



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

COMMODITY SENIOR FOOD PROGRAM



STATE PLAN

FEDERAL FISCAL YEAR 2018

OCTOBER 1, 2017 – SEPTEMBER 30, 2018

Section 1. Contents

- Section 1. Contents 1
- Section 2. State Distributing Agency Contact Information, Certification and Organization Chart 3
 - A.) State Distributing Agency Contact Information..... 3
 - B.) Certification 3
 - C.) Organization Chart 4
- Section 3. Introduction..... 5
- Section 4. Participating Local Agencies..... 5
 - A.) Region 1..... 5
 - B.) Region 2..... 6
- Section 5. Eligibility Standards 7
 - A.) Income Standards 7
 - B.) Residency 7
 - C.) Client Identification..... 8
 - D.) Categorical Eligibility 9
- Section 6. Nutritional Risk Criteria 9
- Section 7. Service Plan Description and Caseload Needed 9
- Section 8. Outreach Plan..... 10
- Section 9. Commodity Receipt, Storage, Inventory Management and Distribution 10
 - A.) Receipt..... 10
 - B.) Storage 11
 - C.) Inventory Management 11
 - D.) Distribution to Local Distribution Sites..... 12
 - E.) Distribution to Enrolled Participants 12
 - F.) Distribution When Pending Verification of Address 12
 - G.) Distribution to Clients on a Waiting List..... 12
- Section 10. Nutrition Education Plan 13
- Section 11. Prevention and Detection of Dual Participation 13
- Section 12. Pursuit of Claims, Cost Efficiency Standards 14
- Section 13. Proxies and Service to Homebound Seniors 14
- Section 14. Copies of Agreements Entered into by the State Agency..... 15

Section 15. Certification Period 15

Section 16. Civil Rights 16

Section 17. Fair Hearings..... 17

Section 18. Financial Management 18

Section 19. Local Agency Program Participation 19

Section 20. Management Evaluation and Review 20

Section 21. Waiting List Procedures 20

Section 22. Nondiscrimination..... 21

Attachment 1. Copies of Agreements Entered into by the State Agency 23

Attachment 2. Sample Intergovernmental Agreement and Supporting Documents 24

 Exhibit A. Quarterly Recipient Agency List 33

 Exhibit B. Monthly Narrative Report..... 34

Attachment 3. Scope of Work and Uniform Terms and Conditions 35

 Exhibit A. Quarterly Recipient Agency List 41

 Exhibit B. Monthly Narrative Report..... 42

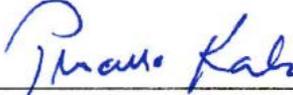
Attachment 4. Map of Seniors in Poverty and CSFP Distribution by County..... 43

Section 2. State Distributing Agency Contact Information, Certification and Organization Chart

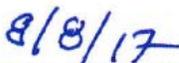
A.) State Distributing Agency Contact Information

Contact	Contact Information
Division of Aging and Adult Services Coordinated Hunger Relief Program	(602) 771-2788
Hunger Relief Program Manager	(602) 364-4371
Hunger Relief Program Specialist	(602) 771-2790
State Agency Address	Arizona Department of Economic Security Division of Aging and Adult Services Coordinated Hunger Relief Program 1789 W. Jefferson St., 3rd Floor NW Phoenix, AZ 85007
State Agency Mailing Address	P.O. Box 6123, Mail Drop 6282 Phoenix, AZ 85005
State Agency Email Address	CoordinatedHungerReliefProgram@azdes.gov

B.) Certification



 Priscilla Kadi, Assistant Director



 Date

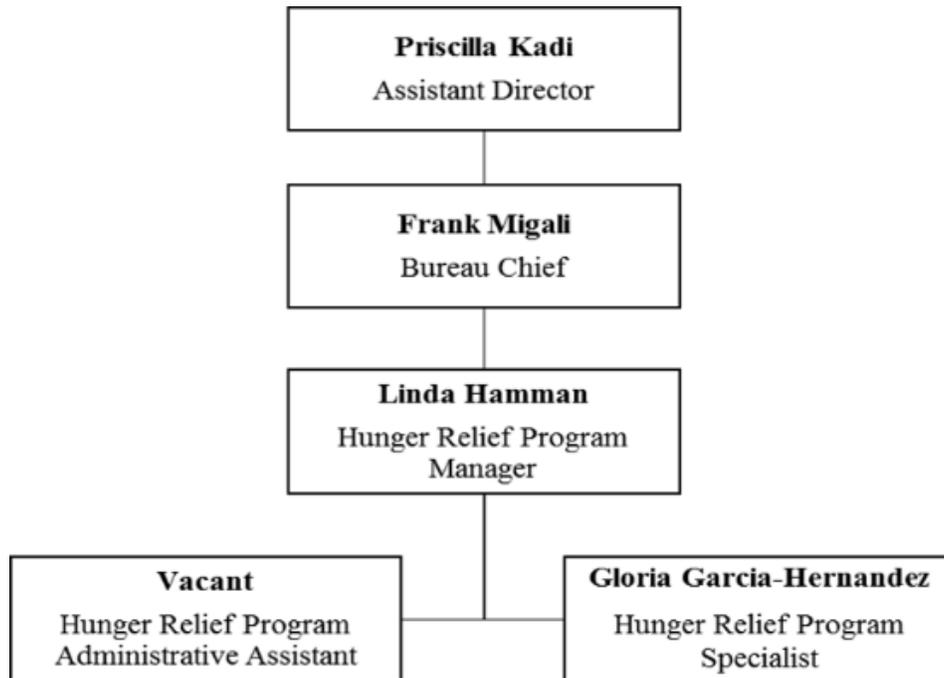


 Frank Migali, Bureau Chief



 Date

C.) Organization Chart



Section 3. Introduction

The Department of Economic Security (DES) is the State Distributing Agency (SDA) responsible for State level administration of the Commodity Supplemental Food Program (CSFP) in Arizona. DES administers CSFP in accordance with the provisions of 7 CFR Parts 247 and 250, as applicable. The Coordinated Hunger Relief Program (DES/HRP) is the work unit inside DES handling day to day program operations. Detailed information regarding program implementation is contained in the Arizona CSFP Policy and Procedure Manual, which is made available for program partners and the public on the [DES website](https://des.az.gov) at <https://des.az.gov>. In an effort to ensure the intent of the program is well known, Arizona refers to CSFP as the “Commodity Senior Food Program.”

Prior to DES assuming administrative responsibility for the program, CSFP was administered by the Arizona Department of Health Services, which also administers the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). This program pairing was efficient and sensible due to shared program objectives and nutrition education goals.

Due to the provisions of Section 4102 of the Agricultural Act of 2014 (Pub. L. 113-79), new CSFP applicants who were not at least 60 years of age became ineligible for certification as of February 7, 2014. Persons who were current participants but did not meet the newly enacted age restriction were authorized to continue participating in CSFP, until such time as the person no longer qualified under program rules in effect on February 6, 2014.

Once the remaining households that were eligible for CSFP under program rules in effect on February 6, 2015 discontinued participation in the program, the pairing of CSFP and WIC administration was reevaluated. Arizona determined the most efficient way to serve applicants and participants going forward is to combine the State level administration of CSFP with other DES/HRP programs, The Emergency Food Assistance Program (TEFAP) and Supplemental Nutrition Assistance Program Outreach.

Section 4. Participating Local Agencies

Per 7 CFR § 247.6(c)(1), the names and addresses of all regional food banks and local agencies with which DES has entered into agreement are as listed in parts A and B of this section.

A.) Region 1

- Regional Food Bank: St. Mary’s Food Bank Alliance
3131 West Thomas Road, Phoenix, AZ 85009

- Local Agencies:
 - Coconino County Public Health Services District
2625 North King Street, Flagstaff, AZ 86004
Servicing Coconino County
 - Mohave County Department of Public Health Services
700 West Beale, Kingman, AZ 86402
Servicing Mohave County
 - Gila County Health Services
5515 South Apache Avenue, Suite 100, Globe, AZ 85501
Servicing Gila County
 - St. Mary's Food Bank Alliance
3131 West Thomas Road, Phoenix, AZ 85009
Servicing La Paz County
 - Pinal County Public Health Services District
500 South Central Avenue, Florence, AZ 85232
Servicing Pinal County
 - Yavapai County Community Health Services
1090 Commerce Drive, Prescott, AZ 86305
Servicing Yavapai County

B.) Region 2

- Regional Food Bank: Community Food Bank of Southern Arizona
3003 South Country Club Road, Tucson, AZ 85713
- Local Agencies:
 - Community Food Bank of Southern Arizona
3003 South Country Club Road, Tucson, AZ 85713
Servicing Pima County
 - Douglas Area Food Bank
660 G Avenue, Box 1546, Douglas, AZ 85608
Servicing Cochise County
 - Mariposa Community Health Center
1852 North Mastik Way, Nogales, AZ 85621
Servicing Santa Cruz County
 - Yuma Community Food Bank
2404 East 24th Street, Yuma, AZ 85365
Servicing Yuma County

Section 5. Eligibility Standards

Responsive to 7 CFR § 247.6(c)(2), client eligibility standards are detailed in parts A through D of this section.

A.) Income Standards

Applicants are income eligible when their gross household income is at or below 130 percent of the Federal poverty guidelines as issued in the Federal Register by the U.S. Department of Health and Human Services for the relevant Federal fiscal year. Arizona implements new income guidelines immediately upon receipt.

Arizona excludes all income listed in 7 CFR §§ 247.9(e)(2) and 246.7(d)(2)(iv). When a household's income at the time of application does not reflect the household's actual status (i.e., the current gross income does not allow an accurate projection of income anticipated to be received during the certification period), local agencies are authorized to average the household's income over the 12 month period prior to the date of application, in accordance with 7 CFR § 247.9(e)(4). Arizona requires all local agencies to apply this method of income determination in warranted situations.

Verification of income is obtained through the applicant's self-certification on the application for benefits. Local agencies are required to provide applicants with information regarding countable and non-countable income to assist in the applicant's income calculation.

B.) Residency

Applicants must reside in Arizona and within a local agency's service area to be eligible for CSFP. Neither the length of time the applicant has resided in Arizona or in the local agency's service area, nor the length of time the applicant intends to remain a resident of Arizona or the local agency's service area may be considered in the eligibility determination.

Verification of address must be explored at each certification. When the applicant does not have verification of address at the time of application, local agencies must allow the applicant 30 calendar days to provide the verification. If all other eligibility requirements are satisfied, the applicant may receive one (1) food box prior to submitting verification of address.

When verification of address is not provided at the time of application or within 30 calendar days after application, the local agency must discontinue distribution to the client, allowing for a minimum 15-day written notice of adverse action as required by 7 CFR § 247.17.

Verification of address is obtained through any of the following sources:

- current driver's license or other current documentation from the Arizona Department of Transportation, Motor Vehicle Division
- lease agreement
- property ownership documentation
- rent or mortgage receipt
- utility bill
- when the applicant resides in an institution, a written statement from a representative of the institution
- any other reasonable, non-questionable document establishing the applicant's residency

C.) Client Identification

Applicants must present valid identification at each certification and recertification. Participants and proxies must present valid identification prior to receiving a CSFP distribution, in accordance with 7 CFR § 247.10(b).

Verification of identification is obtained through any of the following sources:

- birth certificate issued by a U.S., State or local government bureau of vital statistics
- driver's license or other current documentation from the Arizona Department of Transportation, Motor Vehicle Division
- U.S. passport or passport card, regardless of expiration date
- an identification card issued by another assistance or social service program
- (e.g., Medicaid enrollment card)
- Veterans Health Identification Card
- work identification card
- voter registration card
- any other reasonable, non-questionable document establishing the client's identification

A consular identification card is acceptable, when it is the client's only form of identification.

D.) Categorical Eligibility

Federal regulations require clients to be at least 60 years of age to participate in CSFP. Verification of age is obtained through any of the following sources:

- birth certificate issued by a U.S. State or local government Bureau of Vital Statistics
- current driver's license
- Social Security Administration records
- U.S. passport or passport card, regardless of expiration date
- census documents, including Tribal census records
- baptismal certificate
- military discharge documents
- any other reasonable, non-questionable document establishing the client's age

Section 6. Nutritional Risk Criteria

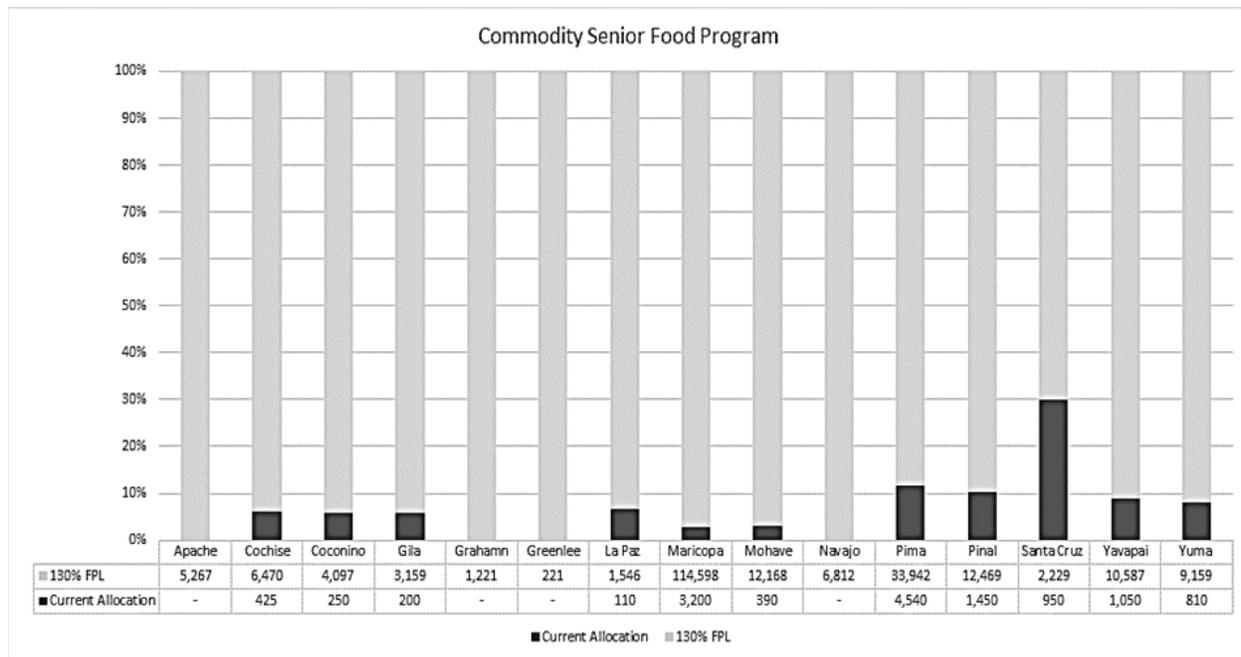
Responsive to 7 CFR § 247.6(c)(3), Arizona applies the nutritional risk criterion of "low income" for all applicants meeting income, residency and categorical eligibility factors.

Section 7. Service Plan Description and Caseload Needed

Responsive to 7 CFR § 247.6(c)(4), Arizona calculates local caseload allocation by taking into consideration the following factors:

- the need in the service area
- the local agency's caseload request
- the capacity of the local agency to manage the caseload and provide proper program administration at the local level

The current caseload of 13,375 allows service to approximately six percent of the potentially eligible seniors in Arizona. DES estimates that there are over 223,000 potentially eligible seniors who are unable to receive services due to a lack of available caseload funding. See the below table for current caseload allocation by county versus the estimated number of seniors with an income at or below 130 percent of Federal poverty guidelines.



Section 8. Outreach Plan

Responsive to 7 CFR § 247.6(c)(5), Outreach activity is conducted at the local agency level. Local agencies develop outreach materials to educate potentially eligible clients on the benefits of program participation. Additionally, local agencies are encouraged to network with organizations in their service areas that provide services complimentary to CSFP. Other organizations include senior citizen centers, Area Agencies on Aging, faith based agencies and health care providers. DES/HRP maintains an online map of CSFP certification and distribution locations to assist clients and social services agencies in quickly locating their nearest CSFP distribution site.

Section 9. Commodity Receipt, Storage, Inventory Management and Distribution

Responsive to 7 CFR § 247.6(c)(6), Arizona’s commodity receipt, storage, inventory management and distribution practices are detailed in parts A through G of this section.

A.) Receipt

DES/HRP orders commodities through the U.S. Department of Agriculture (USDA) Web Based Supply Chain Management System (WBSCM). Commodities are then shipped directly to the local agency warehouse from the National Multi Food Warehouse and USDA vendors. Shipments, including high security seals, must be inspected prior to unloading. For frozen and refrigerated foods, the local agency must check the shipping unit’s thermometer to ensure the temperature inside the unit is at an acceptable level

and the position of the refrigeration unit's power switch to ensure the unit is on and working. Local agencies must advise DES/HRP of the receipt of commodities. DES/HRP then reports the receipt to USDA/FNS via WBSCM.

Local agencies are prohibited from levying fees, such as gate or lumber feed, on vendors or carriers. However, local agencies are permitted to request reimbursement for costs associated with restacking unpalletized or poorly stacked shipments. To be eligible for reimbursement, local agencies must provide appropriate documentation to DES/HRP and the FNS Regional Office prior to accepting the shipment.

B.) Storage

Local agencies must provide for the safe storage and control of commodities that protects against theft, spoilage, damage or other loss. Storage facilities must be kept in sanitary conditions, with adequate air circulation and at the proper temperature and humidity levels. Local agencies are required to maintain storage facilities in compliance with all Federal, State and local regulations regarding food safety and health, including adherence to all health inspection requirements. Storage facilities and methods must allow for the proper response to food recalls, as applicable.

Local agencies are authorized to contract with commercial storage facilities. All contracted facilities must also comply with the requirements of this section and 7 CFR § 250.12(f) *et seq.*

C.) Inventory Management

Local agencies must ensure CSFP commodities are stored in a manner that permits them to be distinguished from other foods and that a separate inventory record is maintained. Inventory management systems must allow for commodities to be distributed in a timely manner and in optimal condition.

Local agencies must conduct an annual physical inventory at all storage facilities and reconcile physical and book inventories. Any losses must be reported to DES/HRP, which will then report the losses to USDA/FNS. DES/HRP is responsible for ensuring restitution for commodity losses is made.

Local agencies may maintain a maximum CSFP commodity inventory that is no greater than the amount needed for a three-month period, based on an average amount agencies can reasonably utilize in the three month period to meet CSFP caseload.

Local agencies and commercial storage facilities must obtain insurance to protect the value of commodity inventories in an amount at least equal to the average monthly value of commodity inventories stored in the previous fiscal year.

D.) Distribution to Local Distribution Sites

Shipments to local distribution sites must be conducted in the most efficient and cost-effective manner and, to the extent practical, in accordance with the specific needs and preferences of the distribution site.

E.) Distribution to Enrolled Participants

Local agencies must distribute a package of commodities to participants each month, or a two month supply of commodities every other month, in accordance with the food package guide rates established by FNS.

The participant, or participant's proxy, must present an acceptable form of identification before commodities can be distributed to that person.

Local agencies are prohibited from distributing commodities for any purpose other than client consumption or nutrition education. Commodities may not be distributed for use in program outreach or as refreshments.

F.) Distribution When Pending Verification of Address

When an applicant is not able to provide verification of address at certification or recertification but is otherwise eligible to receive program benefits, the applicant is assigned to a one-month certification period and provided with a one-month supply of commodities. The applicant must be informed, in writing, that their participation will be discontinued without additional notice, when verification of address is not provided to the certifying local agency within 30 calendar days from the date of application.

G.) Distribution to Clients on a Waiting List

Local agencies are permitted to distribute a one-month supply of commodities to program eligible clients who have been placed on a waiting list, insofar as the following conditions are met:

a regular program participant has elected to forego benefits for the month

local agency staff are able to verify the client is on the waiting list

local agency staff have reviewed the client's fully completed application and determined that the client is eligible to receive benefits

the local agency advises the client that the client should have no expectation of the receipt of benefits for successive months, unless the local agency has available caseload

Clients receiving a Waiting List Distribution are considered to be certified for one month. Local agencies must provide the client with written notification explaining that the client

is being placed back on the waiting list at the same time commodities are distributed, and that the client will retain their original position on the waiting list.

Section 10. Nutrition Education Plan

Responsive to 7 CFR § 247.6(c)(7), local agencies are responsible for ensuring the provision of nutrition education to all participants. Information is presented to clients in a newsletter or flyer attached to the monthly or semi-monthly distribution. Local agencies are encouraged to use all available senior focused nutrition education sources to compile the informational material. Identified nutrition education sources include, but are not limited to, the following:

- [Arizona Nutrition Network](https://www.eatwellbewell.org/)
<https://www.eatwellbewell.org/>
- [Arizona CSFP MyPlate Cookbook](http://azdhs.gov/documents/prevention/nutrition-physical-activity/csfp-recipe-cookbook-eng.pdf)
<http://azdhs.gov/documents/prevention/nutrition-physical-activity/csfp-recipe-cookbook-eng.pdf>
- [ChooseMyPlate.gov](https://www.choosemyplate.gov/older-adults)
<https://www.choosemyplate.gov/older-adults>
- [USDA Mixing Bowl recipes, cookbooks and menus](https://www.choosemyplate.gov/recipes-cookbooks-and-menus)
<https://www.choosemyplate.gov/recipes-cookbooks-and-menus>
- [USDA Nutrition.gov website](https://www.nutrition.gov/life-stages/seniors)
<https://www.nutrition.gov/life-stages/seniors>
- [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)
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
- [University of Arizona Nutrition Network](http://uanutritionnetwork.org/)
<http://uanutritionnetwork.org/>

Section 11. Prevention and Detection of Dual Participation

Per 7 CFR § 247.6(c)(8), local agencies must develop and implement controls to detect and prevent dual participation. To receive DES/HRP approval, local agencies must utilize the statewide CSFP electronic certification and case maintenance system, Link2Feed, as a component of the control. The Link2Feed database tracks all CSFP participants in Arizona and assists in the identification of potential duplicate enrollments or commodity receipt for the same individual.

Due to program changes required by Section 4102 of the Agricultural Act of 2014 and the absence remaining potentially WIC-eligible clients enrolled in CSFP, DES/HRP does not maintain a data sharing agreement for the purposes of identifying and preventing dual participation with the State WIC agency.

Section 12. Pursuit of Claims, Cost Efficiency Standards

Responsive to 7 CFR § 247.6(c)(9), DES/HRP has determined that the pursuit of a claim against a participant to recover the value of USDA foods improperly received or used is cost effective when the value of the improperly received commodities exceeds \$100 or 4 months of CSFP benefits. Local agencies are required to use this standard in determining if a claim is to be pursued in accordance with 7 CFR § 247.30.

When pursuing a claim against a participant, the local agency must:

- issue a letter demanding repayment for the value of the commodities improperly received or used
- take additional, cost-effective collections actions in accordance with DES/HRP standards, when repayment is not made in a timely manner
- maintain all records regarding claims actions taken against participants, in accordance with 7 CFR § 247.29

Section 13. Proxies and Service to Homebound Seniors

Responsive to 7 CFR § 247.6(c)(10), local agencies must make arrangements to meet the needs of homebound seniors. Acceptable arrangements include:

- utilizing trained agency staff or volunteers to deliver commodities and nutrition education
- partnering with other organizations having the capacity to provide service to homebound seniors, such as the local Area Agency on Aging, senior centers or Meals on Wheels program
- encouraging clients to appoint at least one proxy, in writing, who is able to receive the distribution and transport it to the client

When a proxy arrives to receive a distribution, local agencies must:

- obtain an acceptable form of identification from the proxy
- ensure the proxy is appointed to receive commodities on the client's behalf
- ensure the proxy's appointment time frame has not expired
- provide the same nutrition education materials as if the client received the distribution in person

Section 14. Copies of Agreements Entered into by the State Agency

Responsive to 7 CFR § 247.6(c)(11), See Exhibit A for copies of agreements entered into by the State Agency.

Section 15. Certification Period

Per 7 CFR §§ 247.16 and 247.17, the regular participant certification period is six months and extends to the final day of the month in which eligibility expires. DES/HRP may authorize a one-time extension of six months, as long as both of the following conditions are met:

- The local agency verifies the client's address and continued interest in receiving program benefits.
- The local agency has sufficient reason to believe the client still meets income eligibility standards, such as when the client has a fixed income.

Local agencies provide participants with ID/Transfer Cards. The cards include information related to the current certification and may be used to verify current enrollment in the event a participant moves within Arizona from one local agency's service area to another local agency's service area. When the participant does not have a card available, the "receiving" local agency may either refer to the client's certification period as displayed in Link2Feed or contact the certifying local agency to determine for which months the participant is certified. Certifying local agencies must provide participants with verification of their certification period upon request.

A certification period of one month may be assigned for clients meeting one of the following circumstances:

- The client is not able to verify their address at certification or recertification and is otherwise eligible to receive program benefits.
- The client is on a waiting list and is eligible to receive a distribution, in accordance with the "Distribution to Clients on a Waiting List" section of this document.

When assigned to a one-month certification period, clients must be provided with a written notification of expiration at the same time commodities and nutrition education are distributed. The content of the written notice is dependent upon the reason the client was assigned to a one-month certification period and must contain a statement informing the client that program standards are applied without discrimination based on race, color, national origin, age, sex, disability or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Section 16. Civil Rights

Per 7 CFR §§ 247.5(a)(5) and 247.37, all program operations must be conducted in compliance with Federal and State civil rights requirements. Clients are advised of their rights by the following:

- All CSFP outreach and programmatic material must contain the following public notification system components:
 - program availability—information regarding program rights, responsibilities and steps necessary for participation targeted toward program applicants and participants and to 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—placed on all program informational materials and sources, including web sites, used to inform the public (Note: when posting the approved nondiscrimination statement to a web site, it is not required that the local agency includes the statement on every page of the site. At the minimum, the statement, or a link to it, must be included on the home page of the program information.)
- All local agency offices open to the public must prominently display the AD-475A “And Justice for All” poster where it may be read by clients. Local agencies must display as many posters as needed to provide full coverage to all client-accessible areas.
- Faith-based local agencies must also review the individual written notice of beneficiary protections with all program applicants at the time of application and comply with alternate provider referral requirements, in accordance with 7 CFR Part 16. A copy of the written notice of beneficiary rights must be given to the applicant at the applicant’s request.

Local agency frontline staff and volunteers, as well as supervisors of frontline staff and volunteers, must participate in an annual civil rights training. DES/HRP provides training to regional staff, and regional staff provides training to distribution site staff. The training is developed by DES/HRP and must comply with the requirements of Food and Nutrition Service (FNS) Instruction 113-1.

Local agencies must take reasonable steps to ensure meaningful access to CSFP is provided to clients with limited English proficiency (LEP), in accordance with Title VI of the Civil Rights Act of 1964. At a minimum, local agencies must be prepared to provide materials and assistance in English and Spanish. Reasonable steps are variable and dependent on agency resources. However, local agencies should consider the following factors in determining what constitutes reasonable steps for their organization:

- the number or proportion of LEP persons eligible to be served or likely to be encountered
- the frequency with which LEP individuals come in contact with the program
- the nature and importance of the program, activity or service provided by the program to people's lives
- the resources available to the local agency and costs likely to be incurred

Section 17. Fair Hearings

Responsive to 7 CFR § 247.33, local agencies must ensure that clients understand their right to appeal an action or inaction through the fair hearing process. Notification of the right to a fair hearing must be included on the following documents:

- Notification of Discontinuance of Program Benefits
- Notification of Disqualification
- Notification of Ineligibility
- Claims to repay the value of commodities received due to fraud

A client or client's representative may request a fair hearing by making a clear verbal or written expression to local agency or DES/HRP staff. Local agencies must forward fair hearing requests to DES/HRP as soon as practicable. On receipt, DES/HRP coordinates hearing scheduling and correspondence with the appellant.

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

- The request was received more than 60 calendar days from the mailing date of the notice prompting the request.
- The client or client's representative submits a written withdrawal of the request to the local agency or DES/HRP.
- The client 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, in accordance with Arizona Administrative Code R6-5-2404.B.
- The fair hearing request was made due to the client's placement on a waiting list.

Clients who appeal a discontinuance of program benefits within the 15-day 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 a hearing official, or until the end of the participant's certification period, whichever occurs first.

Clients must be provided with a minimum 15-day advanced notice of scheduled fair hearing details to include:

- the time, date and place of the hearing
- the name of the hearing officer
- the issues involved
- the client's fair hearing rights

The primary fair hearing official is designated as the Deputy Assistant Director of the DES Division of Aging and Adult Services. Should the Deputy Assistant Director not be able to conduct the hearing, the backup official is designated as the Assistant Director of the DES Division of Aging and Adult Services. When neither the Deputy Assistant Director nor Assistant Director are able to conduct the fair hearing, DES/HRP will appoint an impartial, temporary official.

When a hearing decision is in favor of an appellant who was denied CSFP benefits, the receipt of benefits must begin within 45 calendar days from the date the hearing was requested, if the appellant is still eligible for the program. If the decision upholds the DES/HRP or local agency's action, DES/HRP or the local agency will inform the appellant of the right and process to pursue judicial review of the decision.

Section 18. Financial Management

Per 7 CFR § 247.27, DES/HRP and local agencies must maintain an electronic financial management system that allows for current, accurate and complete disclosure of the financial status of the program. The electronic system must provide for:

- prompt payment of allowable costs
- timely disbursement of administrative funds to participating local agencies (SDA only)
- timely and appropriate resolution of claims and audit findings
- maintenance of records identifying receipt and use of administrative funds, funds recovered as a result of claims actions, program income and property or other assets procured with program funds

DES/HRP utilizes a Microsoft Excel-based system. Local agencies are authorized to use the software platform of their choice, insofar as the software complies with the requirements of this section. DES/HRP and local agency financial management records must be maintained for a minimum of five years after the fiscal year to which they pertain or, when the records are related to unresolved claims actions, audits or investigations, until said activities have been resolved.

Section 19. Local Agency Program Participation

Responsive to 7 CFR § 247.7, local agencies must meet the following minimum requirements to be eligible for participation in CSFP:

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

Local agencies indicate interest in participation by submitting an application to DES/HRP, who will work with the local agency to obtain any missing application documents. Application must include the following components:

- organization contact information
- verification of the agency's tax-exempt status or application for tax-exempt status (nonprofit agencies only)
- verification of compliance with single audit requirements as defined in the Single Audit Act Amendments of 1996
- an estimate of the number of people the agency can serve effectively, while meeting all program requirements, and the methodology used to obtain the estimate
- the number of distribution sites the agency will utilize for CSFP distribution
- the agency's budget projection as related to reasonable, allowable and necessary costs for administering the program to include:
 - personnel
 - facilities (noncapital)
 - equipment
 - planned capital acquisitions and maintenance
 - program outreach
 - nutrition education
 - transportation
 - other projected program-related costs

After receipt of the completed application, DES/HRP may take up to 60 calendar days to inform the applying agency of the application determination. Should an agency's application be denied, DES/HRP will provide written explanation as to the reason for the denial and a notification of the agency's right to appeal the decision. When the application is approved, DES/HRP and the agency will enter into a written agreement in accordance with the requirements of 7 CFR § 247.4. Agencies must also enter into written agreement with local distribution sites, prior to distributing commodities to or implementing the program at the site.

Section 20. Management Evaluation and Review

Per 7 CFR § 247.34, management evaluation and review is the responsibility of DES/HRP and cannot be delegated to a local agency. The DES/HRP review system is based on the USDA/FNS CSFP Management Evaluation Module and review all aspects of program administration, including certification procedures, nutrition education, civil rights compliance, food storage practices, inventory controls and financial management systems. On-site reviews are conducted, at a minimum, once every other year.

DES/HRP also evaluates local program administration on an ongoing basis by reviewing financial reports, audit reports, food orders, inventory reports and other relevant information.

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

Section 21. Waiting List Procedures

Responsive to 7 CFR § 247.11, when the local agency does not have sufficient caseload to provide service to additional program applicants, the local agency will establish a waiting list. Local agencies will inform applicants of their placement on the waiting list within 10 calendar days from the date of application. Applicants will be added to the waiting list on a first-come, first-served basis according to the date the application was received.

When additional caseload slots become available, local agencies must notify applicants on the waiting list as soon as practicable after the slots become available. Local agencies have the option of notifying clients by U.S. Mail, telephone or a combination of the two. Applicants who do not respond to the notification within 60 calendar days will be removed from the waiting list. Once removed, the applicant may reapply and will be

placed at the bottom of the waiting list. Applicants who respond to the notification and choose to receive CSFP commodities must verify that information contained on their original application has not changed prior to receiving their first distribution. When information has changed, a new application with the updated information is required to be completed.

Should a program participant move within Arizona to a service area with a waiting list, the participant will be placed on the waiting list above all applicants.

Section 22. Nondiscrimination

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.

Equal Opportunity Employer/Program. Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI & VII), and the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title II of the Genetic Information Nondiscrimination Act (GINA) of 2008; the Department prohibits discrimination in admissions, programs, services, activities, or employments based on race, color, religion, sex, national origin, age, disability, genetics and retaliation. 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 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. For further information about this policy, contact 602-542-0303; TTY/TDD Services: 7-1-1. Free language assistance for DES services is available upon request.

Attachment 1. Copies of Agreements Entered into by the State Agency

Copies of agreements entered into by the State Agency are pending.

Attachment 2. Sample Intergovernmental Agreement and Supporting Documents



DEPARTMENT OF ECONOMIC SECURITY
Your Partner For A Stronger Arizona

INTERGOVERNMENTAL AGREEMENT (IGA)

Agreement between the Arizona Department of Economic Security ("ADES") and the _____ ("Contractor").

WHEREAS ADES is duly authorized to execute and administer contracts under A.R.S § 41-1954 and,

The Contractor is duly authorized to execute and administer contracts under _____ and

ADES and the Contractor are authorized by A.R.S. § 11-952 et seq. to enter into agreements for joint or cooperative action to contract for the services specified in this Agreement.

The term of this Agreement shall begin on _____ and shall end on _____, unless otherwise amended.

THEREFORE, ADES and Contractor (the "Parties") agree to abide by all the terms and conditions set forth in this Agreement.

BY SIGNING THIS FORM ON BEHALF OF A PARTY, THE SIGNATORY CERTIFIES POSSESSING THE AUTHORITY TO BIND THE PARTY TO THIS AGREEMENT.

FOR AND ON BEHALF OF THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY:

FOR AND ON BEHALF OF THE _____

_____ Procurement Officer Signature	_____ Signature
_____ Printed Name	_____ Printed Name
_____ Title	_____ Title
_____ Date	_____ Date
_____ ADES Contract Number	_____ Contract Number

IN ACCORDANCE WITH A.R.S. § 11-952, THIS AGREEMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE

By: _____
Assistant Attorney General

By: _____
Public Agency Legal Counsel

Date: _____

Date: _____

1.0 ADES VISION AND MISSION STATEMENTS

- 1.1 ADES Vision: Opportunity, assistance and care for Arizonans in need
- 1.2 ADES Mission: The Arizona Department of Economic Security makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.

2.0 PURPOSE OF AGREEMENT

- 2.1 The purpose of this agreement is to is to maximize the coordination, and provision of regional food bank warehouse operational activities for storage and distribution of Commodity Supplemental Food Program (CSFP) to serve income and age eligible individuals and Recipient Agencies which includes, community food banks, food pantries, and senior centers.

3.0 DEFINITIONS

- 3.1 **Arizona Regional Food Bank Network:** a coordinated partnership of food bank warehouses, food banks, and food bank pantries that strive to meet supplemental and emergency food needs in every Arizona County for the distribution of essential food related service.
- 3.2 **Automatic Eligible Program Participant:** Persons sixty (60) years of age or older, who are currently receiving SNAP/Nutrition Assistance (food stamps) and who reside in the service area of the contractor.
- 3.3 **Capacity:** the ability of a work group, program, or organization to carry out the essential services, and in particular, to provide specific services; for example, food distribution, storage, community education, or prepare congregate meals. This ability is made possible by specific program resources and maintenance of the basic infrastructure of the organization. Having sufficient staff, training, facilities, and finances, among other things to carry out essential services.
- 3.4 **Commodity Senior Food Program:** Arizona's name for the USDA Food and Nutrition Services Commodity Supplemental Food Program (CSFP) works to improve the health of low-income elderly persons at least 60 years of age by supplementing their diets with nutritious USDA Foods. Through CSFP, USDA distributes both food and administrative funds to participating States and Indian Tribal Organizations.
- 3.5 **Eligible Program Participant:** Persons sixty (60) years of age or older, whose household income does not exceed one hundred and thirty percent (130%) of the current designated federal poverty guidelines and who reside in the service area of the contractor.
- 3.6 **Regional Food Bank:** an organization that is a "nonprofit" (per 7 U.S.C. 7501(3)) and an emergency feeding organization that provides food in bulk quantities to agencies with programs that provide food directly to recipients in a Hunger Relief Program (HRP) defined region. It has the ability to store large amounts of dry, cold, and frozen food and has the equipment necessary to support it. It may also provide food directly to eligible individuals.
- 3.7 **Satellite Facility:** a food distribution site that is staffed by a Regional Food Bank and located somewhere other than at the Regional Food Bank.
- 3.8 Additional definitions are available in the CSFP Policy and Procedure Manual, as may be amended, located at: <https://des.az.gov/documents-center?qt-content-tab=0>.

4.0 SERVICE DESCRIPTION

- 4.1 A service that provides for the storage, handling and distribution of food products.
- 4.2 This service provides for the coordination, storage, handling, and distribution of emergency food which includes, CSFP commodities and donated produce.

5.0 RESPONSIBILITIES – THE CONTRACTOR SHALL:

- 5.1 Provide all services in a culturally relevant and linguistically appropriate manner for the population to be served.
- 5.2 Provide electronic documents in the following formats: .doc, docx, .xls, and .xlsx.
- 5.3 Utilize backup and recovery procedures for computer systems to ensure no data is lost, and no disruption or degradation of services occurs.
- 5.4 Notify Division of Aging and Adult Services (DAAS) Contract Specialist in writing within seven (7) calendar days of any changes in management.

- 5.5 Maintain documentation verifying that key staff has received appropriate training or hold appropriate certification/licensure in accordance with job descriptions.
 - 5.6 Maintain and utilize a policy and procedure manual related to the service that includes a description of population served, how the service is delivered, inventory management, policies and practices related to Recipient Agencies, and recipient eligibility determination.
 - 5.7 Comply with all municipal, county, state and federal licensure and food storage requirements related to shipping and handling, food safety and methods of distribution.
 - 5.8 Comply with all USDA regulations contained in 7 CFR Parts 247, 250,251,253 and 254 and all Final Rules, Instructions and Policy Memorandums for the USDA Food Distribution Programs.
 - 5.9 Solicit, receive, warehouse and distribute CSFP products within the region.
 - 5.10 Provide services in accordance with the Arizona State CSFP Plan, located at: <https://des.az.gov/documents-center?qt-content-tab=0>, as may be amended.
 - 5.11 Provide services in accordance with the Arizona CSFP Policy and Procedure Manual, located at: <https://des.az.gov/documents-center?qt-content-tab=0>, as may be amended.
 - 5.12 Identify, recruit and/or establish local community Recipient Agencies sufficient to provide CSFP distribution throughout the region.
 - 5.13 Participate and facilitate communication within the Hunger Relief Network to create an optimal statewide food bank network to reduce hunger throughout the state.
 - 5.14 Screen program applicants to determine eligibility for program participation in accordance with procedures outlined in the Arizona CSFP State Plan and Arizona CSFP Policy and Procedure Manual.
 - 5.15 Conduct public relation activities and information exchanges with Recipient Agencies, organizations, businesses and individuals related to hunger issues.
 - 5.16 Provide each program participant with information about available health and social services that the participant may be eligible and make referrals as necessary.
 - 5.17 Provide each program participant with one (1) nutrition education contact per six (6) month and that shall be documented in the participants database file.
 - 5.18 Provide leadership and technical assistance to the Recipient Agencies as needed.
 - 5.19 Provide training to Recipient Agency's program staff and volunteers: on CSFP and food box composition, use of database system for certifying program participants, recording of food box distribution, CSFP policies, laws and regulations, nutrition education, civil rights, food bank management, food safety, marketing, fundraising, logistics and warehouse operations annually.
 - 5.20 Collect and maintain program and participant demographic information, utilizing the electronic database system as outlined in the Arizona CSFP Policy and Procedure Manual.
 - 5.21 Share current and essential information about various hunger-related topics with all Recipient Agencies in the region.
 - 5.22 Record and track inventory received and disbursed by product type, units, and destination utilizing a computer based tracking system.
 - 5.23 Maintain eligible participant files (active and inactive), ineligible participant files and reason for ineligibility and waiting lists if applicable.
 - 5.24 Collect and maintain program participant demographic information and complete all data elements required by CSFP regulations.
 - 5.25 Maintain office and warehouse space, including dry, refrigerated, and freezer storage to handle normal distribution and receiving needs identified for the region.
 - 5.26 Utilize other tracking systems and/or software as identified by ADES.
- 6.0 Performance Measure**
- 6.1 Outcome 1: At least 98% of caseload participation will be met in each service area monthly.
- 6.0 EXTENSION**
- This agreement may be extended through a written amendment by mutual agreement of the parties.
- 7.0 TERMINATION**
- 7.1 This agreement may be terminated by mutual agreement of the parties at any time during the term of this agreement.
 - 7.2 Each party shall have the right to terminate this agreement with written notice of termination at least thirty (30) days prior to the effective date of said termination.

8.0 AMENDMENTS

- 8.1 This Agreement may be amended at any time by mutual written agreement. No agent, employee or other representative of either Party is empowered to alter any of the terms of the Agreement, unless amended in writing and signed by the authorized representative of the respective Parties.
- 8.2 Either party shall give written notice to the other party of any non-material alteration that affects the provisions of this Agreement. Non-material alterations that do not require a written amendment are as follows:
- 8.2.1 Change of telephone number;
- 8.2.2 Change in authorized signatory; and/or
- 8.2.3 Change in the name and/or address of the person to whom notices are to be sent.

9.0 MANNER OF FINANCING

- 9.1 It is estimated that \$XX.XX will be available for the first contract period (October 1, 2017 – March 31, 2018)
- 9.1 Contractors shall be reimbursed actual expenses on a Fixed Price with Price Adjustment basis within the contract reimbursement ceiling.

10.0 REPORTING REQUIREMENTS

- 10.1 Submit the following items electronically to: coordinatedhungerreliefprogram@azdes.gov or as directed in writing by the Hunger Relief Program Administrator.
- 10.1.1 Monthly FNS 153, as may be amended, is located at: <https://des.az.gov/documents-center?qt-content-tab=0>.
- 10.1.2 A Quarterly Recipient Agency List (Exhibit A), as may be amended, due in October, and January.
- 10.1.3 Monthly Narrative Report (Exhibit B) to include progress towards performance measure as outlined in Section 6.0.

11.0 PAYMENT REQUIREMENTS

- 11.1 Invoices and supporting documentation shall be submitted by the 15th day of the month following the month services were provided.

12.0 NOTICES

- 12.1 All notices to the Contractor regarding this agreement shall be sent to the following address:

Organization
 ATTN:
 (Program Name)
 (Address)
 City, AZ 85XXX

- 12.2 All notices to ADES regarding this agreement shall be sent to the following address:

ADES of Economic Security
 Contracts Unit – Mail Drop 6271
 P.O. Box 6123
 Phoenix, AZ 85005

13.0 DISPOSITION OF PROPERTY

- 13.1 None

14.0 OTHER MATTERS

- 14.1 None

15.0 APPLICABLE LAW

- 15.1 This Agreement shall be governed and interpreted by the laws of the State of Arizona. The materials and services supplied under this Agreement shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

16.0 ARBITRATION

16.1 The Parties to this Agreement agree to resolve all disputes arising out of or relating to this Agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §§ 12-1518(B) and 12-133, except as may be required by other applicable statutes.

17.0 AUDIT

17.1 In accordance with A.R.S. § 35-214, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Agreement for a period of five (5) years after the completion of the Agreement except if subject to Health Insurance Portability & Accountability Act which is six (6) years from the date of final payment. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, Contractor shall produce the original of any or all such records.

18.0 CONFLICT OF INTEREST

18.1 In accordance with A.R.S. § 38-511, the State may within three years after execution terminate the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of either party, at any time while the Agreement is in effect, becomes an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the matter of the Agreement.

19.0 E-VERIFY

19.1 In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

20.0 FEDERAL IMMIGRATION AND NATIONALITY ACT

20.1 By entering into the Agreement, the Contractor warrants compliance with the Federal Immigration and Nationality Act. (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Agreement. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

20.2 The State may request verification of compliance for any Contractor or subcontractor performing work under the Agreement. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of the Agreement for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

21.0 INDEMNIFICATION:

Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. The State of Arizona, (*State Agency*) is self-insured per A.R.S. 41-621.

In addition, should (*insert name of other governmental entity*) utilize a contractor(s) and subcontractor(s) the indemnification clause between (*insert name of other governmental entity*) and its contractor(s) and subcontractor(s) shall include the following:

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the (*insert name of other governmental entity*) and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and its departments, agencies, boards, commissions, universities, , officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of

the contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

21.1 INSURANCE REQUIREMENTS FOR GOVERNMENTAL PARTIES TO AN IGA

- None

21.2 INSURANCE REQUIREMENTS FOR ANY CONTRACTORS USED BY A PARTY TO THE INTERGOVERNMENTAL AGREEMENT

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.)
 The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

21.3 MINIMUM SCOPE AND LIMITS OF INSURANCE

Contractor shall provide coverage with limits of liability not less than those stated below.

21.3.1 Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$ 50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

21.4 BUSINESS AUTOMOBILE LIABILITY

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000
- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
 - b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

21.4.1 Workers' Compensation and Employers' Liability

- | | |
|---|--|
| <ul style="list-style-type: none"> • Workers' Compensation • Employers' Liability ○ Each Accident ○ Disease – Each Employee ○ Disease – Policy Limit | <p style="text-align: right;">Statutory</p> <p style="text-align: right;">\$1,000,000</p> <p style="text-align: right;">\$1,000,000</p> <p style="text-align: right;">\$1,000,000</p> |
|---|--|
- c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

21.5 ADDITIONAL INSURANCE REQUIREMENTS

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 21.5.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E)
- 21.5.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

21.6 NOTICE OF CANCELLATION

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

21.7 ACCEPTABILITY OF INSURERS

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

21.8 VERIFICATION OF COVERAGE

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 21.8.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- 21.8.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 21.8.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

21.9 SUBCONTRACTORS

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

21.10 APPROVAL AND MODIFICATIONS

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment, but may be made by administrative action.

21.11 EXCEPTIONS

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

22.0 IT 508 COMPLIANCE

22.1 Unless specifically authorized in the Agreement, any electronic or information technology offered to the State of Arizona under this agreement shall comply with A.R.S. §§ 41-3531 and 3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

23.0 NON-AVAILABILITY OF FUNDS

23.1 In accordance with A.R.S. § 35-154, every payment obligation of the State under the Agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

24.0 NON-DISCRIMINATION

24.1 The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

25.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED

25.1 Due to security and identity protection concerns, direct services under this Agreement shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the Agreement. This provision applies to work performed by subcontractors at all tiers.

26.0 PARTICIPATION IN BOYCOTT OF ISRAEL

26.1 Contractor warrants it is not engaged in a boycott of Israel as defined by A.R.S. § 35-393.01.

27.0 RIGHT OF OFFSET

27.1 ADES shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by ADES, or damages assessed by ADES concerning the Contractor's non-conforming performance or failure to perform the Agreement, including expenses, costs and damages.

28.0 THIRD-PARTY ANTITRUST VIOLATIONS

28.1 The Contractor assigns to ADES any claim for overcharges resulting from antitrust violations concerning materials or services supplied by third parties to the Contractor, toward fulfillment of this Agreement.

29.0 ATTACHMENTS

29.1 The following list of attachments constitutes an integral part of subject agreement:

29.1.1 Attachment A – Itemized Service Budget

30.0 EXHIBITS

30.1 The following list of exhibits constitutes an integral part of subject agreement:

30.1.1 Exhibit A - Quarterly Recipient Agency List

30.1.2 Exhibit B - Monthly Narrative Report

35.0 DATA SHARING AGREEMENT

35.1 When determined by ADES that sharing of confidential data will occur with the Contractor, the Contractor shall complete ADES Data Sharing Request Agreement and submit the completed Agreement to ADES Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Contractor and each ADES Program sharing confidential data.

Attachment 3. Scope of Work and Uniform Terms and Conditions

Scope of Work	
Description: Hunger Relief Program (HRP) - Food Administration/ CSFP	

Scope of Work

- 1.0 Arizona Department of Economic Security (ADES) Mission and Vision Statements:**
 - 1.1 Mission: The Arizona Department of Economic Security makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.
 - 1.2 Vision: Opportunity, assistance and care for Arizonans in need.
- 2.0 Purpose**
 - 2.1 Purpose Statement: The purpose of this service is to maximize the coordination, and provision of regional food bank warehouse operational activities for storage and distribution of Commodity Supplemental Food Program (CSFP) administered by the U.S Department of Agriculture (USDA) to income and age eligible individuals and Recipient Agencies which includes, community food banks, food pantries, and senior centers.
 - 2.2 Legal Authority: Pursuant to Arizona Revised Statutes (A.R.S.) §41-1954 (A)(6) provides the ADES the authority to contract and incur obligations within the general scope of its activities and operations.
 - 2.3 Funding: It is estimated that \$1,000,000 will be available annually for this service. Fund sources that support these services may include USDA, The Commodity Supplemental Food Program (CSFP).
 - 2.4 Projected Contracts: The intent of the ADES is to establish multiple contracts with an initial start date of October 1, 2017 ending September 30, 2018, with extension options. It is the intent of the ADES to make award(s) for this service in each of the following regions:
 - 2.4.1 Region 1 includes the following seven (9) service areas: Maricopa County, Coconino County, Yavapai County, Mohave County, Apache County, Navajo County, Pinal County, Gila County and La Paz County:
 - 2.4.2 Region 2 includes the following six (6) service areas: Pima County, Graham County, Santa Cruz County, Greenlee County, Cochise County and Yuma County.
- 3.0 Definitions**
 - 3.1 **Arizona Regional Food Bank Network:** a coordinated partnership of food bank warehouses, food banks, and food bank pantries that strive to meet supplemental and emergency food needs in every Arizona County for the distribution of essential food related service.
 - 3.2 **Automatic Eligible Program Participant:** Persons sixty (60) years of age or older, who are currently receiving SNAP/Nutrition Assistance (food stamps) and who reside in the service area of the contractor.
 - 3.3 **Capacity:** the ability of a work group, program, or organization to carry out the essential services, and in particular, to provide specific services; for example, food distribution, storage,

Scope of Work	 DEPARTMENT OF ECONOMIC SECURITY <i>Your Partner For A Stronger Arizona</i>
Description: Hunger Relief Program (HRP) - Food Administration/ CSFP	

community education, or prepare congregate meals. This ability is made possible by specific program resources and maintenance of the basic infrastructure of the organization. Having sufficient staff, training, facilities, and finances, among other things to carry out essential services.

- 3.4 **Commodity Senior Food Program:** Arizona's name for the USDA Food and Nutrition Services Commodity Supplemental Food Program (CSFP) works to improve the health of low-income elderly persons at least 60 years of age by supplementing their diets with nutritious USDA Foods. Through CSFP, USDA distributes both food and administrative funds to participating States and Indian Tribal Organizations.
- 3.5 **Eligible Program Participant:** Persons sixty (60) years of age or older, whose household income does not exceed one hundred and thirty percent (130%) of the current designated federal poverty guidelines and who reside in the service area of the contractor.
- 3.6 **Regional Food Bank:** an organization that is a "nonprofit" (per 7 U.S.C. 7501(3)) and an emergency feeding organization that provides food in bulk quantities to agencies with programs that provide food directly to recipients in a HRP defined region. It has the ability to store large amounts of dry, cold, and frozen food and has the equipment necessary to support it. It may also provide food directly to eligible individuals.
- 3.7 **Satellite Facility:** a food distribution site that is staffed by a Regional Food Bank and located somewhere other than at the Regional Food Bank.
- 3.6 **Service Area:** an area defined by HRP for food administration which may be a portion of a county or a county within a defined region.
- 3.8 Additional definitions are available in the CSFP Policy and Procedure Manual, as may be amended, located at: <https://des.az.gov/documents-center?qt-content-tab=0>.

4.0 Service Description

- 4.1 Taxonomy Definition: A service that provides for the storage, handling and distribution of food products.
- 4.2 Actual Service Description: This service provides for the coordination, storage, handling, and distribution of emergency food which includes, CSFP commodities and donated produce.

5.0 Contractor Requirements

The Contractor shall:

- 5.1 Provide all services in a culturally relevant and linguistically appropriate manner for the population to be served.
- 5.2 Provide electronic documents in the following formats: .doc, docx, .xls, and .xlsx.
- 5.3 Utilize backup and recovery procedures for computer systems to ensure no data is lost, and no disruption or degradation of services occurs.
- 5.4 Notify Division of Aging and Adult Services (DAAS) Contract Specialist in writing within seven (7) calendar days of any changes in management.
- 5.5 Maintain documentation verifying that key staff has received appropriate training or hold appropriate certification/licensure in accordance with job descriptions.

Scope of Work	 DEPARTMENT OF ECONOMIC SECURITY <i>Your Partner For A Stronger Arizona</i>
Description: Hunger Relief Program (HRP) - Food Administration/ CSFP	

- 5.6 Maintain and utilize a policy and procedure manual related to the service that includes a description of population served, how the service is delivered, inventory management, policies and practices related to Recipient Agencies, and recipient eligibility determination.
- 5.7 Comply with all municipal, county, state and federal licensure and food storage requirements related to shipping and handling, food safety and methods of distribution.
- 5.8 Comply with all USDA regulations contained in 7 CFR Parts 247, 250,251,253 and 254 and all Final Rules, Instructions and Policy Memorandums for the USDA Food Distribution Programs.
- 5.9 Solicit, receive, warehouse and distribute CSFP within the region.
- 5.10 Provide services in accordance with the Arizona State CSFP Plan, located at: <https://des.az.gov/documents-center?qt-content-tab=0>, as may be amended.
- 5.11 Provide services in accordance with the Arizona CSFP Policy and Procedure Manual, located at: <https://des.az.gov/documents-center?qt-content-tab=0>, as may be amended.
- 5.12 Identify, recruit and/or establish local community Recipient Agencies sufficient to provide CSFP distribution throughout the region.
- 5.13 Participate and facilitate communication within the Hunger Relief Network to create an optimal statewide food bank network to reduce hunger throughout the state.
- 5.14 Screen program applicants to determine eligibility for program participation in accordance with procedures outlined in the Arizona CSFP State Plan and Arizona CSFP Policy and Procedure Manual.
- 5.15 Conduct public relation activities and information exchanges with Recipient Agencies, organizations, businesses and individuals related to hunger issues.
- 5.16 Provide each program participant with information about available health and social services that the participant may be eligible and make referrals as necessary.
- 5.17 Provide each program participant with one (1) nutrition education contact per six (6) month and that shall be documented in the participants database file.
- 5.18 Provide leadership and technical assistance to the Recipient Agencies as needed.
- 5.19 Provide training to Recipient Agency's program staff and volunteers: on CSFP and food box composition, use of database system for certifying program participants, recording of food box distribution, CSFP policies, laws and regulations, nutrition education, civil rights, food bank management, food safety, marketing, fundraising, logistics and warehouse operations annually.
- 5.20 Collect and maintain program and participant demographic information, utilizing the electronic database system as outlined in the Arizona CSFP Policy and Procedure Manual.
- 5.21 Share current and essential information about various hunger-related topics with all Recipient Agencies in the region.
- 5.22 Record and track inventory received and disbursed by product type, units, and destination utilizing a computer based tracking system.
- 5.23 Maintain eligible participant files (active and inactive), ineligible participant files and reason for ineligibility and waiting lists if applicable.
- 5.24 Collect and maintain program participant demographic information and complete all data elements required by CSFP regulations.
- 5.25 Maintain office and warehouse space, including dry, refrigerated, and freezer storage to handle normal distribution and receiving needs identified for the region.

Scope of Work	 DEPARTMENT OF ECONOMIC SECURITY <i>Your Partner For A Stronger Arizona</i>
Description: Hunger Relief Program (HRP) - Food Administration/ CSFP	

5.26 Utilize other tracking systems and/or software as identified by ADES.

6.0 Performance Measures

The Contractor shall:

6.1 Meet the following critical aspects of food administration/CSFP:

6.1.1 Outcome 1: At least 98% of caseload participation will be met in each service area annually.

7.0 Payment

7.1 Contractors shall be reimbursed actual expenses on a Fixed Price with Price Adjustment basis within the contract reimbursement ceiling.

8.0 Reporting Requirements

The Contractor shall:

8.1 Submit the following items electronically to: coordinatedhungerreliefprogram@azdes.gov or as directed in writing by the HRP Administrator.

8.1.1 Monthly FNS 153, as may be amended, is located at: <https://des.az.gov/documents-center?qt-content-tab=0>.

8.1.2 A Quarterly Recipient Agency List, as may be amended (Exhibit A), due in October, January, April and July.

8.1.3 Quarterly narrative report to include progress towards performance measure as outlined in Section 6.0, due in January, April, July and October.

8.1.4 Itemized service budget shall be submitted forty-five (45) days prior to the start of each contract period.

8.1.5 Supporting documentation for all expenditures input into the DAAS reporting system Division of Aging and Adult Reporting System (DAARS).

8.1.6 Current certificate(s) of insurance as required in the Special Terms and Conditions.

Uniform Terms and Conditions	
Description: Hunger Relief Program (HRP) - Food Administration	

Exhibit A- Quarterly Recipient Agency List

Please reference the attached Excel sheet titled Exhibit A- Quarterly Recipient Agency List

Uniform Terms and Conditions	
Description: Hunger Relief Program (HRP) - Food Administration	

Exhibit B- Quarterly Narrative CSFP

Please reference the attached word document titled Exhibit B- Quarterly Narrative CSFP

Exhibit B. Monthly Narrative Report

Monthly Narrative Report CSFP

Regional Food Bank	
Reporting Month	

Monthly Participant Caseload Allocation	
Monthly Cumulative Participation	

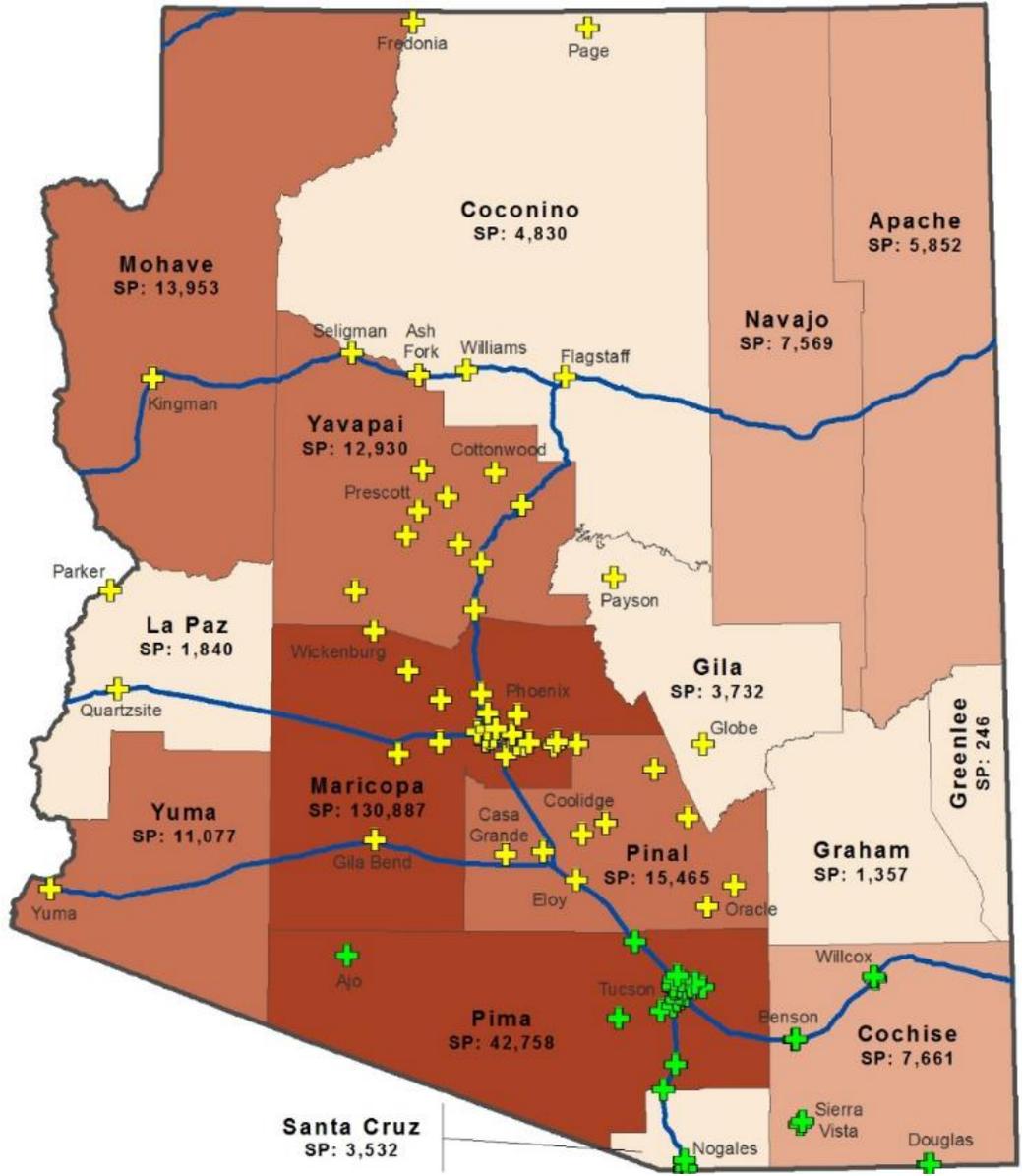
Monthly % of Participant Caseload Goal	98%
Actual Monthly % of Participant Caseload	

Activities:

1. What types of activities were done to ensure goal was met or what will you do to meet the goal - if goal was not met?

2. What activity do you attribute your success at meeting the goal?

Attachment 4. Map of Seniors in Poverty and CSFP Distribution by County



Persons Age 55 and Older With Incomes Below 125% of the Federal Poverty Threshold Summarized by County

Lightest Brown	0 - 5,000
Light Brown	5,001 - 10,000
Medium Brown	10,001 - 20,000
Darkest Brown	20,001 or more

Other Features

- + CFB CSFP
- + SMFBA CSFP
- State Boundary
- ~ Interstate

"SP" = Total persons age 55 and older in the county whose income was below 125% of the federal poverty threshold.