more careful count must be conducted as the shipment is unloaded and prior to the vendor or carrier departing.

When a shipment is delivered, and it's determined there's a shortage or overage, the RFB complete the following and send to ADES/CHRP:

- Record on the BOL the exact amount of the commodity shortage or overage; and
- Document the following information:
 - Delivery order number, contract number, and Notice of Delivery number
 - Railcar number and initial, piggyback trailer number or truck/trailer identification
 - Name of shipper, origin, and date of shipment
 - Quantity and description of food in the shipment
 - Date and time shipment received
 - The specific item and quantity affected (over or under)
 - Current status (unloaded, trailer left warehouse, etc.)
 - Name, title and phone number of the person who conducted the inspection. Note if inspection report was prepared. If so, send copy of report with this documentation

Observing Condition of USDA Foods

The RFB must inspect the shipment to determine if the USDA Foods have been delivered in good condition and with no evidence of product tampering. The RFB should take note of any odors, infestation (e.g., dead insects or nesting materials), or damage to inner or outer containers. For frozen foods, the RFB should look for signs of defrosting or signs of thawing and re-freezing of the foods that could have occurred prior to the arrival of the shipment. For USDA Foods that are not intended to be frozen (e.g., canned products), is recommended that the consignee also check to ensure that such foods do not arrive in such manner.

Fresh fruit or vegetable shipments, with the exception of fresh apples, must be inspected by a USDA representative prior to unloading in accordance with contract specification. The vendor must arrange for the inspection at each delivery destination and pay any costs associated with inspection.

Out-of-Condition USDA Foods and Required Notification

When a shipment is delivered which all or a portion appears to be off-grade, out-of-condition or damaged, the RFB must do the following:

- Take photos
- Call ADES/CHRP before accepting the shipment and report the facts of the condition of the shipment and then receive instruction from ADES/CHRP.
- If directed by ADES/CHRP, obtain an inspection by a qualified person.
- If the inspector confirms those of the initial examination, hold the shipment and report full detail immediately to ADES/CHRP by phone.
- Document the following information and immediately email ADES/CHRP:
 - Purchase order number, contract number and sales order number.
 - Railcar number and initial, piggyback trailer number, or truck/trailer identification
 - Name of shipper, origin and date of shipment
 - Quantity and description of food in shipment
 - Date and time shipment received
 - Specifically, the problem and quantity affected
 - Current status (unloaded, trailer left warehouse, etc.)
 - Cause of condition if it is obvious (e.g. damaged container, fire, temperature unit not operating, etc.)
 - Protective services provided
 - Name, title and phone number of the person who made the inspection. Note if inspection report was prepared. If so, forward a copy with this documentation
 - Name and location of carrier's agent who was notified, along with the agent's response, including time and date, and name of person making the notification
 - Specific location within the transportation conveyance
 - Person and phone number to contact regarding shipment

Await instructions from ADES/CHRP for possible disposal and replacement.

Note on BOL a brief description of the problem, referencing the full documentation was sent to ADES/CHRP.

For shipments originating from either a NMFW or a vendor, where RFB inspection and documentation indicates that all, or a major portion, of the USDA Foods in the shipment are out-of-condition, ADES/CHRP will in turn notify FNS SWRO. FNS will work to address the issue by consulting with the NMFW or Contracting Office, as applicable, to determine if the shipment is to be rejected, or if an inspection by State or local health authorities or authorized USDA agent must first be obtained to determine the condition of the USDA Foods.

If an inspection is required, ADES/CHRP must inform FNS SWRO of the RFB's inspection results so that FNS and the appropriate office can determine if the shipment should be rejected. ADES/CHRP or the RFB must also ensure that the vendor or carrier is aware of the results of the RFB's inspection, subsequent inspection by health authorities, as applicable, and the decision to accept or reject the shipment.

The vendor or carrier is responsible for the prompt removal of a rejected shipment. The cost of the inspection must be paid by the RFB if it is determined that the USDA Foods are not out-of-condition. Inspection costs must otherwise be paid by the vendor or carrier.

If there is a doubt as to the condition of the USDA Foods, or a disagreement with the vendor or carrier regarding their condition, the RFB must immediately notify ADES/CHRP, which must in turn notify FNS SWRO. FNS will consult with the Contracting Office or the NMFW, as applicable, to determine a course of action.

Any fresh fruit and vegetable delivery which fails to meet USDA specifications will be rejected by the USDA representative and Contracting Office. If any lot of fresh fruit or vegetable fails to meet the product or packaging requirements, the

vendor may request in writing that USDA accept delivery of the lot. USDA, with agreement from the RFB may, at its option, accept delivery.

Accepting and Receipting Shipments

Acceptance of a Shipment

For shipments originating from a NMFV that include out-of-condition USDA Foods or that do not have the quantity of USDA Foods ordered, the RFB must accept the entire shipment, segregate unusable products, and report the loss or shortage to ADES/CHRP, which must in turn inform FNS Western Regional Office (FNS SWRO) and request guidance on disposing of any out-of-condition foods in accordance with Section X (ten) of FNS instruction 709-5 Rev. 2, and file a complaint in WBSCM for issue tracking purposes.

For shipments originating from a vendor, if the RFB inspection indicates that some, but not a major portion, of the USDA Foods in the shipment are out-of-condition, or that there is only a minor discrepancy from the quantity of USDA Foods ordered, the RFB may accept the entire shipment and segregate any out-of-condition USDA Foods.

The RFB in turn must notify ADES/CHRP of the out-of-condition foods, as mentioned above, which must in turn notify the FNS SWRO and file a complaint in WBSCM. FNS will consult with the appropriate Contracting Office to determine a course of action. Alternatively, when the RFB inspection indicates that some, but not a major portion, of the USDA Foods are out-of-condition, the RFB has the option to immediately notify ADES/CHRP, as applicable, of the out-of-condition foods upon receipt, requesting refusal of that part of the shipment. ADES/CHRP must in turn notify the FNS SWRO and file a complaint in WBSCM. FNS will consult with the appropriate Contracting Office to determine a course of action. This course of action may lead to part of the shipment being rejected.

In the above referenced instances, ADES/CHRP must note within the WBSCM complaint that the delivery issue is being handled as a contracting matter. The WBSCM complaint will be used for trend analysis only, in order for USDA to track such issues over time and ensure the best possible service to consignees.

For latent product defects observed by the RFB after acceptance of the shipment, the RFB must notify ADES/CHRP of the out-of-condition foods, which in turn must notify FNS SWRO and file a complaint in WBSCM.

See Section X (ten) of FNS Instruction 709-5 Rev. 2 for details on the disposition and replacement of out-of-condition USDA Foods.

Delivery Receipt

The RFB must ensure that the delivery receipt (e.g., BOL) indicates the quantity of USDA Foods received, including product that is rejected at the time of receipt for being out of condition and the quantity received in good condition, before signing and dating such receipt and returning it to the vendor or carrier. The carrier, and not the RFB, is responsible for providing the vendor with the signed delivery receipt, with the exception of select bulk products for further processing (e.g., chicken), where the RFB provides grading certificates to the vendor. The signed delivery receipt must match the Goods Receipt quantity entered in WBSCM.

The RFB must email all receipting documents to CHRP within 2 business days of the receipt of each shipment.

WBSCM Goods Receipt

ADES/HRP is responsible for entering the Goods Receipt in WBSCM within two calendar days of receipt of the product. Electronic receipting within two calendar days permits expeditious notification to FNS and other parties of the receipt of the shipment and allows payment to vendors in a timely manner. The Goods Receipt must indicate the quantity received in good condition and, if applicable, the quantity received damaged or rejected.

If ADES/HRP has not entered a Goods Receipt within two calendar days of delivery and the Contracting Office has received an invoice for the shipment, the Contracting Office will enter a Goods Receipt in WBSCM in order to meet prompt payment requirements. The Goods Receipt entry will be based on vendor or carrier-provided proof of delivery documentation such as a signed BOL.

Note that if the entire shipment is rejected by the Contracting Office, no information is required or should be entered into WBSCM.

Unloading the Shipment

RFB Responsibilities

The RFB is responsible for unloading the shipment of USDA Foods and for removing and disposing of dunnage and other debris. The RFB may request reimbursement for costs associated with restacking items that arrive unpalletized or pallets that arrive poorly stacked if appropriate documentation, including photographs, is provided via ADES/CHRP to FNS SWRO before the shipment is accepted. Fees levied on the vendor or carrier (e.g., gate fees or lumper fees) are not permissible. For shipments of frozen or refrigerated foods, the RFB must ensure the freezer or refrigeration unit remains on during unloading.

For shipments originating from a NMFV, the RFB is responsible for unloading their entire order, including items that may be segregated (e.g., frozen under bulkhead), and ensuring that proper temperature is maintained.

RFBs are responsible for unloading palletized loads, even if they do not have the proper equipment to handle the pallets. In addition, RFBs should inquire at the time of delivery scheduling if any USDA direct shipments are slip-sheeted rather than palletized. RFBs are responsible for providing the proper equipment and off-loading labor for handling slip-sheeted loads. If an RFB requests or requires a driver to restock product onto pallets or perform any service in relation to unloading, the RFB should be aware that the driver will normally charge for the service and that the RFB will be responsible for any restocking or unloading charges.

Vendor or Carrier Responsibilities

All shipments originating from a NMFV will arrive on pallets that must be positioned to facilitate timely unloading of USDA Foods (e.g., no pinwheeling). The NMFV Carrier is responsible for tailgating if previously arranged with the RFB.

The vendor or carrier is responsible for shipping product on pallets or equivalent (e.g., slip sheets) that are in acceptable condition, in accordance with applicable contract specifications. If pallet exchange is desired, the vendor or carrier must arrange for pallet exchange with the RFB prior to delivery. Fees levied on the RFB (e.g., lumper fees) are not permissible.

Free Time

The RFB must complete the unloading of the shipment and removal of dunnage and other debris within the period of free time. For palletized loads, free time is up to two hours. For non-palletized loads, free time is up to six hours. USDA may make exceptions for additional free time.

Failure to complete unloading within the free time may incur a demurrage or detention charge, which the RFB is obligated to pay. Charges may be due even if the delivery arrives with no advance notice. In the event the carrier should allow less time than the free time established, USDA will pay the difference. Bills for such charges should be sent to ADES/CHRP who will forward the information to the Kansas City Commodity Office, which will review the bill and file the claim through the appropriate FNS regional office.

Split Shipments

Temperature at time of arrival and time of departure must be recorded. In addition, RFBs must record seals on the outbound shipment from the stop-off point.

Additional cost or time for unloading damaged shifted or jumbled products should be documented in the RFB's records.

When shortages in split shipments are reported at a final destination only, the stop-off RFB must provide ADES/CHRP with proof of the following when the truck departed their facility:

- Quantity – unloading documentation or a statement supporting the unloaded quantity reported
- Seals – complete inbound and outbound seal numbers
- Location – where unloading was performed
- Protection and supervision – protection and supervision given the carrier during unloading

Segregating Out-of-Condition USDA Foods

As provided in "Acceptance of Shipment", if the RFB inspection indicates some, but not a major portion, of the USDA Foods in the shipment are out of condition, or there is only a minor discrepancy from the quantity of USDA Foods ordered, the RFB may accept the entire shipment and segregate any out of condition USDA Foods.

In such circumstances, the RFB must identify cases or other units of USDA Foods, or those USDA Foods within a case or other unit, that are out of condition, and segregate such foods from those that are in good condition, making note on the delivery documentation (e.g., BOL) as applicable. USDA Foods with cosmetic damage (e.g., small dents) should be retained for use as feasible.

Verifying Quantity of USDA Foods, Overages and Shortages

The RFB must confirm the quantity of USDA Foods received when unloading to determine if the quantity of foods delivered is the quantity ordered or if there is an overage or shortage of the quantity ordered. Any overages or shortages must be noted on the signed delivery receipt and reflected in WBSCM Goods Receipt.

For shipments originating from a vendor, when there is a shortage of the quantity ordered, ADES/CHRP should notify the FNS SWRO to address any need for additional USDA Foods or to credit entitlement CSFP. As applicable, the FNS SWRO will work with FNS HQ to address the issue. For split shipments between two or more destinations, it is the responsibility of the RFB to unload the correct quantity at each delivery location in accordance with the Sales Orders. It is the responsibility of ADES/CHRP to make the necessary corrections in the event of an unloading error for split shipments.

For shipments originating from a National Multi-Food Warehouse that have less than the quantity of foods ordered, the RFB must notify ADES/CHRP which must in turn notify FNS SWRO and make arrangements to receive the missing product as appropriate.

Re-Sealing for Subsequent Delivery

It is the responsibility of the vendor or carrier to reseat and rebrace the truck for subsequent deliveries, such as in split shipments, or shipments originating from a NMFW. In a split shipment, the RFB, at the next delivery location, must ensure the high security seal(s) is intact and the serial number on the seal matches the number on supporting documentation. Issues related to resealing, such as broken or lacking seals, should be referred to ADES/CHRP, which must in turn refer such issues to FNS SWRO.

For questions or issues regarding re-sealing for subsequent deliveries originating from the NMFW, the consignee should contact ADES/CHRP, which must in turn contact FNS SWRO.

Delivery Service Upgrade Requests

When notified of shipments, the RFB may request upgraded delivery services or delivery to an alternate warehouse (e.g., delivery within the RFB's premises, direct delivery tailgating or delivery to a specific room within a building. Note that such delivery terms are beyond USDA contractual requirements.

Any negotiations to upgrade services are between the vendor or carrier and RFB and any additional charges for special delivery terms are between RFB and the vendor or carrier. Any charges invoiced to USDA for additional delivery services will be denied.

Required Records and Retention

The RFB must maintain documentation of:

- The serial number of the high security seal(s)
- The temperature of a freezer or refrigerated truck or trailer upon arrival
- The result of any inspections by State or local health authorities or USDA certification agent to determine the condition of USDA foods
- The disposition of USDA Foods received out-of-condition, including, as applicable, the destruction of such foods, or a signed salvage receipt for the vendor or carrier

Arizona requires all CSFP records must be retained for a period of five (5) years from the close of the fiscal year to which they pertain. *See CSFP Section 16 Record Keeping and Reporting.*

Disposal and Replacement of Out-of-Condition Foods

Disposition of Out-of-Condition Foods

For shipments originating from a NMFW, if the shipment has already been accepted, the RFP must contact ADES/CHRP, which must in turn contact FNS SWRO for guidance in disposing of any out-of-condition foods.

For shipments originating from a vendor that are found to contain out-of-condition USDA Foods, after taking the necessary steps provided in “Out of Condition USDA Foods and Required Notification”, the RFB must provide the vendor or carrier with the opportunity to remove such out-of-condition USDA Foods for salvage. If the vendor or carrier chooses to remove such USDA Foods, the RFB must obtain a signed salvage receipt or equivalent and provide it to FNS via ADES/CHRP, upon request.

If the vendor’s shipment has already been accepted and the vendor or carrier is unwilling to remove such foods, it is the responsibility of the RFB to destroy or otherwise dispose of the out-of-condition USDA Foods, in accordance with State or local requirements pertaining to food safety and health. Out-of-condition USDA Foods may NOT be used in any USDA food assistance programs. Any USDA markings must be obliterated if the product is salvaged for other use. [HRP-1003A Commodity Disposal Report \(CDR\)](#) See Section 18: “Disposal Rules and Procedures” for complete information.

Replacement of Out-of-Condition Foods

For shipments originating from a NMFW that contain out of condition foods, the RFB must work with ADES/CHRP, which must in turn work with FNS SWRO to make arrangements to receive replacement product, as appropriate.

For shipments originating from a vendor the vendor is responsible for replacing USDA Foods shipments that are rejected by the Contracting Office in full or those USDA Foods that are delivered out-of-condition in an accepted shipment. Such replacement must be in-kind, unless FNS approves similar replacement.

In certain limited cases, FNS, working with the appropriate Contracting Office, may pursue a claim against the vendor to the relevant Federal agency for payment of the value of the USDA Foods in lieu of physical replacement of the USDA Foods. The RFB must contact ADES/CHRP, which must in turn contact FNS SWRO to make arrangements to receive replacement product, as appropriate (7 CFR, §250.11).

Claims Against Vendor or Carrier

As applicable, FNS, in coordination with the appropriate Contracting Office, will pursue claims against vendors or carriers, as necessary, to ensure replacement of USDA Foods delivered out-of-condition, in accordance with FNS Instruction 420-1, "Managing Agency Debts."

Reimbursement for Expenses

The RFB may request from FNS SWRO, through ADES/CHRP, reimbursement for expenses incurred in unloading, storing, inspecting, or disposing of USDA Foods that are delivered out-of-condition. In making such request for reimbursement, the RFB must use **USDA form FSA-21, "Public Voucher - Commodity Programs,"** which must be submitted to FNS SWRO via ADES/CHRP.

CSFP Section 15: USDA Commodity Storage and Inventory

Federal Regulatory Storage Requirements

Storage Facilities

- RFBs, DSs, and CMSs must provide facilities for the handling, storage and distribution of USDA foods which:
- Are sanitary and free from rodent, bird, insect and other animal infestation
- Safeguard against theft, spoilage and other loss
- Maintain foods at proper storage temperatures
- Stock and space foods in a manner so that USDA-donated foods are readily identified
- Store donated food off the floor in a manner to allow for adequate ventilation
- Take other protective measures as may be necessary (7 CFR, §250.14)

ADES/CHRP and RFBs must make sure that storage facilities have any Federal, State, and local health inspections and approvals that are required and that all are current (7 CFR, §250.14). RFBs and DSs should check within their county for required inspections and approvals. RFBs must also ensure all storage facilities support compliance with food recall procedures.

Commercial Storage Facilities Contracts

Contracts for commercial storage facilities shall be effective for no longer than five years, including option years to extend the contract. Before exercising option years after the fifth year, the storage facility must update all pertinent information and demonstrate that all USDA food received during the previous contract period has been accounted for (7 CFR, §250.14).

Contracts with storage facilities must contain, at a minimum:

- An assurance that the storage facility will be maintained in accordance with the specifications listed above in "Storage Facilities"
- Evidence that donated food will be clearly identified
- Assurance that annual physical inventory will be conducted, and inventory records maintained by the RFB
- Beginning and ending dates of contract
- Provision for immediate termination of contract due to non-compliance
- Provision for termination of contract for cause by either party upon thirty-days (30 days) written notice
- Amount of insurance coverage for stored food items
- Express written consent for inspection and inventory by ADES/CHRP, RFB, the Comptroller General or the USDA (7 CFR, §250.14)

Arizona Specific Storage Requirements

RFBs must adhere to the following requirements, as specified by ADES/CHRP per Arizona's Health and Safety Codes:

- All food must be stored, transported, and served so as to be pure, free from contamination, adulteration and spoilage, and protected from vermin
- Food facilities must at all-times be so constructed, equipped, maintained, and operated as to prevent the entrance of vermin, rodents, insects, etc.
- Food facilities must be kept clean and free of litter, rubbish, contaminant, pollutants, etc.

- Food must be stored under climate-controlled conditions in accordance with guidelines printed and distributed by ADES/CHRP
- Food must be placed no closer than six inches to walls, dividers, or other barriers to permit air to flow around stacking of cases. Additional spacing may be allowed to provide access to product
- When not palletized, food must be stored off the floor, e.g., on shelves, racks, 2" by 4"s, or larger wooden boards
- All food products must be stored away from non-food items that may contaminate food, such as cleaning products, insecticides, rat poison, etc.

FIFO: RFBs must implement a system of stock rotation that assures the oldest stock is issued to recipients before more recent stock is issued; often referred to as "first in, first out."

RFBs must implement an inventory procedure to check physical count and condition for all movement of USDA foods in and out of storage locations. Food items found to be lost, stolen, or out-of-condition must be identified during the inventory and reported by the RFB to ADES/CHRP.

Inventory

Inventory Management

CSFP USDA Foods must be stored in a manner that permits them to be distinguished from each other and non-USDA Foods in storage. RFBs must maintain a separate inventory record for CSFP USDA Foods.

Inventory management systems must ensure that all USDA Foods are distributed to participants in a timely manner that permits use of the commodities while still in optimal condition.

RFBs must distribute CSFP commodities within five (3) months of the receipt of the shipment.

Annual Inventory Count

A physical inventory of ALL USDA Foods must be conducted at least annually at each commodity storage and distribution site. RFBs must send the results of the physical inventory to ADES/CHRP for reconciliation with inventory records. ADES/CHRP and recipient agencies are required to keep the results of the physical inventory on file, in accordance with Section 14 "Record Keeping and Reporting" of this manual.

Records

RFBs must maintain records to document the receipt, disposal, and inventory of commodities received (7 CFR, §251.10)

RFBs must maintain accurate and complete records with respect to the receipt, distribution/disposal and inventory of USDA foods, including end products processed from donated foods, and with respect to any funds that arise from the operation of the distribution program, including refunds made to RFBs by processors. All entities that contract with RFBs must also maintain such records (7 CFR, 250.16).

DSs need to document CSFP inventory received and distributed monthly. Any inventory report distributed by RFBs to their DSs first needs ADES/CHRP approval.

RFBs are responsible for documentation of the physical movement and receipt of all commodities between RFB locations and DSs.

Excessive Inventory

ADES/CHRP must determine if an RFB's inventory is excessive based on the rate of distribution, anticipated distribution, and other concerns such as logistical and economic considerations (7 CFR, §250.14).

In no case may the inventory level of each donated item in storage exceed a six-month (6 month) supply for CSFP, unless the RFB submits justification to ADES/CHRP for additional inventory and obtains approval. ADES/CHRP shall take corrective action to ensure that excess inventory at all levels is eliminated and shall document actions taken (7 CFR, 250.14).

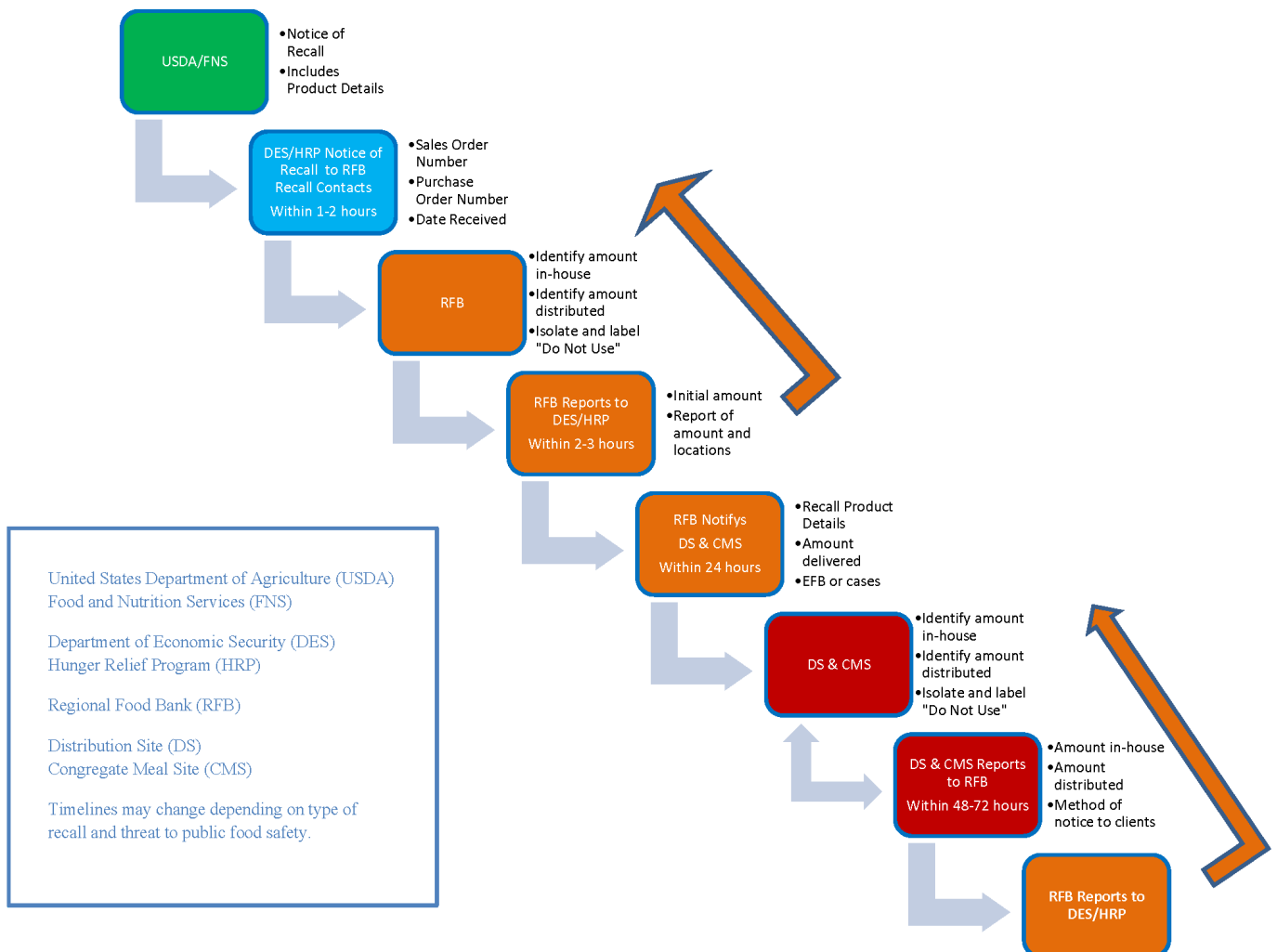
Inventory Shortages

In the case of an inventory shortage, ADES/CHRP need not take any further claims actions against the RFB when:

- The loss of any one commodity does not exceed one percent of the total quantity of USDA foods distributed or utilized from any single storage facility during the fiscal year in which the loss occurred, or during the period for which an audit was conducted by USDA or ADES/CHRP (as approved by USDA)
- The cause of the shortage cannot be established
- The lost donated foods were held in non-commercial storage or other facilities owned or operated by ADES/CHRP or an RFB
- There is no indication that the loss was the result of negligence or continued inefficiency in operations

The factual basis for not taking action is subject to review by USDA (7 CFR, §250.15).

Recall Procedure



Replacement of Commodities by RFB

This information applies to both Theft and Vandalism and Spoiled or Out-of-Condition Food.

In the event of loss of USDA commodities due to improper storage, improper distribution and/or use, neglect, or damage at the fault of the RFB, the RFB will be responsible for full replacement of the USDA commodities. Replacement may be either food of similar type and quality, or cash payment to CSFP.

If the value of the loss of commodities is less than \$2,500, ADES/CHRP has the discretion to determine whether or not the RFB must replace the loss, by either similar replacement or cash payment. If the value of the loss of commodities is greater than \$2,500, USDA will determine the RFB's obligation and method of replacement.

USDA Commodity Transfers to Other RFBs

RFBs may transfer USDA commodities only after receiving approval from USDA/FNS or ADES/CHRP.

Transfer of CSFP commodities to another RFB for a different program requires the RFB initiating the transfer to notify ADES/CHRP of the transfer request. ADES/CHRP will review the request and, when in agreement with the request, submit it for approval to USDA/FNS. For example, the transfer of CSFP commodities to an RFB intending to distribute the commodities as TEFAP requires USDA/FNS approval, even when the receiving RFB also administers CSFP.

When an RFB wants to transfer CSFP commodities to another RFB for use in the same USDA program, the RFB must submit a transfer request to ADES/CHRP for approval. ADES/CHRP will review the request and inform the initiating RFB of the decision. Both transferring and receiving RFBs must complete the same [HRP-1007A Commodity Transfer Report](#) and document in the appropriate monthly reporting.

Commodity Losses, Spoilage and Out-of-Condition Food

RFBs must provide facilities for USDA foods that are safe against theft and other loss (7 CFR, §250.14).

**Take several photos to document losses. Photos are to be submitted to DES/CHRP.*

Liability

Upon the occurrence of any event creating a claim in favor of ADES/CHRP against an RFB, warehouseman, carrier, or other person, for the improper distribution, use, or loss of, or damage to USDA foods, ADES/CHRP must take action to obtain recovery (7 CFR, §250.15).

Theft or Vandalism

RFBs must provide facilities for USDA foods that are safe against theft and other loss (7 CFR, §250.14). To prevent loss due to theft or vandalism, it is important that storage areas be secured. RFBs must implement procedures and controls to meet security needs according to the accessibility and design of the storage facilities. Control procedures must be open and visible to the public and staff. Upon discovery of a theft or loss due to vandalism or other criminal act, the RFB must:

- Immediately, file a police report
- Notify ADES/CHRP by phone for specific instructions
- Complete [HRP-1001A USDA Commodity Loss Report \(CLR\)](#) and email to ADES/HRP
CoordinatedHungerReliefProgram@azdes.gov **For DSs, HRP-1001A should be completed and sent to the RFB*

Spoiled or Out-of-Condition Food

USDA food must not be disposed of without approval of the USDA (7 CFR, §250.13). If USDA foods go out-of-condition for any reason, the DS and/or RFB must:

- Set the product aside to isolate it from other product
- Notify RFB (if DS) and/or ADES/CHRP (if RFB) by phone as soon as the discovery is made

- Complete [HRP-1001A USDA Commodity Loss Report \(CLR\)](#) and email to ADES/CHRP
CoordinatedHungerReliefProgram@azdes.gov **For DSs, HRP-1001A should be completed and sent to the RFB*

Do not dispose of out-of-condition food until instructed to do so.

Once an RFB obtains approval, [HRP-1003A Commodity Disposal Report \(CDR\)](#) must be completed and sent to ADES/CHRP. See “Disposal Rules and Procedures” for details.

Disposal Rules and Procedures

USDA commodities must not be sold, exchanged, or disposed of without approval of USDA (7 CFR, §250.13). Therefore, RFBs may not dispose of any USDA commodities at their own discretion. RFBs must get written authorization from ADES/HRP to dispose of USDA commodities.

Any product to be disposed of is also considered a commodity loss.

To obtain authorization to dispose of product that is out-of-condition, the RFB must:

- Set aside or appropriately isolate the out-of-condition product from other products. RFBs must exercise special care in isolating infested or contaminated food away from other product. Affected product must not be accessible to the public
- Call ADES/CHRP for further instructions.
- Complete [HRP-1003A Commodity Disposal Report \(CDR\)](#) and email to ADES/HRP
CoordinatedHungerReliefProgram@azdes.gov

Certification from a local public health official or a USDA inspector may be required prior to disposal.

Disposal Procedures

- Upon written authorization from ADES/CHRP to dispose of the product, the RFB must either:
- Render the affected product unfit for human consumption by mixing it with dirt and burying it in a landfill
- Donated the affected product to be used as livestock feed
- Transfer the affected product to a successful bidder or vendor specified by ADES/CHRP or USDA
- Send the affected product to a composting center

If the product will not be donated as livestock feed or transferred to a vendor, the RFB must ensure that affected product is properly disposed of and does not find its way to the general public through scavengers. If affected food does find its way to the general public and proper procedures have not been followed, the RFB may be held liable. This also means that affected product must be secure while awaiting disposal authorization and procedures.

Disposal Records

RFBs must maintain documentation for each authorized disposal (7 CFR, §251.10). RFBs must also record disposed product on the Monthly Statistical Report submitted to ADES/CHRP. HRP-1003A is considered backup documentation to the monthly statistical inventory report. Therefore, the RFB must retain one copy of HRP-1003A for inventory audit purposes. ADES/CHRP will forward a copy of HRP-1003A to the USDA.

CSFP Section 16: Record Keeping and Reporting

Records

Required Records

RFBs must maintain accurate and complete records with respect to the receipt, distribution/disposal and inventory of USDA foods, including end products processed from USDA foods, and with respect to any funds, which arise from the operation of the distribution program, including refunds made to RFBs by processors. All entities that contract with RFBs, including DSs, must also maintain such records (7 CFR, 250.16 & 251.10).

RFBs must maintain ADES/HRP–required fiscal and accounting records documenting the amount of funds received and costs incurred. These records must be maintained in accordance with generally accepted accounting principles.

RFBs must maintain the following records:

- Number of program participants by program, by month, by county
- Racial/ethnic group of each CSFP program participant
- The receipt, disposal, distribution, and inventory of commodities
- The receipt and disbursement of administrative funds and other funds
- Eligibility determinations, participant demographics, fair hearings, and other program activities
- The use of, loss of, or damage to commodities
- Results obtained from the pursuit of claims arising in favor of ADES/CHRP or the RFB

Records must be retained for a period of five (5) years from the end of the fiscal year to which the records pertain. Records related to unresolved claims actions, audits or investigations must be retained until the unresolved activity is completed.

All records must be available during normal business hours for use in management reviews, audits, investigations or reports due to the Federal or State government (7 CFR, §247.29(a), and §251.10(4)).

RFB Required Reports

Reports are to be completed as of last business day of the reporting month and must be sent to ADES/CHRP and the Contract Specialist by the 15th of the following month. If the 15th lands on a weekend, RFBs may submit them the following Monday.

ADES/CHRP requires RFBs to submit the following:

Monthly

- **HRP-1012A Food Distribution Monthly Statistical Report**
- FNS-153 Monthly Report of the Commodity Supplemental Food Program and Quarterly Administrative Financial Status Report.
- CSFP Monthly Inventory Report
- CSFP Caseload Breakout by County
- Supporting documentation and expenditures
- (As Needed) Corrective Action Plan Status or Completion Reports.
 - RFBs must submit to ADES/CHRP status or completion reports monthly, or as scheduled, according to corrective action plans required as the result of a processed complain, monitoring report, review report, or as requested by ADES/CHRP

Quarterly (Oct, Jan, Apr, July)

- Recipient Agency List

Annually

- Current certificates of insurance
- Nutrition Education Survey results and narrative
- FNS-191 Racial/Ethnic Group Participation (April data)

Post-Conduction

- Copy of Feeding America audit (within 30 days of receipt)

As Needed

- [HRP-1014A Civil Rights Complaint / Grievance](#)
- [HRP-1001A USDA Commodity Loss Report \(CLR\)](#)
- [HRP-1003A Commodity Disposal Report \(CDR\)](#)
- [HRP-1007A Commodity Transfer Report](#)
- [HRP-1017A Request to Terminate USDA Distribution Site](#)

Distribution Site Required Reports

Specific reporting requirements for DSs are as follows:

Monthly

- Commodity Senior Food Program Distribution Site Monthly Inventory Report

Annually

- [HRP-1040A Annual USDA Commodity Food Service Application and Agreement Between Regional Food Bank and Distribution Site](#)
- [HRP-1015A Annual Civil Rights Training](#)

As Needed

- [HRP-1003A Commodity Disposal Report](#)
- [HRP-1001A USDA Commodity Loss Report](#)
- [HRP-1016A Volunteer Confidentiality](#)
- [HRP-1014A Civil Rights Complaint / Grievance](#)

CSFP Section 17: Administrative Funding, Usage and Accounting

Use of Funds

Administrative funds are used to ensure the efficient and effective operation (administration) of the program (7 CFR, §247.25(a) & §251.8(e)(2)). RFBs must maintain ADES/CHRP required fiscal and accounting records documenting the amount of funds received and costs incurred. These records must be maintained in accordance with generally accepted accounting principles.

RFBs must submit the ADES/CHRP Contractor's Invoice and Statement of Expenditures form monthly.

Examples of allowable use of administrative funds:

- Storing, transporting, and distributing commodities
- Determining participant eligibility
- Program outreach
- Nutrition education
- Audits

- Fair hearings
- Monitoring and reviewing program operations
- Transportation of enrolled participants to and from the DS, as necessary

Examples of unallowable uses of administrative funds:

- The cost of alteration to facilities not specifically required for the program
- Actual losses which could have been covered by permissible insurance through an approved self-insurance program or by other means

Capital Expenditures

RFBs must keep separate accounting records for all capital expenditures. These records must be easily accessible for review by ADES/CHRP and USDA staff.

Equipment purchased with CSFP monies becomes the property of USDA and may not be given, traded, or sold without permission from ADES/CHRP.

Capital expenditures, including the acquisition of facilities or equipment or enhancements to such capital assets, with a cost per unit of \$5,000 or more require prior approval from USDA/FNS before the funds can be spent (7 CFR 247.25(c)).

An Equipment Inventory Form must be completed and submitted within 30 days of the acquisition of new equipment purchased with CSFP funds and submitted annually thereafter every July. Examples of equipment include, but are not limited to automated information systems, automated data processing systems, and other computer hardware and software.

Procurement Procedures

When procuring property, equipment, or services with program funds, or disposing of property or equipment purchased with program funds, ADES/CHRP and RFBs must use the procedures identified in 2 CFR Part 200, as appropriate. ADES/CHRP and RFBs are authorized to use procurement procedures established by the State or RFB, insofar as the State or RFB procedures do not conflict with Federal regulations.

Federal regulations do NOT relieve ADES/CHRP or RFBs from their respective responsibilities as established in contracts relating to the procurement of property, equipment, or services.

ADES/CHRP is the responsible authority regarding the settlement of all contractual and administrative issues arising from procurements related to CSFP.

Program Income

Program income is income directly generated from program activities (7 CFR § 247.25 (e)). Program income includes revenue from activities such as the sale of packing containers or pallets and the salvage of commodities. Program income does not include interest earned from administrative funds.

ADES/CHRP and RFBs must use program income for allowable costs supporting CSFP operations.

Funds Recovered from Claims Actions

ADES/CHRP must use program funds recovered as a result of claims actions against RFBs in accordance with 7 CFR § 250.15(c), which addresses the replacement of recalled USDA Foods and reimbursements for specific costs related to handling USDA Foods recalls.

7 CFR § 250.15(c): DESC/HRP, RFBs and DSs, as appropriate, must follow all applicable Federal, State and local requirements for USDA Foods subject to food recall. In the event of a recall, USDA and all other responding parties

provide guidance, procedures and instructions for the replacement of recalled USDA Foods and reimbursement of specific costs incurred as a result of such actions.

ADES/CHRP must use program funds recovered as a result of claims actions against participants for allowable program costs. RFBs are authorized to use such funds for allowable program costs at the local level.

Surplus Funds

If by the end of the fiscal year ADES/CHRP has not obligated all allocated administrative funds, ADES/CHRP must return the unobligated funds to USDA/FNS.

Financial Management Requirements

ADES/CHRP and RFBs must maintain a financial management system that is in compliance with Federal regulations contained in 2 CFR Part 200, as appropriate. The ADES/CHRP system must provide accurate, current and complete disclosure of the financial status of the program, including an accounting of all program funds received and expended during each fiscal year.

In addition to other requirements, the ADES/HRP financial management system must provide for:

- Prompt and timely payment of allowable costs
- Timely disbursement of funds to RFBs
- Timely and appropriate resolution of claims and audit findings
- Maintenance of records identifying the receipt and use of:
 - Administrative funds
 - Funds recovered as a result of claims actions
 - Program income
 - Property and other assets procured with program funds

RFBs must develop, implement and maintain a financial management system that allows the RFBs and ADES/CHRP to meet all Federal requirements in addition to the requirements outlined in this section.

Program Audits

Audits (aka Monitors) are used to ensure that financial operations are properly conducted, financial reports are fairly presented, proper inventory controls are maintained, and all applicable laws, regulations and administrative requirements are being followed.

USDA may conduct an audit of ADES/CHRP or RFBs at any time, while ADES/CHRP may conduct an audit of RFBs at any time. Audits may include reviews of financial documents, policies and practices, as applicable to the specific area of concern.

Auditees must provide access to any records or documents related to the program and must ensure that all audit reports are kept available for USDA/FNS or ADES/CHRP review.

When deficiencies (i.e., audit findings or recommendations) are identified, the auditee must submit a response to the auditor describing the actions planned or taken to address deficiencies. The auditor reviews the response to ensure it adequately addresses the deficiencies. If additional actions are needed, the auditor will schedule a follow up review and allow sufficient time for further corrective actions.

Auditees have the right to take exception to particular identified deficiencies.

Note that the value of CSFP commodities distributed by recipient agencies must be considered as part of the Federal CSFP award.

All audits must be conducted in compliance with 2 CFR Part 200.

CSFP Section 18: Compliance Monitoring and Accountability

USDA Reviews

The FNS of USDA reviews State agencies, RFBs and distribution sites at random. Frequently, these are unannounced visits of which neither ADES/CHRP nor RFBs are notified in advance.

With FNS approval, site reviews conducted by the FNS SWRO may be counted toward the total number of reviews that ADES/CHRP is required to perform annually.

The Secretary, the Comptroller General of the United States, or any of their duly authorized representatives, may:

- Inspect and inventory USDA Foods in storage
- Inspect the facilities used in the handling or storage of such donated foods
- Inspect and audit all records, including financial records, and reports pertaining to the distribution of USDA Foods
- Review or audit the procedures and methods used in carrying out the requirements at any reasonable time (7 CFR, §250.18)

ADES/CHRP Reviews of RFBs

ADES/HRP has established a management review system to ensure that all agencies conducting CSFP program activities meet program requirements and objectives. During the onsite review, ADES/CHRP evaluates all aspects of program administration, including eligibility/certification procedures, nutrition education, civil rights compliance, food storage practices, inventory controls and financial management systems.

ADES/HRP reviews of ERAs and distribution sites must include:

- Eligibility determinations, including a review of RFB procedures and controls to ensure that distribution sites are complying with eligibility guidelines and notifications
- Food ordering procedures
- Storage and warehousing practices, including inspection of off-site and/or commercial storage facilities, for adequacy of space, pest control, health and safety requirements, and storage and handling procedures
- Inventory controls, including review of perpetual inventory records, records of issuance to and return from distribution sites, physical inventory counts, and records of receipt by eligible signatures on either Link2Feed or sign-up sheets
- Approval of distribution sites to ensure proper and equitable selection of sites in order to meet the needs of the population
- Reporting and recordkeeping requirements, including review of accounting records and documentation in support of claims submitted
- Civil rights and nondiscrimination procedures (Final Rule, §251.10)
- Evaluation of program outreach, advertising and notification methods to ensure that all eligible recipients are advised of distribution times and locations
- Evaluation of compliance with household participation data collection and reporting requirements

ADES/CHRP also evaluates program administration on an ongoing basis by reviewing financial reports, audit reports, food orders, inventory reports and other relevant information. ADES/CHRP compliance reviews are an on-going process.

ADES/CHRP may conduct documented reviews of RFBs and DSs as often as once every fiscal year.

ADES/CHRP is required by USDA FNS to perform an onsite review of all RFBs and of all storage facilities utilized by RFBs, at least once every two years.

Deficiencies

When a deficiency is found, ADES/CHRP must record all deficiencies identified during the review and institute follow-up procedures to ensure that RFBs or DSs correct all deficiencies within a reasonable period of time. To ensure improved program performance in the future, ADES/CHRP may require that RFBs adopt specific review procedures for use in reviewing their own operations and those of contractors.

ADES/CHRP must provide copies of review reports to USDA/FNS upon request. ADES/CHRP must only submit a report of findings to RFBs if a deficiency is found. In such cases, ADES/CHRP will produce a report for the RFB that includes a description of each deficiency found and contributing factors, requirements for corrective actions, and timetable for completion of corrective action (Final Rule, §251.10).

RFB Reviews of Distribution Sites

RFBs are required to conduct annual monitoring and review visits of their distribution sites each year using the form [HRP-1027A USDA Compliance Review](#). The distribution site must demonstrate compliance with Federal and State regulations and requirements.

RFB review of DS's must include all the same elements as listed above for ADES/CHRP reviews of RFBs, and:

- Ensure that proper signage is prominently posted ("And Justice for All," ADA 504 Notice and Eligibility Guidelines)
- Evaluation of distribution rates to ensure that commodities are being distributed in equitable proportions based on household size; and
- Ensure that unrelated activity is being conducted in accordance with Federal regulations

Results of the RFB review of DSs are to be reported to ADES/CHRP via [HRP-1027A USDA Compliance Review](#).

Corrective Action Plans

Any RFB or DS that fails to comply with any Federal regulation or program requirement must submit a corrective action plan to ADES/CHRP for approval. ADES/CHRP will issue instructions related to the proposed plan and/or monitor the implementation of the plan for correction. RFBs are required to respond to any findings that require correction within thirty (30) days of receipt of the corrective action report.

Accountability

ADES/CHRP Accountability

ADES/CHRP is accountable to USDA for the proper recording and usage of all CSFP funds and commodities allocated to the State of Arizona.

RFB Accountability

RFBs are accountable to ADES/CHRP and USDA for adherence and compliance with all laws, rules, regulations, policies, and procedures set forth by USDA or ADES/CHRP in manuals, letters and other correspondence.

When not specifically outlined in Federal regulation or State policy, RFBs should follow generally accepted, industry-wide practices for recordkeeping, storage, warehousing, inventory and other responsibilities of the RFB.

An RFB subcontractor is equally accountable to ADES/CHRP for compliance and adherence to all laws, rules, regulations, policies, and procedures set forth by USDA or ADES/CHRP in manuals, letters and other correspondence, as is any RFB.

Distribution sites are accountable to the RFB, ADES/CHRP and USDA, although routine program direction and guidance will normally be issued by the RFB. In the event of an emergency, ADES/CHRP or USDA may intercede as necessary.

CSFP Section 19: Forms

ADES/CHRP creates and provides forms that must not be altered except with approval from ADES/CHRP. RFBs and DSs complete the forms and submit to the identified parties. Please note that all reports and forms are subject to an on-going review and may be revised at any time. All forms may be downloaded from the ADES Documents Center under the filter of “Hunger Relief.”

All forms may be downloaded from the ADES [Documents Center](https://des.az.gov/documents-center) (des.az.gov/documents-center) under the filter category “Hunger Relief”

Report Forms

HRP-1001A	USDA Commodity Loss Report (CLR)
HRP-1003A	Commodity Disposal Report (CDR)
HRP-1007A	Commodity Transfer Report
HRP-1012A	Food Distribution Monthly Statistical Report
HRP-1012B	Food Distribution Monthly Statistical Report Instructions
HRP-1040A	Annual USDA Commodity Food Service Application and Agreement Between Regional Food Bank and Distribution Site

Operations Forms

HRP-1015A	Annual Civil Rights Training
HRP-1016A	Volunteer Confidentiality
HRP-1017A	Request to Terminate USDA Distribution Site
HRP-1027A	USDA Compliance Review

Participant Forms

HRP-1014A HRP-1014A-S	Civil Rights Complaint/Grievance
HRP-1026A HRP-1026A-S	USDA Beneficiary Referral Request
HRP-1028A HRP-1028A-S	Application for Benefits (TEFAP, CSFP)
HRP-1032A HRP-1032A-S	CSFP Informal Dispute Resolution Meeting/Fair Hearing Request
HRP-1033A HRP-1033A-S	Commodity Senior Food Program (CSFP) ID/Transfer Card
HRP-1034A HRP-1034A-S	Commodity Senior Food Program (CSFP) Individual Notice of Beneficiary Protections
HRP-1037A HRP-1037A-S	Commodity Senior Food Program (CSFP) Notification of Expiration
HRP-1039A HRP-1039A-S	Commodity Senior Food Program (CSFP) Participant Rights and Obligations
HRP-1041A HRP-1041A-S	Commodity Senior Food Program (CSFP) Waiting List Enrollment Notification
HRP-1052A HRP-1052A-S	Commodity Senior Food Program (CSFP) Notice of Action <i>*Waiting List, Application Denial, Disqualification, and Discontinuance</i>

Flyers and Posters

HRP-1022A	Food Assistance Programs – Nutrition Assistance (English/Spanish)
HRP-1047A HRP-1047A-S	Arizona Commodity Senior Food Program (CSFP) (Flyer)

Other

Equipment Inventory Form	*Obtain this from the assigned DES Contract Specialist
--------------------------	--