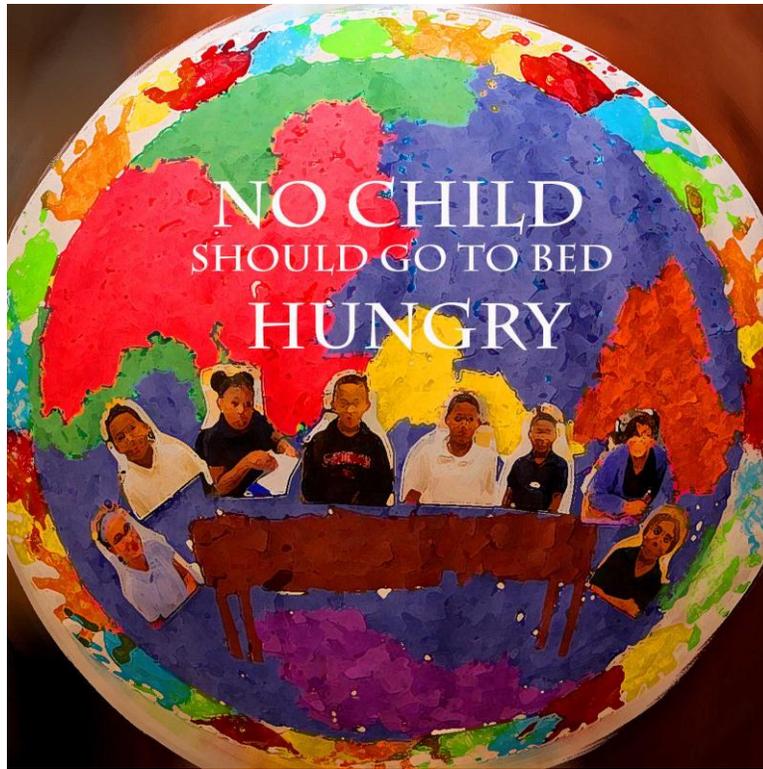


# The Emergency Food Assistance Program (TEFAP)

## Policy and Procedure Manual 2014



### Coordinated Hunger Relief Program



DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*

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## Section 1

### How to Use This Manual

This Policy and Procedure Manual for the Emergency Food Assistance Program (TEFAP) of the Arizona Department of Economic Security (DES) Hunger Relief Program (DES/HRP) is intended for use by eligible recipient agencies (ERA) distribution sites (DS) and congregate meal sites (CMS) that participate in the distribution of United States Department of Agriculture (USDA) commodities to program-eligible recipients. The purpose of this manual is to serve as a guide to Federal regulations pertaining to TEFAP, as well as to outline discretionary State policies and procedures for program implementation by ERAs and DSs.

Several resource streams contributed to the content of this manual. First, the Code of Federal Regulations (7 CFR, Parts 250 & 251) outlines the Federal government program requirements for TEFAP. A recent final ruling to revisions of the 7 CFR, Parts 250 & 251, reflects a trend toward simplification of the program and an increase in discretionary policy at the State level. Throughout this manual, parenthetical notations are provided for all references to Federal regulation. You may call the DES/HRP TEFAP Specialist for further clarification or to request a copy of a source document.

*This policy and procedure manual should be considered a living document, meaning that the manual contains current TEFAP program policies and procedures required by the Federal government and DES/HRP. DES/HRP may clarify or add policies and procedures as situations in the field prompt the need for further interpretation or greater program structure, or if changes in Federal regulations occur. In keeping with the Federal trend toward simplification and flexibility, this manual, in some instances, provides the spirit of certain policies and procedures, rather than the letter of the law, to provide discretion at the local level. Our primary mission is to distribute commodities to the agencies and households who are in need of food assistance and treat our customers with dignity and respect.*

It is the responsibility of ERAs to:

- read this manual carefully and apply the policies and procedures herein with good judgment;
- stay current with subsequent DES/HRP policy and information notices issued after the creation of this manual and adhere to the policies and procedures therein;
- contact the DES/HRP TEFAP Specialist when further clarification is needed.

In closing, this manual is meant to be used. Write in the margins. Dog-ear the pages. Highlight particularly pertinent policy and procedure information. Always try to look up answers to your questions in this manual first, but don't hesitate to call the DES/HRP TEFAP Specialist for help. DES/HRP is here to collaborate in your efforts to effectively and efficiently distribute USDA commodities to program eligible individuals and families.

## **Section 2**

### **Program Description and History**

#### **2.1 - Description:**

TEFAP provides low-income individuals and households with surplus commodities donated by USDA. DES/HRP enters into agreements with eligible recipient agencies (ERA) to serve as a distribution network for TEFAP.

TEFAP is designed to supplement the nutritional needs of program-eligible individuals and households. TEFAP is not designed to satisfy all hunger needs or nutritional requirements of individuals or households. Program-eligible recipients may receive food through congregate feeding sites, where food is prepared and meals are served in a group setting, or through distribution sites, where food is distributed for household consumption.

#### **2.2 - History:**

In the 1970s and early 1980s, USDA accumulated large quantities of surplus dairy products, grains, and honey through their price support system. Through this system, agricultural products that cannot be sold commercially due to an imbalance of production and commercial sales are purchased from farmers.

In December 1981, in order to reduce the large stocks of surpluses and provide supplemental food for needy people, the President authorized the distribution of surplus cheese to low-income people through food banks. In March 1983, Congress authorized the Emergency Food Assistance Program (then called TEFAP) in the Jobs Bill and provided states with administrative funds to manage and distribute the commodities.

Over the next few years, nonfat dry milk, cornmeal, flour, rice, and butter were added to TEFAP distribution. By late 1987, much of the surplus stored in government warehouses had been distributed. As a result of changes in farm policies, a better balance of supply and demand had also been achieved, and USDA was no longer purchasing large quantities of food under its price support system.

Although TEFAP began as a temporary program, intended to end when Federal surpluses had been reduced, many low-income individuals and families came to rely on the surplus food to supplement their diets. Congress re-authorized TEFAP through the Hunger Prevention Act of 1988 and the 1990 Farm Bill. These reauthorizations provided funds to purchase foods for needy individuals and families.

In 1995, Congress again extended TEFAP to continue through September 2002. Funding for TEFAP was consolidated with the Commodity Supplemental Food and Soup Kitchen/Food Bank programs. Most recently, Section 110 of the Hunger Prevention Act of 1988, which authorized the Soup Kitchen/Food Bank Program, was repealed. Soup kitchens were consolidated with TEFAP and regulations were drafted to implement the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, commonly known as Welfare Reform. TEFAP now operates under revised federal regulations that became effective February 28, 2000.

## Section 3

### Definition of Terms and Acronyms

- 3.1**     Charitable institution:     An organization which
1. is public, or  
   is private, possessing tax-exempt status; and
  2. is not a penal institution (this exclusion also applies to  
   correctional institutions which conduct rehabilitation  
   programs); and
  3. provides food assistance to needy persons (Final Rule,  
   Sec. 251.3).
- 3.2**     Commodities:             Foods donated, or available for donation, by USDA under any  
of the legislation pertaining to 7 CFR, Parts 250 & 251 (7 CFR,  
250.3).
- 3.3**     Consignee:             The receiving eligible recipient agency (ERA) to which  
commodities is shipped sometimes referred to as the receiver.
- 3.4**     Sales Order (SO):         A State order number for a specific commodity designating  
quantity, delivery period, and destination.
- 3.5**     Demurrage:             A penalty charge assessed for product delayed beyond a  
specified free time.
- 3.6**     Detention:             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.
- 3.7**     Disaster:             Any natural catastrophe which, in the determination of the  
President, causes damage of sufficient severity and magnitude  
to warrant major disaster assistance under the Robert T.  
Stafford Disaster Relief and Emergency Assistance Act to  
supplement the efforts and available resources of States, local  
governments, and disaster relief organizations in alleviating the  
damage, loss, hardship, or suffering caused. Any other  
occasion or instance for which, in the determination of the  
President, Federal assistance is needed to supplement State  
and local efforts and capabilities to save lives and to protect  
property and public health and safety, or to lessen or avert the  
threat of a catastrophe (7 CFR, 250.3).
- 3.8**     Disaster  
organizations:             Organizations authorized by appropriate Federal or State  
officials to assist disaster victims (7 CFR, 250.3).
- 3.9**     Distribution site:         Location(s) where eligible recipient agencies actually distribute  
commodities to needy persons for household consumption or  
serve prepared meals to needy persons (Final Rule, Sec.  
251.3).

- 3.10**    Donated foods:                    Foods donated, or available for donation, by USDA under 7 CFR, Parts 250 & 251 (7 CFR, 250.3).
- 3.11**    Dunnage:                                Material used to protect or support freight during transit.
- 3.12**    Eligible Recipient Agency (ERA)            An organization which
1. is public, or
  2. is private, possessing tax-exempt status pursuant to Final Rule, Sec. 251.4, and
  3. is not a penal institution, and
  4. 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, and
  5. 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 ERA which has signed an agreement with the State, and
  6. falls into one of the following categories: emergency feeding organizations (food banks, food pantries, soup kitchens); charitable institutions (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); and disaster relief programs (Final Rule, 251.3).
- 3.13**    Emergency Feeding Organization (EFO):    An ERA that provides nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons. EFOs have priority over ERAs in the distribution of TEFAP commodities (Final Rule, Sec. 251.3).

(Clarification: EFOs are a subset of ERAs. An EFO is an ERA that provides food assistance to relieve situations of emergency and distress to needy persons, including the low-income and unemployed. The category of EFO excludes such agencies as hospitals, retirement homes, group homes, child and elderly nutrition programs, etc. EFOs do include food banks, food pantries, and soup kitchens. Since there does not exist enough food to meet the needs of all ERAs under the general category, the distinction between ERAs and EFOs and the two-tier priority system were developed to prioritize those most in need.)

- 3.14**    Federal Fiscal Year (FFY):                    The period of 12 months beginning October 1 of any calendar year and ending September 30 of the following year (7 CFR, 250.3).
- 3.15**    Floor loaded:                            Commodities that are not on pallets, including slip-sheeted and floor stacked.
- 3.16**    Food bank:                                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 (Final Rule, Sec. 251.3).

- 3.17**    Food pantry:            A public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than USDA, to relieve situations of emergency and distress (Final Rule, Sec. 251.3).
- 3.18**    Free time:                 The amount of time allowed by the carriers for the loading or unloading of freight before demurrage or detention charges begins to accrue.
- 3.19**    Gross weight:            The weight of an article, together with the weight of its container and the material used for packing.
- 3.20**    Household:                A group of related or non-related individuals, exclusive of boarders, who are not residents of an institution, but who are living as one economic unit and for whom food is customarily purchased and prepared in common. It also means a single individual living alone (7 CFR, 250.3).
- 3.21**    In-kind replacement:    Replacement of lost donated foods with a quantity of the same foods of U.S. origin that are of equal or better quality than the lost foods and that are of at least equal monetary value to USDA's cost of replacing the lost foods (7 CFR, 250.3).
- 3.22**    Lading:                     The freight which consists of a load.
- 3.23**    Needy persons:            Persons provided service by charitable institutions, who, because of their economic status, are in need of food assistance (7 CFR, 250.3).
- 3.24**    Net weight:                The weight of an article clear of packing and container.
- 3.25**    Pallet:                      A small portable platform for holding material for storage or transportation.
- 3.26**    Pallet exchange:         To trade pallets of equal quantity and quality for those delivered with shipment.
- 3.27**    Palletize:                 To place commodities on a pallet.
- 3.28**    Piggyback:                The transportation of a trailer or container on railroad flat cars.
- 3.29**    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.
- 3.30**    Privately donated products:    Products that are donated by private individuals and organizations to TEFAP.
- 3.31**    Recipients:                The needy persons receiving commodities for household consumption (7 CFR, 250.3).

- 3.32**    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.
- 3.33**    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 (7 CFR, 250.3).
- 3.34**    Slip sheet:                    A piece of cardboard used in place of a pallet to handle unitized commodities, which is floor, loaded with a push/pull attachment.
- 3.35**    Soup kitchen:                A public or charitable institution that, as an integral part of its normal activities, maintains an established feeding operation to provide food to needy homeless persons on a regular basis (Final Rule, Sec. 251.3).
- 3.36**    Tailgate:                      To move freight to the back end of the trailer for unloading.
- 3.37**    Tariff:                         A carrier's printed price list showing transportation charges and services.
- 3.38**    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.
- 3.39**    Acronyms
1. DES – Arizona Department of Economic Security
  2. CBO - Community-Based Organization
  3. HRP – Hunger Relief Program
  4. CSFP - Commodity Supplemental Food Program
  5. PO # - Purchase Order Number + Line Item Number
  6. SO # - Sales Order Number
  7. DS – Distribution Site
  8. TEFAP – The Emergency Food Assistance Program
  9. EFO – Emergency Feeding Organization
  10. ERA – Eligible Recipient Agency
  11. FMV – Fair Market Value
  12. FNS – Food and Nutrition Service of USDA
  13. FNSRO – FNS Regional Office
  14. KC - Kansas City
  15. KCCO - Kansas City Commodity Office
  16. N/D - Notice to Deliver
  17. NPO - Non-Profit Organization
  18. TANF - Temporary Aid to Needy Families
  19. USDA - United States Department of Agriculture
  20. WIC - Women, Infants and Children Program

## **Section 4**

### **Allocations and Transfers of Commodities**

#### **4.1 - USDA Funding Formula Applied to States:**

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

#### **4.2 - DES/HRP Funding Formula Applied to ERAs:**

The amount of reimbursement provided to each ERA is roughly based 60 percent on the number of persons in households within the ERA distribution area having incomes below the Federal poverty level and 40 percent on the number of unemployed persons within that area, adjusted by commodity availability, demographics, geographic impact, and historical data.

#### **4.3 - State Matching Funds:**

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

#### **4.4 - 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 similar to the 60/40 formula for funds (7 CFR, 251.3).

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).

#### **4.5 - DES/HRP Commodity Allocation to ERAs:**

Donated foods must be distributed only to ERAs that are eligible to receive them (7 CFR, 250.13).

DES/HRP apportions the quarterly USDA allocation of food to each ERA according to its fair share. County shares were calculated based on the estimated number of low-income potential program participants.

DES/HRP requires that ERAs receiving USDA commodities not diminish their normal expenditures for food due to receipt of commodities. Commodities must be withheld from distributions 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 ERAs cannot use TEFAP commodities to meet the food supply needs of the agency's other programs.

DES/HRP must notify ERAs of general USDA purchase information at least quarterly (7 CFR, 250.13).

#### **4.6 - USDA Two-tier Priority System Requirements:**

The new Federal regulations contain a Two-tier Priority System in the allocation of TEFAP food to ERAs. ERAs that are EFOs have priority in receiving TEFAP food over ERAs that are not EFOs. EFOs are those ERAs that provide nutrition assistance to relieve situations of emergency and distress of needy persons. (See *Section 3: Definition of Terms and Acronyms* for further clarification.)

When DES/HRP cannot meet the commodity needs of all ERAs, DES/HRP must give priority in the allocation of USDA commodities to Emergency Feeding Organizations (EFO). DES/HRP may concentrate commodity resources upon a certain type or types of such organizations, to the exclusion of others (Final Rule, Sec. 251.4).

#### **4.7 - ERA Commodity Allocation to Distribution Sites:**

ERAs that have agreements with DES/HRP in which delegation of authority to select distribution sites is specified must ensure that they distribute USDA commodities to their subcontracted distribution sites in accordance with the requirements of the two-tier priority system. ERAs 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, Sec. 251.4).

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

#### **4.8 - Allocation to Avoid Waste:**

Donated foods must be requested and distributed by DES/HRP and by ERAs only in quantities that can be consumed without waste (7 CFR, 250.13).

DES/HRP must ensure that no ERA 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).

#### **4.9 - USDA Commodity Transfers:**

All transfers of donated foods between like ERAs (i.e., one food bank to another) must have prior approval of DES/HRP and must be documented. All transfers of donated foods between unlike ERAs (i.e., schools to charitable institutions) must have prior approval of USDA through DES/HRP and must be documented (7 CFR, 250.13 & 251.4).

After obtaining DES/HRP approval for transfer of USDA commodities, ERAs must:

- mutually agree to the method for 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 Monthly Statistical Reports ;

Notwithstanding any other provision of 7 CFR, Part 251, a quantity of any food donated for use by any eligible recipient agency or recipient may be transferred by DES/HRP or by ERAs to bona fide

experimental or testing agencies, or for use in workshops, or for demonstrations or tests relating to the utilization of such donated foods by the ERA or recipient. No such transfer by any ERA shall be made without the approval of DES/HRP (7 CFR, 250.13).

## **Section 5 Eligibility Criteria for Eligible Recipient Agencies (ERA) and Distribution Sites (DS)**

### **5.1 - Eligible Recipient Agencies – Definition and Criteria:**

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

- 1) is public, or
- 2) is private, possessing tax-exempt status pursuant to Final Rule, Sec. 251.5, and
- 3) is not a penal institution, and
- 4) 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, and
- 5) 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 ERA which has signed an agreement with the State, and
- 6) falls into one of the following categories: emergency feeding organizations (food banks, food pantries, soup kitchens); charitable institutions (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); and disaster relief programs (Final Rule, 251.3).

The ERA must have a DES/HRP - approved inventory control and accountability system in place prior to actually handling USDA commodities, which must be maintained continuously at all points of commodity receipt and distribution.

The ERA must have a DES/HRP-approved system to ensure that USDA commodities are distributed in accordance with Federal and State TEFAP laws, rules, regulations, policies and procedures.

DES/HRP shall consider the past performance of potential ERAs when approving applications for participation (7 CFR, 250.11).

DES/HRP may impose additional requirements for participation that are not inconsistent with the provisions of Federal regulation (7 CFR, 250.2).

### **5.2 - 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 organizations to obtain tax-exempt status to be eligible as an ERA (Final Rule, Sec. 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 180 days, with a possible 90-day extension, if the organization can show good faith in its attempt to obtain tax-exempt status (Final Rule, Sec. 251.5).

### **5.3 - Distribution Sites:**

Distribution sites are also considered ERAs and must meet the same eligibility criteria contained in the definition of an ERA (Final Rule, Sec. 251.3).

Federal regulation allows DES/HRP to delegate to primary ERAs (those ERAs that have agreements directly with DES/HRP) the authority to determine if organizations meet Federal and State criteria to receive commodities and administrative funds in order to become distribution sites. Primary ERAs must ensure that their selected distribution sites meet the established criteria as outlined above. Primary ERAs, however, are not granted authority to establish eligibility criteria (Final Rule, Sec. 251.5).

## **Section 6 Contracts and Agreements**

### **6.1 - Agreement between USDA and DES/HRP:**

In Arizona, TEFAP administration is the responsibility of DES/HRP, which entered into an agreement with the United States Department of Agriculture. As such, DES/HRP is designated as the State agency responsible for entering into contractual relationships for the receiving, warehousing, and distribution of TEFAP commodities (7 CFR, 251.2).

### **6.2 - Agreements between DES/HRP and ERAs:**

DES/HRP may establish agreements with public and private non-profit agencies or organizations to function as a distribution network for USDA commodities. A formal agreement/contract with DES/HRP authorizes them to receive and distribute TEFAP commodities.

DES/HRP must have current agreements with ERAs in order for ERAs to receive TEFAP food and/or administrative funds. Agreements may be considered permanent (with amendments) and may be terminated for cause by either party with 30-day notice (7 CFR, 250.12 & 251.2).

Agreements between DES/HRP and ERAs must include:

- a statement that the ERA agrees to operate in accordance with requirements of parts 250 and 251 of 7 CFR (Final Rule, Sec. 251.2);
- the name and address of the ERA receiving commodities and/or administrative funds (Final Rule, Sec. 251.2);
- specific identification of each function for which the ERA is responsible when DES/HRP delegates responsibilities to the ERA that are normally the responsibility of DES/HRP, and written requirement that the ERA perform these functions in accordance with parts 250 and 251 of 7 CFR (Final Rule, Sec.251.2);
- specific terms and conditions for the ERA to distribute food and/or administrative funds to another ERA, when DES/HRP allows them to do so, along with a list of specific organizations or types of organizations eligible to receive food or funds (Final Rule, Sec.251.2).

ERAs must provide, on a timely basis, by amendment to the agreement, 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, 250.12).

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

### **6.3 - Agreements between ERAs and DSs:**

ERAs that have agreements directly with DES/HRP are authorized to enter into agreements or contracts with other organizations to perform TEFAP functions. Organizations that operate under ERAs directly contracted with DES/HRP are also ERAs, but are more commonly known as distribution sites (DS). ERAs must have written agreements with their DSs before DSs may receive TEFAP food and/or administrative funds (Final Rule, Sec. 251.2).

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

Agreements with DS must be approved by DES/HRP initially and subsequently when substantive changes are initiated. Agreements between ERAs and DSs must include:

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

ERAs that have agreements directly with DES/HRP are responsible for ensuring that their subcontracted distribution sites meet all Federal and State program requirements. The ERA is not relieved of any program responsibility by subcontracting. Instead, the ERA 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 ERA.

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

### **6.4 - Transfer of Responsibility:**

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

- A request for transfer or termination of contractual obligation may originate with either party.
- DES/HRP will review and approve or deny the change or transfer.
- For approved transfers of ERA 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, DES/HRP may request that the existing contract stay in force until a contract with a new ERA is signed.
- In situations where DES/HRP deems it to be in the program's best interest, DES/HRP may provide a 30-day notice of contract termination to the ERA or order an immediate termination of the contract.
- Any new ERA must have a signed agreement with DES/HRP in order to receive TEFAP commodities (7 CFR, 250.12 & 251.2).
- The new ERA's starting inventory records must reflect an opening balance of zero. Quantities received by the new ERA on transfer of title must be approved by DES/HRP and have backup documentation to include verified physical tallies.

## **Section 7**

### **Eligibility Criteria for Recipients**

#### **7.1 - DES/HRP Responsibility:**

DES/HRP must establish uniform statewide criteria for determining the eligibility of households to receive commodities provided under TEFAP legislation for home consumption. Criteria must include: (1) income-based standards and the methods by which households may demonstrate eligibility under these standards; and (2) a requirement that households reside in the geographic location served by the State agency at the time of applying for assistance (Final Rule, Sec. 251.5).

#### **7.2 - ERA Responsibility:**

Donated foods must be distributed only to recipients who are eligible to receive them (7 CFR, 250.13).

DES/HRP must impose upon ERAs the responsibility for determining that recipients to whom ERAs distribute donated foods are eligible (7 CFR, 250.11).

#### **7.3 - Household Distribution Agency Recipient Criteria:**

In order 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 (see *Section 19: Forms, Charts, and Agreement* for English and Spanish versions of the chart). The current TEFAP Income Eligibility chart is based on 185 percent of the Federal poverty income guideline, which is established according to the number of persons in the household. Homeless individuals are subject to the same income requirement. Recipients must also live within the geographic service area of the distribution site.

**All** participants must sign the Household Distribution Site Sign-in Sheet (see *Section 19: Forms, Charts, and Agreement*), which contains the certification statement that their income is within posted TEFAP guidelines. All persons who are willing to sign the statement shall be deemed program eligible (see *section 8.6*).

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 noncash 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/food stamps, school lunches, housing assistance, etc.

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 DES/HRP-established income guidelines. Eligibility may also occur based on annual income, even if the current month's earnings exceed the monthly income guideline.

#### **7.4 - Additional Recipient-eligibility Criteria:**

DES/HRP may impose additional requirements for participation that are not inconsistent with Federal provisions (7 CFR, 250.2).

Length of residency in geographic location must not be used as a criterion of eligibility (Final Rule, Sec. 251.5).

### **7.5 - Congregate Feeding Agency Recipient Criteria:**

ERAs providing prepared meals (soup kitchens) must demonstrate to DES/HRP or the contracting ERA that they serve predominantly needy persons. Federal regulations prohibit DES/HRP from requiring a means test of income eligibility. DES/HRP 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 clientele (Final Rule, Sec. 251.5).

It shall not be deemed a failure to comply with federal regulations if ERAs serve meals that contain donated foods 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. (7 CFR, 250.13).

## **Section 8 Distribution Guidelines and Procedures**

### **8.1 - State Distribution Plan:**

DES/HRP must submit any changes to the Food and Nutrition Services Regional Office (FNSRO) a State Plan that contains a distribution plan. The distribution plan contains:

- A designation of the State agency responsible for distributing USDA commodities and administrative funds, with the agency address;
- A plan of operation and administration to expeditiously distribute USDA commodities;
- A description of the standards of eligibility for recipient agencies, including any sub-priorities within the two-tier priority system;
- A description of the criteria established by DES/HRP that must be used by ERAs to determine the eligibility of households to receive USDA commodities (Final Rule, Sec. 251.6).

### **8.2 - Frequency and Rate of Distribution:**

DES/HRP may, at its discretion, develop distribution rates and require their use by all ERAs.

Federal regulation does not specify the number of distributions ERAs are required to conduct. ERAs may use their discretion in the number of distributions they feel are needed per month per site. Frequency of distribution must be at a **minimum monthly**; and meet the following criteria:

- Income eligible recipients must have equal **access** to receiving the same amount of TEFAP food. ERAs must ensure that each recipient has equal **access** to the same possible amount of food at each distribution site.
- ERAs should ensure that TEFAP food is distributed in fair share proportions per household size. A household of four should receive proportionally twice that of a household of two.
- Distribution site personnel must document that households are receiving amounts of TEFAP food in fair share proportions according to family size.

### **8.3 - Site Distribution Procedures:**

Donated foods shall be distributed only to recipients who are eligible to receive them (7 CFR, 250.13).

Under no circumstances 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 be solicited in connection with the receipt of donated foods for any purpose (7 CFR, 250.15).

TEFAP distribution sites must be open to the general population. Sites that limit participation or attendance to only their members may not be TEFAP distribution sites.

Proof of household income shall not be required in order for a client to receive contract-related food. The SDA may require further client information for use with other programs. However, clients shall not be denied TEFAP food if they refuse to reveal any information that is not a requirement of TEFAP (e.g. social security number, household income documentation).

**If it is determined that a Distribution site is collecting client social security numbers and/or requiring verification of household income this will be cause for the ERA to terminate the TEFAP agreement.**

The ERA and its recipient agencies may require further client information for use with other programs. However, it is the ERAs responsibility to ensure that distribution sites proactively post for all clients to view and/or inform clients in writing that additional client information is not required in order to receive TEFAP food. A client may not be denied TEFAP food if they refuse to reveal any information that is not a requirement of TEFAP.

### **8.4 - TEFAP Distribution in Conjunction with Other Programs:**

ERAs may distribute TEFAP food simultaneously with other programs, as long as the site is open to the general public and access is not limited to specific individuals. TEFAP recipients must be income-eligible, according to TEFAP income guidelines, and must sign the Household Distribution Site Sign-in form.

ERAs 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).

### **8.5 - Required Signage at Distribution Sites:**

The “And Justice for All.” poster must be posted at each distribution site in clear view of all TEFAP recipients and the Americans with Disabilities ACT/504 Rehabilitation ACT ADA/504 Notice.

The TEFAP Eligibility Guidelines charts must be prominently posted at each household distribution site. It is advisable to post the chart at the point of sign-up for TEFAP commodities. (See *Section 19: Forms, Charts, and Agreement* for English and Spanish versions of the Eligibility Guidelines chart.)

### **8.6 - The Household Distribution Site Sign-in Sheet:**

Each household distribution site must collect and maintain on record, for each household receiving TEFAP commodities for home consumption, the signature of the household member receiving commodities, the address of the household (to the extent practicable), the number of persons in

the household, and the basis for determining that the household is eligible to receive commodities for home consumption (Final Rule, Sec. 251.10) the Household Distribution Site Sign-in Sheet (see *Section 19: Forms, Charts, and Agreement*) satisfies these Federal requirements. The Sign-in-Sheets must be collected and maintained at the DS respective ERAs.

By signing the form, recipients are certifying, under penalty of perjury, that they are income-eligible to receive USDA commodities according to the TEFAP eligibility guidelines, and that they reside in the distribution site's service area. Recipient's signature also attests their agreement that USDA commodities are for personal home use and, therefore, must not be sold, traded, or given away (7 CFR, 250.13 & 251.4). If a recipient is incapable of signing their name, distribution site personnel may sign for the recipient who would then mark an 'x' or other mark on the signature line.

In addition, the form collects the following data:

- The address of the household, to the extent practicable. Post office box numbers are adequate for rural areas. If the recipient is homeless, the nearest cross-streets of his/her most recent habitat are sufficient.
- The number of persons in the household (Final Rule, Sec. 251.10);

### **8.7 - Unrelated Activity:**

TEFAP recipients must not be pressured or influenced to support any religious, social, or political point of view in association with the receipt of USDA commodities.

Unrelated activities may be conducted at distribution sites as long as:

- the person conducting the activity makes it clear that the activity is not part of TEFAP and is not endorsed by the USDA;
- information not related to TEFAP is not placed in or printed on TEFAP distribution containers;
- the person conducting the activity makes it clear that cooperation is not a condition of receipt of TEFAP commodities, e.g., attending religious services, contributing money, signing petitions, or conversing with the people;
- the activity does not disrupt distribution of TEFAP commodities (7 CFR, 251.10).

ERA and DS personnel are responsible for ensuring that activities unrelated to the distribution of USDA commodities are conducted in a manner consistent with the above conditions (7 CFR, 251.10).

Agencies found in violation of the policies regarding unrelated activity in this section are subject to termination from further TEFAP distributions (7 CFR, 251.10).

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

### **8.8 - Civil Rights:**

There must be no discrimination in the distribution of foods donated under this part because of race, color, national origin, sex, age, or handicap (7 CFR, 251.10).

Every year, or more frequently when deemed necessary, the ERA must notify the public, including minority and grass roots organizations in their service area, of the availability of TEFAP distributions in their area and eligibility requirements for the program (FNS Instruction 113).

All FNS assistance programs must include a public notification system. The purpose of this system is to inform applicants, participants, and potentially eligible persons of the program availability, program rights and responsibilities, the policy of nondiscrimination, and the procedure for filing a complaint. (FNS Instruction 113-1 IX PUBLIC NOTIFICATION)

A. Basic Elements of Public Notification. The public notification system must include the following three basic elements:

1. Program Availability. Each State agency, local agency, or other subrecipient that distributes program benefits and services must take specific action to inform applicants, participants, and potentially eligible persons of their program rights and responsibilities and the steps necessary for participation.

2. Complaint Information. Applicants and participants must be advised at the service delivery point of their right to file a complaint, how to file a complaint, and the complaint procedures.

3. Nondiscrimination Statement. **All** information materials and sources, including Web sites, used by FNS, State agencies, local agencies, or other subrecipients to inform the public about FNS programs must contain a nondiscrimination statement. It is not required that the nondiscrimination statement be included on every page of the program information or Web site.

At the minimum, the nondiscrimination statement, or a link to it, must be included on the home page of the program information.

If the material is too small to permit the full statement to be included, the material will at a minimum include the statement, in print size no smaller than the text that "This institution is an equal opportunity provider."

#### 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 Liaison at 602-542-771-7500. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs on the basis of race, color, national origin, sex religion, age, disability, political beliefs, sexual orientation, or marital or family status. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). "USDA is an equal opportunity provider and employer."

Changes in location of TEFAP distributions, times of service, or any significant program changes, as transmitted to the ERA by DES/HRP, must be transmitted to potential TEFAP participants as appropriate and in a timely manner. This can be done through media advertising, public service announcements, distribution sites, or directly to individuals (FNS Instruction 113).

Applications and agreements made by the ERA with organizations or individuals for TEFAP distribution must contain a statement that the distribution site cannot discriminate in handing out TEFAP food (FNS Instruction 113).

## **Section 9**

### **Receiving USDA Commodities**

#### **9.1 - Shipping**

USDA commodities are directly shipped to ERAs from USDA.

#### **9.2 - USDA Distribution Schedules:**

DES/HRP must notify ERAs of general USDA purchase information (at least quarterly), anticipated DES/HRP delivery schedule with types and quantities (at least quarterly), and changes in delivery schedules (7 CFR, 250.13).

#### **9.3 - USDA Delivery Notification:**

USDA must notify the ERA of pending deliveries at least 24 hours prior to delivery. The delivery time set will generally be a two-hour window to allow for any unforeseen delays. ERAs should make a concerted effort to off-load commodities as soon as the carrier arrives so that subsequent deliveries may be made as scheduled.

Generally, a trucking company, without additional charge, often prearranges schedules for specific arrival time of vehicles for unloading at ERA's premises. To do so benefit both truckers and receivers, although a trucking company has no obligation to make these appointments. When a trucker calls to arrange a specific unloading time, the time arranged is at the trucker's option or by mutual agreement between the trucker and the ERA. If the ERA does not give appointments, be aware that the trucker's free time begins when the truck arrives at the ERA. If not unloaded in time, detention charges may result. Those charges will be the responsibility of the ERA and must not be claimed as a TEFAP program expense.

#### **9.4 - Freight Prepaid:**

Direct shipments from USDA are via commercial carriers and freight is prepaid. ERAs must not pay any charges requested by the driver or other agent of the carrier. ERAs must notify DES/HRP immediately of any such request.

Freight is not prepaid if the ERA has accrued a detention charge or a charge for redelivery. Redelivery occurs when the driver is asked by the ERA to deliver the load to a destination other than the destination listed on the delivery order (DO).

#### **9.5 - Bills of Lading:**

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

#### **9.6 - Receipt Procedure:**

Responsibility for USDA commodities passes to the ERA at the time the products are unloaded. The ERA must carefully check each shipment before unloading begins to ensure that complete delivery is made, it is in good condition, and any overage, shortage, or damage is properly reported and documented on the bill of lading and the Commodity Report of Shipment Received Over, Short

and/or Damaged (CRS). **Failure to do so may result in an ERA being held liable for out-of-condition commodities, even though the damage may have occurred during shipment.**

When the driver arrives with USDA commodities, and before the driver leaves, the ERA must:

- 1) Inspect each shipment carefully as soon as possible after placement for unloading to determine its count and condition.
- 2) Record the following items: trucking company name and truck trailer number; the condition and serial numbers of the seal(s) on the door(s) of the truck or trailer container; the location where the shipment was unloaded; the protection given the car, truck, or trailer during unloading; and, the temperature of a temperature-controlled truck or trailer.
- 3) Sign and date the bill of lading to acknowledge receipt of all items physically received. **Do not sign or initial the bill of lading before determining whether there is damage to and/or whether there is a shortage or overage of the delivery.** Any discrepancies must be noted on all available copies of the bill of lading before the delivery vehicle is released. Once the bill of lading is signed, transfer of responsibility for USDA commodities is final and the ERA is considered responsible for the condition and number of commodities.
- 4) Email bill of lading and ERA receipting form to DES/HRP same day of receipt of shipment.
- 5) When accepting a piggyback trailer for unloading later, the ERA should not acknowledge the condition of the contents. Receipt should be for trailer only. The condition of the trailer and seals must be documented.

### **9.7 - Receiving Location:**

ERAs must notify the DES/HRP TEFAP Coordinator of any change in receiving location no later than 60 business days before the scheduled delivery. The DES/HRP TEFAP Specialist will notify USDA of the change. Costs incurred as a result of ERA failure to make timely notification will be charged to the ERA.

Carriers will not deliver to a receiving location that is not shown on the bill of lading without prior authorization from DES/HRP.

Receiving locations must be prepared to off-load at the appointment time, with the proper equipment and off-loading labor, within the allotted time frames.

An industry-wide practice is that receiving locations should have acceptable pallets on hand for exchange. Either party, shipper or receiver, has the right to refuse exchange if replacements are not acceptable. If an exchange offer is refused, off-loading will include transfer from the shipper's pallets to the receiver's pallets by the receiver.

### **9.8 - Unloading Palletized Loads:**

ERAs are responsible for unloading palletized loads, even if they do not have the proper equipment to handle the pallets.

USDA allows up to two hours free time to unload full and split palletized loads from trucks, piggybacks, and pool cars.

## **9.9 - Unloading Slip-sheeted Loads:**

ERAs should inquire at the time of delivery scheduling if any USDA direct shipments are slip-sheeted (non-palletized), rather than palletized. Dry cereal is often sent on slip-sheets. ERAs are responsible for providing the proper equipment and off-loading labor for handling slip-sheeted loads.

USDA allows up to six hours free time to unload full and split slip-sheeted loads from trucks, piggybacks, and pool cars.

If an ERA requests or requires a driver to restock product onto pallets or perform any service in relation to unloading, the ERA should be aware that the driver will normally charge for the service and that the ERA will be responsible for any restocking or unloading charges.

## **9.10 - Dunnage:**

Packing and materials used to protect commodities during shipping must be removed and disposed of by the ERA.

## **9.11 - Free time:**

USDA may make exceptions for additional free time. Free time allowance is computed from the time of arrival, or time of scheduled unloading whichever is later. Allowance for lunch is not normally given. 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 DES/HRP. DES/HRP 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.

If the ERA takes more time to unload a truck, piggyback, or pool car than the USDA free time allowance, detention charges will be billed to the ERA. Charges may be due even if the delivery arrives with no advance notice.

If the trucker is unable to unload or deliver the product, the trucker has the right and obligation to protect the product by placing it in storage, if necessary. The time the driver is allowed to do so is at the trucker's option, but it is generally only done as a last resort. As with making appointments, tariff rules set out the amount of time a carrier will allow to elapse before exercising this option. If the carrier has no tariff rules established to cover its inability to deliver for whatever reason, 'reasonable' time frames govern.

## **9.12 - Detention Records:**

In the case where a truck, piggyback, or pool car is detained due to either the driver or the ERA, the following records must be maintained by the ERA:

- Commodity identification;
- Purchase order number, contract number, or Sales Order number;
- Name of trucker;
- Truck or trailer number or license plate;
- Date and time of driver's notification of the arrival of the vehicle for unloading;
- Date and time unloading began;
- Date and time unloading was completed;
- Date and time vehicle was released for departure by the ERA;

- Total gross weight of freight unloaded;
- Date and time agreed upon for arrival of the truck if delivery was made under a prearranged schedule.

### **9.13 - Damaged Shipments:**

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

Call DES/HRP BEFORE accepting the shipment to report the facts of the condition of the shipment and to receive disposition instructions from DES/HRP.

If directed by DES/HRP, obtain an inspection by a qualified person.

If the findings of the inspection confirm those of the initial examination, hold the shipment and report the full details immediately to DES/HRP by telephone.

**Complete a Commodity Report of Shipment Received Over, Short and/or Damaged (CRS) with the following information (see *Section 19: Forms, Charts, and Agreement for a copy of the CRS*):**

- 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 the shipment;
  - Date and time shipment received;
  - Specifically, the problem and the quantity affected;
  - Current status (unloaded, trailer left warehouse, etc.)
  - Cause of condition, only if the cause is obvious (i.e., damaged container, fire, temperature unit not operating, etc.);
  - Protective services provided;
  - Name, title, and phone number of person who made the inspection. Note if inspection report was prepared. If so, forward a copy of report with CRS;
  - Name and location of carrier's agent who was notified, along with the agent's response, including the time and date, and name of person making the notification;
  - Specific location within the transportation conveyance;
  - Person and phone number to contact regarding shipment.
- 6) Email CRS immediately to DES/HRP to await instructions for disposal and possible replacement.
- 7) Note on bill of lading a brief description of the problem, referencing the CRS for full documentation.

### **9.14 - Short or Over Shipments:**

When a shipment is delivered in, which it is determined there is a shortage or overage, the ERA must do the following:

- 1) Record on the bill of lading the exact amount of the commodity shortage or overage.
- 2) Complete a CRS with 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;
  - Specifically, the problem and the quantity affected;
  - Current status (unloaded, trailer left warehouse, etc.)

- Cause of condition, only if the cause is obvious (i.e., damaged container, fire, temperature unit not operating, etc.);
- Protective services provided;
- Name, title, and phone number of person who made the inspection. Note if inspection report was prepared. If so, forward a copy of report with CRR;
- Name and location of carrier's agent who was notified, along with the agent's response, including the time and date, and name of person making the notification;
- Specific location within the transportation conveyance;
- Person and phone number to contact regarding shipment.

Fax CRS immediately to DES/HRP to await instructions for rectification and/or possible replacement.

ERAs claiming an overage, shortage, or damage in a shipment are required to send a CRS to DES/HRP. Since damage or shortage cannot be determined from outside the carrier, unloading documentation and seal records must be maintained by all stop-off ERAs at all times. This documentation is required to support a claim for loss.

### **9.15 - Split Shipments:**

A split shipment is a single truckload with more than one delivery destination scheduled. If the load arrives improperly braced, it is the ERA's responsibility to properly brace shipments, repair, level off, or install new bracing between multiple receiving points. However, if a split shipment is not properly braced upon delivery to a stop-off point, the intermediate ERA(s) must repair the bracing or level off the load.

Doorway protection must be provided at the stop-off point when there is a possibility of commodities falling, shifting, or rolling out the doorway.

If a split shipment is made in a temperature-controlled car, the stop-off ERA(s) must make sure that the refrigeration remains turned on during unloading and is on before the truck proceeds to the next destination. Temperature at time of arrival and time of departure must be recorded.

The stop-off ERA is responsible for resealing the truck, container, or piggyback trailer. ERAs must place and 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 ERA's records.

When shortages in split shipments are reported at a final destination only, the stop-off ERA must provide DES/HRP 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.

## **Section 10**

### **Receiving Local Donations into TEFAP**

#### **10.1 - Local Donations**

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

## **10.2 - Receipt and Distribution Procedure:**

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

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

Local donations that ERAs inventory as TEFAP product may be distributed with USDA commodities or in conjunction with other programs. However, all guidelines and procedures outlined for the distribution of USDA commodities must be followed in the distribution of these products. (Please see *Section 8: Distribution Guidelines and Procedures* for instructions.)

## **10.3 - 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 ERA should, if at all practical, mark out with a black felt pen the USDA markings except for the name of the product itself. When this is complete, the ERA may use the product the same as any other product received as a donation.

# **Section 11**

## **Storage of TEFAP Commodities**

### **11.1 - Federal Regulatory Storage Requirements:**

ERAs, DSs and CMS must provide facilities for the handling, storage, and distribution of donated 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).

DES/HRP and ERAs 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). ERAs should check within their county for required inspections and approvals.

### **11.2 - Specific Storage Requirements:**

ERAs must adhere to the following storage requirements, as specified by DES/HRP 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, contaminants, pollutants, etc.

Additionally:

- Food must be stored under climate-controlled conditions in accordance with guidelines printed and distributed by DES/HRP;
- Food must be placed no closer than six inches to walls, dividers, or other barriers to permit air to flow around stackings 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.;
- ERA must implement a system of stock rotation that assures the oldest stock is issued to recipients before more recent stock is issued;
- ERAs must implement an inventory procedure to check physical count and condition for all movement of TEFAP food in and out of storage locations.

### **11.3 - 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 donated food received during the previous contract period has been accounted for (7 CFR, 250.14).

Contracts with storage facilities must contain, at a minimum:

- assurance that the storage facility will be maintained in accordance with the specifications of (11.2) *Specific Storage Requirements* above;
- evidence that donated food will be clearly identified;
- assurance that annual physical inventory will be conducted and inventory records maintained;
- 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 30-days written notice;
- amount of insurance coverage for stored food items;
- express written consent for inspection and inventory by DES/HRP, ERA, the Comptroller General, or the USDA (7 CFR, 250.14).

## **Section 12 Inventory**

### **12.1 - Records:**

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

ERAs must maintain accurate and complete records with respect to the receipt, distribution/disposal, and inventory of donated 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 ERAs by processors. All entities that contract with ERAs must also maintain such records (7 CFR, 250.16).

DES/HRP's required Monthly Statistical Report documents the ERA's TEFAP receipts and ending inventories, in addition to receipts from other programs/donors and distributions of product to DSs and other agencies.

The Commodity Monthly Inventory Report (CMIR) documents ERAs' TEFAP commodities only.

Monthly Inventory and Participation Report (MIPR) documents TEFAP commodities received by distribution sites. This report should be completed for any site that maintains TEFAP inventory. See *Section 19: Forms, Charts, and Agreement* for more information.

ERAs are responsible for documentation of the physical movement and receipt of all commodities between ERA locations and distribution sites.

### **12.2 - Review of Storage Facilities:**

ERAs must review their storage facilities annually at a minimum. Reviews must include a physical inventory, which must be reconciled with the storage facility's inventory records and maintained on file with the contracting agency. Food items found to be lost, stolen, or out-of-condition must be identified during the inventory and reported by the ERA to DES/HRP. Potential excessive inventory must also be reported to DES/HRP by the ERAs. Documentation shall be maintained at DES/HRP to reflect compliance, including documentation of corrective actions in case of non-compliance. Corrective actions should be taken immediately, with results of the corrective actions forwarded to DES/HRP (7 CFR, 250.14).

### **12.3 - Excessive Inventory:**

DES/HRP must determine if an ERA'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 supply, unless the ERA submits justification for additional inventory and obtains approval. ERA must submit justification to DES/HRP.

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

### **12.4 - Inventory Shortages:**

In the case of an inventory shortage, DES/HRP need not take any further claims actions against the ERA when:

- the loss of any one commodity does not exceed one percent of the total quantity of the donated food 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 DES/HRP (as approved by USDA); and,
- the cause of the shortage cannot be established; or,
- the lost donated foods were held in non-commercial storage or other facilities owned or operated by DES/HRP or an ERA; or,
- 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).

## **12.5 - Replacement by ERA:**

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 ERA, the ERA 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, DES/HRP has the discretion to determine whether or not the ERA 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 ERA's obligation and method of replacement.

## **Section 13 Commodity Losses, Spoilage, and Out-of-condition Food**

### **13.1 - Theft or Vandalism:**

ERAs must provide facilities for TEFAP food 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.

ERAs 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; it is not in an ERA's best interest to "catch" a wrongdoer as much as it is to "discourage" wrongdoing before it happens.

Upon discovery of a theft or loss due to vandalism or other criminal act, the ERA must:

- 1) immediately file a police report
- 2) notify DES/HRP by phone for specific instructions
- 3) complete a TEFAP Commodity Loss Report (CLR), including the following information:
  - type and quantity of product;
  - insurance coverage, including the claim potential;
  - circumstances regarding security at the time of break-in;
  - a copy of the police report;
  - current security status, repairs, and/or action taken;
  - Any other information necessary or helpful in making a claim determination;
- 4) fax or email the CLR to the appropriate agency immediately after loss – DES/HRP in the case of an ERA, the contracted ERA in the case of a DS.

(See *Section 19: Forms, Charts, and Agreement* for the TEFAP Commodity Loss Report form. There are slightly different versions for use by ERAs and DSs, respectively.)

### **13.2 - Spoiled or Out-of-condition Food:**

If TEFAP food goes out-of-condition for any reason, the ERA must:

- 1) set the product aside to isolate it from other product;
- 2) notify DES/HRP by phone as soon as the discovery is made;
- 3) complete a TEFAP Commodity Loss Report (CLR), including the following information:
  - type and quantity of product involved;
  - package date and any identification numbers of affected cases;

- date received at ERA or other receiving location;
  - date product condition was detected;
  - name of person who made the discovery;
  - frequency of inventory or product checks by warehouse personnel;
  - temperature of storage location and corrective action taken to prevent further occurrence;
  - any other information that is pertinent to description of loss;
- 4) fax or email the TEFAP Commodity Loss Report to the appropriate agency immediately upon discovery of the loss. **Do not dispose** of out-of-condition food until instructed to do so. USDA food must not be disposed of without approval of the USDA (7 CFR, 250.13).

(See *Section 19: Forms, Charts, and Agreement* for the TEFAP Commodity Loss Report form.)

### **13.3 - Liability:**

Upon the occurrence of any event creating a claim in favor of DES/HRP against an ERA, warehouseman, carrier, or other person, for the improper distribution, use, or loss of, or damage to a donated food, DES/HRP must take action to obtain recovery (7 CFR, 250.15).

### **13.4 - Replacement by ERA:**

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 ERA, the ERA 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**, DES/HRP has the discretion to determine whether or not the ERA 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 ERA's obligation and method of replacement.

## **Section 14 Disposal Rules and Procedures**

### **14.1 - Disposal Authorization:**

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

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

- 1) set aside or appropriately isolate the out-of-condition product from other products. ERAs must exercise special care in isolating infested or contaminated food away from other product. Affected product must not be accessible to the public;
- 2) call the DES/HRP TEFAP Specialist for further instructions. Certification from a local public health official or a USDA inspector may be required prior to disposal;
- 3) complete a TEFAP Commodity Loss Report (see *Section 13: Commodity Losses, Spoilage, and Out-of-condition Food*), if not already completed. Any product to be disposed is by definition also considered a commodity loss;
- 4) fax or email the TEFAP Commodity Loss Report to the DES/HRP TEFAP Specialist.

## **14.2 - Disposal Procedures:**

Upon written authorization from DES/HRP to dispose of the product, the ERA must either:

- 1) render the affected product unfit for human consumption by mixing it with dirt and burying it in a landfill;
- 2) donate the affected product to be used as livestock feed;
- 3) transfer the affected product to a successful bidder or vendor specified by DES/HRP or USDA.

If the product will not be donated as livestock feed or transferred to a vendor, the ERA 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 ERA may be held liable. This also means that affected product must be secure while awaiting disposal authorization and procedures.

## **14.3 - Disposal Records:**

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

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

ERAs must maintain documentation for each authorized disposal. The ERA must complete a TEFAP Commodity Disposal Report (CDR) and submit one copy to DES/HRP for back-up documentation to the inventory report. The ERA must retain one copy for inventory audit purposes. DES/HRP will forward a copy of the CDR to the USDA. The CDR must include:

- product type and number of cases or units;
- date of disposal;
- certification of how the product was disposed to ensure that it was rendered unfit or inaccessible for human consumption. The CDR contains three options for disposal. If none of the options apply, the ERA must supply a certification of disposal statement outlining the details of disposal;
- signature of the ERA representative with telephone number.

ERAs must also record disposed product on the Monthly Statistical Report submitted to DES/HRP.

(See *Section 19: Forms, Charts, and Agreement* for the Commodity Disposal Report (CDR) form and Monthly Statistical Report.)

## **Section 15 Records and Reports**

### **15.1 - Required Records:**

ERAs must maintain accurate and complete records with respect to the receipt, distribution/disposal and inventory of donated foods, including end products processed from donated foods,

and with respect to any funds, which arise from the operation of the distribution program, including refunds made to ERAs by processors. All entities that contract with ERAs must also maintain such records (7 CFR, 250.16 & 251.10).

ERAs must maintain DES/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.

### **15.2 - Reports Required of Distribution Sites:**

Each household distribution site must collect the signature of the household member receiving commodities, address of the household (to the extent practicable), and basis for determining eligibility (7 CFR, 251.10). Both household distribution sites and congregate feeding sites must complete the Monthly Inventory and Participation Report (MIPR) and submit it to their contracted ERA by the 5<sup>th</sup> of the following month.

### **15.3 - Reports Required of ERAs:**

DES/HRP requires ERAs to submit the following reports:

- **Monthly Statistical Report** – ERAs must report to DES/HRP monthly the ending TEFAP inventory in cases and the total amount (in pounds) of TEFAP product received. (See *Section 19: Forms, Charts, and Agreement*)
- **Monthly Inventory Report (MIR) – Eligible Recipient Agency (ERA)**  
This form should be completed by the ERA as of the last business day of the quarter and e-mailed to DES/HRP by the 15<sup>th</sup> of the following month.
- **Corrective Action Plan Status or Completion Reports** – ERAs must submit to DES/HRP status or completion reports as scheduled according to corrective action plans required as the result of a processed complaint, monitoring report, review report, or as requested by DES/HRP.

### **15.4 - Retention of Records:**

While USDA requires that all records must be kept for three years from the close of the FFY to which they pertain, or longer in the case of audit or investigation (Final Rule, Sec. 251.10), DES/DBME requires that records be kept for five years after the completion of the contract.

DES/HRP may take physical possession of such records on behalf of their ERAs (Final Rule, Sec. 251.10).

Records must be reasonably accessible at all times for use during management evaluation reviews, audits, or investigations (Final Rule, Sec. 251.10).

## **Section 16 Compliance Monitoring and Accountability**

### **16.1 - USDA Reviews:**

The Food and Nutrition Service (FNS) of USDA reviews State agencies, ERAs, and distribution sites at random. Frequently, these are unannounced visits of which neither DES/HRP nor ERAs are notified in advance.

With FNS approval, site reviews conducted by the FNSRO may be counted toward the total number of reviews that DES/HRP 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 donated 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 donated foods;
- review or audit the procedures and methods used in carrying out the requirements at any reasonable time (7 CFR, 250.18).

## **16.2 - DES/HRP Reviews of ERAs:**

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

DES/HRP compliance reviews are an on-going process. DES/HRP may conduct documented reviews of ERAs and distribution sites as often as once every fiscal year.

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

### **DES/HRP reviews of ERAs and distribution sites must include:**

#### **Eligibility determinations, including a review of ERA procedures and controls to ensure that distribution sites are complying with eligibility guidelines;**

- 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 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 non-discrimination procedures (Final Rule, Sec. 251.10);
- evaluation of the degree to which ERA is serving its eligible needy population within its assigned service area without monetary or other charge;
- 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.

DES/HRP must only submit a report of findings to ERAs if a deficiency is found. In such cases, DES/HRP will produce a report for the ERA that includes a description of each deficiency found and contributing factors, requirements for corrective actions, and timetable for completion of corrective action (Final Rule, Sec. 251.10).

### **16.3 - ERA Reviews of Distribution Sites/Congregate Meal Sites:**

ERAs are required to conduct monitoring and review visits to half of their distribution sites each year and all of their sites within a two-year period. The distribution site must demonstrate compliance with Federal and State regulations and requirements.

ERA review of distribution sites must include all of the same elements as listed above. Additionally, it must also include the following:

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

Results of the ERA review of distribution sites are to be reported to DES/HRP with the Annual Compliance Review Report (ACRR).

### **16.4 - Corrective Action Plans:**

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

### **16.5 - DES/HRP Accountability:**

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

### **16.6 - ERA Accountability:**

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

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

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

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

## **Section 17**

### **TEFAP Funding Usage and Accounting**

#### **17.1 - Reimbursement**

ERAs are entitled to receive reimbursement for expenses directly related to their administration of TEFAP in their service area but may not be used to purchase food products.

#### **17.2 - Expenditure Reimbursement:**

ERAs must maintain DES/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.

ERAs must submit the DES/HRP-Contractor's Invoice and Statement of Expenditures form monthly.

The definition of direct expenses is revised to include both direct and indirect costs attributable to TEFAP (Revised Rule, Sec. 251.8).

Direct and indirect allowable costs for TEFAP 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 ERAs subcontracted to primary ERAs, 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 ERA 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 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). ERAs must obtain prior approval from DES/HRP before claiming these costs. Only costs approved by DES/HRP will be allowable for reimbursement.

### **17.3 - Capital Expenditures:**

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

ERAs must keep separate accounting records for all capital expenditures. These records must be easily accessible for review by DES/HRP and USDA staff.

## **Section 18 Complaints**

### **18.1 - Complaint Investigation**

DES/HRP must investigate promptly complaints received in connection with the distribution or use of donated foods. Irregularities that are disclosed must be corrected immediately. Serious irregularities must be reported to USDA. DES/HRP must maintain on file evidence of investigations and actions. USDA reserves the right to make investigations and have the final determination as to when a complaint has been properly handled (7 CFR, 250.20).

### **18.2 - Legislative and Food and Consumer Services (FNS) Inquiries:**

ERAs must respond to DES/HRP as required in a timely manner to inquiries DES/HRP receives from the Legislature, FNS, the public, and other sources. All complaints are researched. If evidence of wrongdoing is discovered, the ERA is informed and is then required to submit a corrective action plan to DES/HRP. If DES/HRP does not approve the submitted plan, DES/HRP may require the ERA to revise the plan or may prepare its own plan that the ERA is required to implement. If no evidence of impropriety or wrongdoing is found, DES/HRP will prepare a report of findings and explanations. In every case, the complainant and the ERA will receive a response from DES/HRP.

### **18.3 - Complaints Received by ERAs:**

When an ERA or distribution site encounters a problem or receives a complaint that cannot be rectified at the local level, the ERA must immediately notify the DES/HRP TEFAP Specialist by email or by phone. The initial notification must be followed by a detailed written report (See of the problem or complaint, which must immediately be forwarded to the DES/HRP TEFAP Specialist by mail, fax, or email. DES/HRP will issue instructions and recommendations on a case-by-case basis.

### **18.4 - TEFAP Food Complaints:**

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

- 1) Immediately place all remaining product involved in the complaint on hold.
- 2) Immediately contact DES/HRP by phone and provide the following information:

- a 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 ERA 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 ERA to contact for investigation and follow-up.
- 3) Complete and forward to DES/HRP a written report containing the information above.

As soon as USDA determines the complaint is of a serious nature, DES/HRP will need to inform them of all the specific information supplied by the ERA. 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 reinspection of the product. USDA will also maintain close contact with DES/HRP until the complaint is resolved.

## **Section 19 Forms, Charts, and Agreement**

This section contains information regarding Forms, Charts, and Agreements used for The Emergency Food Assistance Program.

### **19.1 - USDA Commodity Report of Shipment Received Over, Short/or Damaged (CRS):**

Reports should be completed as needed per instructions, and forwarded to DES/HRP within 5 business days of the receipt of product. DES/HRP provides these multi-part forms to ERAs.

### **19.2 - DES/HRP Reports:**

DES/HRP creates and provides the following reports that must not be altered. ERAs and DSs complete the forms and submit to the identified parties. These forms are reproduced for your reference in the appendix and are provided on disk. Please note that all forms are subject to on-going review and may be revised at any time.

- Household Distribution Sign-in Sheet
- Commodity Loss Report (CLR) – ERA
- Commodity Loss Report (CLR) – DS
- Commodity Disposal Report (CDR) – ERA
- Commodity Disposal Report (CDR) – DS
- Monthly Statistical Report (MSR) ERA
- Commodity Monthly Inventory Report (CMIR) ERA
- Commodity Transfer Report (CTR)
- Recipient Organization List (ROL) ERA
- Annual Compliance Review Report (ACRR)

### **19.3 - Household Distribution Site Sign-in Sheet:**

DES/HRP has created this form to be used in determining the eligibility of households to receive TEFAP commodities. By referring to the Eligibility Guidelines (see above), recipients may self-

certify their eligibility. This form is not typically submitted to the contracting ERA or DES/HRP but must be retained for five years; however, data on the number of persons served each month should be collected and reported on the Monthly Inventory and Participation Report.

#### **19.4 - TEFAP Eligibility Guidelines Charts:**

English and Spanish versions of the TEFAP Eligibility Guidelines are located in the Appendix. These should be posted as instructed in this manual.

#### **19.5 - ERA-DS Agreement:**

ERAs must complete this agreement for each Distribution Site that receives TEFAP commodities. The agreement must be renewed **yearly**; however, the ERA may terminate the agreement as noted.