

Q&A for FDPIR Operators Using Supply Chain Assistance Funds

Availability of Funding to Alleviate Emergency Supply Chain Disruption in FDPIR

1. Can the FDPIR Supply Chain Assistance Funds (Commodity Credit Corporation, or CCC, funds) be used to purchase domestic products through a traditional retailer vendor, such as a grocery store or big-box membership store?

Yes. The <u>CCC funds</u> may be used by FDIPR administering agencies to purchase domestically grown and produced foods for FDIPR participants. Provided these and the <u>other conditions</u> are met, FDIPR administering agencies may purchase foods where appropriate and in their best interest.

2. Can CCC funds be used to pay for employee salaries associated with the purchase and distribution of CCC foods to FDPIR participants?

Salaries are an allowable cost, provided the time being charged against the CCC funds is related to the purchase and distribution of CCC FDPIR foods. Only the time worked on the purchase and distribution of the CCC foods can be paid for with CCC funds.

3. Can the CCC funds be used for transportation costs to deliver food to FDPIR administering agencies? For example, if the CCC purchases are delivered to a separate site, can a local agency use CCC funds to pay for mileage using the local agency delivery vehicle to pick up the food?

Yes. Transportation of the CCC foods is an allowable cost.

4. Can the CCC funds be used for transportation costs related to purchasing domestic products through traditional retailer vendors such as grocery stores or big-box membership stores?

Yes. Transportation of the CCC foods purchased through traditional retailer vendors is an allowable cost.

5. Can equipment, such as a cooler, be purchased to support the storage of the domestically grown and produced food products purchased with CCC?

Yes. Equipment, such as a cooler, is an allowable expense provided it is necessary for the storage and distribution of CCC purchases.

6. Why is USDA providing funding through CCC and not through regular CSFP or FDPIR channels, such as regular administrative funding? Why wasn't the CCC funding added to the regular administrative grant?

CSFP and FDPIR administrative funds are appropriated by Congress and using those funds to purchase food is not allowed under authorizing statute. CCC funding is a separate funding source that cannot be combined with appropriated CSFP and FDPIR funding.

7. My ITO was unable to return the signed agreement by Aug. 19, 2024. Can we still receive funding if we submit the signed agreement after the deadline?

Yes. Agreements can be submitted and will be accepted after the Aug. 19, 2024, deadline. Agreements will be processed in the order they were received after Aug. 19, 2024.

8. Should purchased CCC foods be added to the inventory in the inventory management systems (IFMS and Sygnal)?

No. These foods are in addition to FDPIR USDA Foods and do not need to be tracked in the same way as USDA Foods inventory. Indian Tribal Organizations (ITOs) and state agencies need to maintain records of purchases made with CCC funds. At the end of the period of performance (Sept. 30, 2025), unused funds will need to be returned to USDA.

9. Do we have to track what CCC food purchases were provided to FDPIR participants?

No. However, please note the foods may only be provided to FDPIR participants. The domestically grown and produced food purchased with the CCC funds are distinct from the USDA Foods in the FDPIR food package. ITOs and state agencies need to maintain records of the purchases made with CCC funds. It is a best practice to keep a separate inventory of the foods purchased with CCC funds coming in and out of inventory. At the end of the period of performance (Sept. 30, 2025), unused CCC funds will need to be returned to USDA.

10. Can ITOs that operate FDPIR self-determination demonstration projects sell food to other ITOs for purchase with CCC funds?

FNS recommends that ITOs purchase foods directly from vendors that supply the ITOs participating in the <u>FDPIR self-determination demonstration projects</u>. Participating ITOs are welcome to share those contacts. The domestically grown and produced requirement still applies to all CCC purchases.

11. Does a vendor or producer need to be USDA approved?

No. The CCC funds can be used to purchase domestically grown and produced food products from any domestic vendor or producer. The vendor does not have to be USDA approved.

12. Can the CCC funds cover purchases made before Aug. 12, 2024?

No, the CCC funds are available to cover purchases made on or after Aug. 12, 2024.

13. How quickly will FDPIR administering agencies receive CCC funds?

USDA will make CCC funds available to FDPIR administering agencies upon receipt of their <u>signed agreement</u>. After USDA allowances the CCC funds, it will take up to a week for the funds to be deposited in the bank account listed in the SAM.gov registration, to be provided in the signed agreement. The CCC funds can be used to cover the cost of food purchases to support FDPIR participants beginning on Aug. 12, 2024.

14. What happens if a FDPIR administering agency takes the CCC funds and does not use them?

We encourage FDPIR administering agencies to accept the CCC funds, which do not expire until Sept. 30, 2025, because the national warehouse response remains a fluid situation. USDA will provide ongoing technical assistance to support FDPIR administering agencies in using the funds. At the end of the period of performance, unused CCC funds will need to be returned to USDA.

15. Is there a list of Tribal food vendors or producers in the country?

While USDA does not maintain these lists, the following resources might be of interest:

- The Intertribal Agriculture Council's Trademark Directory
- North American Traditional Indigenous Food Systems' (NATIFS) <u>Indigenous Food</u> <u>Lab Market vendors</u>

16. Do products purchased with CCC funds need to be similar to items in the FDPIR Guide Rate?

No. The CCC funds may be used to purchase domestically grown and produced food products and do not need to be similar to items found in the <u>FDPIR Guide Rate</u>.

17. Is it ok to buy something like turkey breast with the CCC funds?

Yes, provided the turkey purchased is domestically grown and produced.

18. Can FDPIR ITOs and state agencies accept food from food banks?

Yes. USDA is working with state agencies that operate <u>The Emergency Food</u> <u>Assistance Program</u>, or TEFAP, to facilitate connections between local food banks and FDPIR programs.

19. What other remedies is USDA looking into?

Right now, the focus is on meeting the immediate food needs of communities that depend on FDPIR and the Commodity Supplemental Food Program and resuming regular, on-time deliveries. Learn about other <u>short-term options</u> USDA is offering.

20. Do the local requirements apply to CCC funds? For example, must foods be produced within the state or within a certain distance of the delivery destination?

No. CCC funds can be used to purchase domestically grown and produced food products from any domestic vendor or producer. There is no local requirement associated with CCC funds.

21. Do CCC funds need to be reported in the Food Programs Reporting System (FPRS)?

No. CCC funds do not need to be reported in FPRS. Instead, FDPIR administering agencies will report on the total amount of spent funds at the end of the period of

performance using a spreadsheet template to be provided by USDA Food and Nutrition Service. Additional guidance, a closeout memorandum, and instructions on how to return unused funds is also forthcoming.

22. Do states need to adjust how they usually place monthly multi-food FDPIR orders, if they are also planning to purchase foods with CCC funds?

No. States should place FDPIR food orders as usual, since the domestically grown and produced foods purchased with CCC funds are separate and distinct from the USDA Foods in the FDPIR food package.

23. Can another entity, such as a nonprofit organization, conduct procurement to purchase domestically grown and produced foods on behalf of a FDPIR administering agency or CSFP state agency?

Yes. An ITO or state agency may partner with a nonprofit organization to purchase domestically grown and produced foods with CCC funds. The nonprofit organization would be considered a subrecipient and must comply with the conditions outlined in the FDPIR Aug. 12, 2024 <u>Terms and Conditions</u> or the CSFP Aug. 26, 2024 <u>Terms and Conditions</u>. To award funds to a subrecipient, the ITO/state agency must enter into an agreement, containing at a minimum the following terms:

- 1. The funds will only be used for the purchase of domestically grown and produced foods;
- 2. A description of the specific functions that the ITO or state is delegating to another subrecipient; and
- 3. A statement specifying: (i) That either party may terminate the agreement by written notice to the other; and (ii) The minimum number of days of advance notice that must be given. (The advance notification period must be at least 30 days.)

In partnering with a nonprofit organization to purchase foods with CCC funds, ITOs and state agencies must comply with the requirements for pass-through entities in 2 CFR 200.332. For example, ITOs and state agencies are responsible for subrecipient

monitoring and ensuring the funds are utilized by subrecipients in accordance with the Terms and Conditions and in compliance with federal statutes, regulations, per <u>2 CFR</u> <u>200.332(d)</u>. Additionally, ITOs and state agencies are responsible for ensuring purchases made with this funding are properly documented and records are stored for three years.

24. What is the Assistance Listing Number (formerly referred to as the Catalog of Federal Domestic Assistance, or CFDA, Number) for the FDPIR CCC Funds?

The Assistance Listing Number is **10.193**, <u>Commodity Credit Corporation (CCC)</u> <u>Funding to Alleviate Emergency Supply Chain Disruption in the Food Distribution</u> <u>Program on Indian Reservations</u>. The Assistance Listing is administered by the Agricultural Marketing Service. Additional information regarding the Assistance Listing can be found at SAM.gov.

25. Where can I find technical assistance for using CCC funds?

Please contact Dave Tuckwiller, Deputy Administrator for USDA's Agriculture Marketing Service, for direct assistance at <u>David.Tuckwiller@usda.gov</u>. You can also view this recorded <u>webinar</u> and accompanying <u>slides</u> for more detailed information on using CCC funds to make purchases.

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