



Food and Nutrition Service

U.S. DEPARTMENT OF AGRICULTURE

DATE: August 26, 2024

SUBJECT: Availability of Funding to Alleviate Emergency Supply Chain Disruption in the Commodity Supplemental Food Program (CSFP)

TO: All FNS Regional Offices
All CSFP Program Directors

This letter is to inform State agencies operating the Commodity Supplemental Food Program (CSFP), including Indian Tribal Organizations (ITOs) and U.S. Territories who operate CSFP, of the opportunity to receive funding, in the form of direct cash assistance, for the purchase of domestically grown and produced foods. These funds will enable State agencies to alleviate supply chain challenges and national warehouse delays, which are impacting CSFP inventory levels and more broadly, the availability of a sufficient variety and quantity of food resources for participants.

This use of funds is authorized under the Commodity Credit Corporation (CCC) Charter Act. In accordance with this CCC authority, the funds must be used to purchase agricultural commodities, which includes domestically grown and produced foods for distribution to CSFP participants. Examples and additional information on the allowable uses is provided in Attachment A, Terms and Conditions. The food purchased with the CCC funding is in addition to the CSFP food package items. FNS encourages State agencies to consider the nutritional value and the diversity of inventory prior to purchasing foods with CCC funding.

Every CSFP State agency is being offered a maximum amount of funding based on their 2024 caseload at approximately \$50 per caseload slot. The maximum amount of funding each State agency can request is listed in the table in Attachment B.

To receive the CCC funds, State agencies must sign the attached agreement (Attachment C) and return it to FNS at USDAFoods@usda.gov with a carbon copy (cc) to their respective FNS regional office with the total amount they choose to accept as listed in Attachment B. USDA requests return of the attached agreement (Attachment C) by September 6, 2024, in order to allocate the funds as quickly as possible. Agreements returned after this date will be processed as received. A State agency's acceptance of these funds, indicated by the signed agreement (Attachment C), will serve as acknowledgment of, and agreement with, the conditions in Attachment A. State agencies must have a valid and active SAM.gov registration and funding will be provided to the bank associated with the SAM.gov profile.

/s/ Original Signature on File
Tameka Owens
Acting Administrator,
Food and Nutrition Service

/s/ Original Signature on File
Bruce Summers
Administrator,
Agricultural Marketing Service

Attachments

Attachment A

TERMS AND CONDITIONS**Allowable Uses**

These funds must be used to purchase domestically grown and produced foods. Expenditure of these funds must be necessary, allowable, and reasonable costs incurred during the performance period.

Examples of some allowable foods include dairy foods such as cheese and yogurt; fruits and vegetables (including 100% juices); grain products such as pastas and rice; meats (whole, pieces, or food items such as ground meats); and meat alternates such as beans or legumes. Foods in a wide variety of minimal processing states (e.g., whole, cut, pureed, etc.) and forms (e.g., fresh, frozen, canned, dried, etc.) are allowable, to include any items like those currently listed on the CSFP Foods Available List.

Additionally, these funds may be used to pay for necessary costs associated with the purchase of allowable foods, such as distribution and shipping costs. However, the funds cannot be used for expenses typically covered by CSFP administrative funding.

As these are not CSFP administrative funds, the provisions regarding the provision of administrative funds to local agencies, found at [7 CFR 247.23](#), do not apply to these funds. State agencies may elect to further allocate this funding to CSFP local agencies, with signed agreements containing the following terms:

- (1) The funds will only be used for the purchase of domestically grown and produced foods;
- (2) An assurance that each agency will maintain accurate and complete records for a period of three years from the close of the fiscal year to which they pertain, or longer if the records are related to unresolved claims actions, audits, or investigations;
- (3) A statement that each agency receiving commodities for distribution is responsible for any loss resulting from improper distribution, or improper storage, care, or handling of commodities;
- (4) A statement that each agency receiving program funds is responsible for any misuse of program funds;
- (5) A description of the specific functions that the State, subdistributing, or local agency is delegating to another agency; and
- (6) 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.)

Procurement Standards

State agencies must comply with [2 CFR 200.317](#). When procuring property and services under a Federal award, a State must follow the same policies and procedures used for procurements from its non-Federal funds.

Federal law located at 2 CFR part 200 generally requires non-Federal entities to conduct procurements using Federal funds in a competitive manner, except in certain circumstances described in [2 CFR 200.320\(c\)](#).

Under [2 CFR 200.320\(c\)\(3\)](#), noncompetitive procurement is permitted when a public emergency will not allow for a delay resulting from competitive procurement. The non-Federal entity (the State agency operating CSFP in this instance) may use its own judgment in determining whether this condition has been met. USDA approval is not required. However, the non-Federal entity must document its justification for using noncompetitive procurements and must still comply with other procurement requirements in 2 CFR part 200 and other applicable law and ensure that costs are reasonable.

In addition, under [2 CFR 200.320\(c\)\(4\)](#), the non-Federal entity may submit a written request to USDA for express authorization of noncompetitive procurement.

Disbursal of Funds

The funding will be provided to State agencies according to their defined method of banking in SAM.gov. These funds will not flow directly through FNS. However, FNS will be assisting the USDA Agricultural Marketing Service (AMS) in the transfer of these funds through WBSCM. To receive payment, an active registration in SAM.gov is required, and the Unique Entity ID number must be on file in WBSCM.

The CCC funding will be deposited directly into the bank account associated with the SAM.gov profile. Please confirm the Unique Entity ID, with the correct associated bank account, when signing the agreement (Attachment C).

Period of Performance

The funds must be used to address the impacts of the supply chain disruption and warehouse delays. While we anticipate that such issues will be resolved soon, in the interest of administrative ease, the period of performance for these funds begins from the date of this letter, August 26, 2024, and runs through September 30, 2025. All of these funds must be obligated no later than September 30, 2025, and liquidated no later than December 31, 2025.

The funds may be used to cover the cost of eligible purchases as of the date of this letter, even if funds are provided to State agencies after that date.

Accountability, Recordkeeping, and Reporting

The State agency is responsible for ensuring that these funds are used for allowable expenses. State agencies will be required to report the total combined funds used at the end of the period of performance. USDA will provide State agencies with additional information about how to complete and submit reporting later in the year. Reporting of these funds will fall outside of the regular CSFP reporting requirements. These funds are not subject to the reporting requirements in [7 CFR 247.29](#), therefore do not need to be reported on the SF-425, "Financial Status Report" and the FNS-153, "Monthly Report of the Commodity Supplemental Food Program and Quarterly Administrative Financial Status Report".

State agencies must ensure purchases made with this funding are properly documented and records are stored for three years. This documentation may include, invoices, purchase orders, receipts, and other documentation which clearly indicates the domestic origin of the food purchase.

Federal Oversight

USDA will provide oversight to ensure that these funds are used appropriately. State agencies may be subject to a USDA review of the State agency's documentation, including a review of invoices.

Evaluation and Access to Records

State agencies will cooperate with any evaluation of the program by providing the USDA requested data and access to records. State agencies will cooperate with any, as needed, on-site financial and/or technical reviews and audits at any time during the term of the agreement. In addition, State agencies shall make all records pertaining to activities under the grant available for audit purposes.

Recovery of Unused Funds

State agencies will be responsible for returning any unspent funds to USDA. Further guidance on the process for returning funds will be forthcoming.

Office of Management and Budget (OMB) Guidance

The CCC funding is subject to rules and regulations related to the recipient's organizational entity type as noted below.

Government-wide Regulations

1. [2 CFR Part 25: "Universal Identifier and System for Award Management"](#)
2. [2 CFR Part 170: "Reporting Sub-award and Executive Compensation Information"](#)
3. [2 CFR Part 175: "Award Term for Trafficking in Persons"](#)
4. [2 CFR Part 180: "OMB Guidelines to Agencies on Government-wide Debarment and Suspension \(Non-Procurement\)"](#)
5. [2 CFR 200: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"](#)
6. [2 CFR 400: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"](#)
7. [2 CFR Part 415: "General Program Administrative Regulations"](#)
8. [2 CFR Part 416: "General Program Administrative Regulations for Grants and Cooperative Agreements to State and Local Governments"](#)
9. [2 CFR Part 417: "Non-Procurement Debarment and Suspension"](#)
10. [2 CFR Part 418 "New Restrictions on Lobbying"](#)

11. [2 CFR Part 421: “Requirements for Drug-Free Workplace \(Financial Assistance\)”](#)
12. [7 CFR Part 3: “Debt Management”](#)
13. [7 CFR Part 16: “Equal Opportunity for Religious Organizations”](#)
14. [41 U.S.C. Section 22 “Interest of Member of Congress”](#)
15. Privacy Act. The Cooperator/Grantee shall follow the rules and procedures of disclosure set forth in the [Privacy Act of 1974, 5 U.S.C. 552a](#), and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.
16. Freedom of Information Act (FOIA). Public access to Federal Financial Assistance records shall not be limited, except when such records must be kept confidential and would have been excepted from disclosure pursuant to the “Freedom of Information” regulation ([5 U.S.C. 552](#))

Attachment B:

**Funding to Alleviate Emergency Supply Chain Disruption in the Commodity Supplemental Food Program
(CSFP) Amount by State**

Region and State	Amount
NERO	
Connecticut	\$142,636
Maine	\$260,778
Massachusetts	\$132,110
New Hampshire	\$120,700
New York	\$1,767,949
Rhode Island	\$100,042
Vermont	\$81,057
MARO	
Delaware	\$63,301
D.C.	\$281,829
Maryland	\$170,622
New Jersey	\$251,925
Pennsylvania	\$1,948,949
Puerto Rico	\$222,660
Virginia	\$549,739
West Virginia	\$511,965
SERO	
Alabama	\$465,534
Florida	\$498,931
Georgia	\$327,325
Kentucky	\$1,531,271
Mississippi	\$639,993
Mississippi Band of Choctaw Indians	\$5,656
North Carolina	\$768,316
South Carolina	\$442,467
Tennessee	\$406,267
MWRO	
Iowa	\$139,291
Illinois	\$430,761
Indiana	\$250,302
Michigan	\$3,341,470
Minnesota	\$438,138
Ohio	\$1,518,582

Region and State	Amount
Red Lake	\$4,328
Wisconsin	\$637,189
SWRO	
Arkansas	\$531,393
Arizona	\$1,267,296
Louisiana	\$1,918,946
New Mexico	\$500,161
Oklahoma	\$227,578
Seminole Nation	\$11,608
Texas	\$3,740,359
Utah	\$142,833
Wichita and Affiliated Tribes	\$9,542
MPRO	
Colorado	\$706,835
Kansas	\$222,660
Missouri	\$1,034,406
Montana	\$217,446
Nebraska	\$264,909
Winnebago Tribe of Nebraska	\$1,230
North Dakota	\$80,712
Spirit Lake	\$9,689
South Dakota	\$121,585
Oglala Sioux	\$22,477
Wyoming	\$10,280
WRO	
Alaska	\$126,848
California	\$5,454,597
Hawaii	\$158,670
Idaho	\$111,895
Nevada	\$255,269
Oregon	\$110,322
Shingle Springs	\$19,674
Washington	\$268,697

Attachment C:

Availability of Funding to Alleviate Emergency Supply Chain Disruption in the Commodity Supplemental Food Program (CSFP)

Please hardcopy sign and scan or digitally sign by September 6, 2024. Once signed, email this attachment to USDAFoods@usda.gov with a carbon copy (cc) to your FNS Regional Office contact. This agreement serves as the award document for the Funding to Alleviate Emergency Supply Chain Disruption in CSFP. For questions regarding this agreement or the conditions please contact your Regional Office.

State Agency/ Indian Tribal Organization/ U.S. Territory Name

I _____ agree to accept and use \$ _____ of the funds offered in Attachment B of the August 26, 2024, Availability of Funding to Alleviate Supply Chain Disruption in the Commodity Supplemental Food Program (CSFP) letter.

___ Accept and I attest that these funds will be used in accordance with the outlined terms and conditions in Attachment A.

Signed,

CSFP State Agency Signature

Date

USDA Signature

Date

If accepting the funding, please provide the following information. Funding will be directly deposited to the bank account associated with the Sam.gov Unique Entity Id.

Sam.gov Unique Entity Id (UEI): _____

Name of Organization as it appears in Sam.gov: _____

Address: _____