

Section 4000

Managing the Program

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Section 4000

Managing the Program

4100 USDA Foods

The Texas Department of Agriculture (TDA) allocates USDA Foods according to the Commodity Supplemental Food Program (CSFP) caseload that it receives for a given service area by the U.S. Department of Agriculture (USDA).

Contracting entities¹ (CEs) receive direct shipments of USDA Foods. The main requirement for CEs to receive CSFP direct shipments is the ability to receive, store, and handle a truckload of a single USDA Food (approximately 40,000 pounds). Unless otherwise specified by TDA, non-food bank CEs receive distributions of USDA Foods from food bank CEs.

4110 Ordering of USDA Foods

4111 Compliance with Agreement Terms and Conditions

When ordering USDA Foods, CEs must comply with the terms and conditions of the *Agreement Between Contracting Entity and Texas Department of Agriculture* (Form H1502), federal regulations, state rules, and the policies in this handbook, including, but not limited to, the following:

- Control inventory
- Complete and submit an annual inventory report
- Complete and maintain a record of storage facility reviews (completed in conjunction with the annual inventory)
- Report changes that may affect the terms and conditions
- Agree to be monitored by the USDA and TDA
- Review and monitor sites to ensure program compliance

¹ See *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms* for a definition of this term.

4112 Coverage of Contracted Service Area

CEs assume final administrative and financial responsibility for distributions of USDA Foods within their contracted service areas. Efforts to meet the needs of eligible participants in a CE's service area should include the following:

- Improve the accessibility to USDA Foods by eligible individuals
- Meet the special needs of the elderly; including the elderly with disabilities, those who are homebound, and those with transportation difficulties in plans to expand or improve program services
- Cooperate with TDA to identify areas within a contracted service area where CEs other than food banks may be needed

4120 Receipt of USDA Foods

The CE must sign for receipt when USDA Foods are delivered to them. Likewise, each sub-agency must sign for receipt of USDA Foods when the CE delivers to them, or when the sub-agency picks the food up.

4121 Inspection of USDA Foods Shipments

CEs are responsible for unloading the USDA Foods and must inspect shipments to ensure the product and quantities are as identified on the delivery or pick-up document (bill of lading or invoice) and that the product is in good condition. If the product is in questionable condition (for example, damaged or spoiled), the CE must notify the Program Specialist². If the quantity is incorrect, then the CE must take the following steps:

1. Notate exceptions on the delivery or pick-up document when signing
2. Obtain the signature of delivery/warehouse personnel on the delivery or pick-up document

4122 Electronic Receipting for USDA Foods

CEs must complete electronic receipting³ into TDA's Texas Unified Nutrition Programs System (TX-UNPS) within 24 hours of the receipt of USDA Foods shipments. Following that, TDA must receipt electronically into USDA's Web-based Supply Chain Management System (WBSCM) within 24 hours. The entire receipting process, including CE and TDA responsibilities, must be completed within 48 hours.

² Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

³ For definitions of *electronic receipting*, *WBSCM*, *direct shipments* and *multi-food shipments*, see *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms*.

This requirement applies both to direct shipments and to multi-food shipments of USDA Foods. USDA requires shipment receipts to be entered within 48 hours in order to meet contractual requirements and to provide prompt payment to vendors.

4130 Storage

Any entity that stores USDA Foods for any period of time must safeguard the food, and entities must become familiar with and adhere to state and local health codes that apply to stored food products. USDA requires storage practices designed to ensure that both USDA Foods and the areas in which they are stored are maintained in good condition.

4131 Temperature

Entities that store USDA Foods must ensure that storage conditions will prevent premature deterioration and follow instructions for storage temperatures. Verify food temperatures on delivery and annotate on the receiving document when proper temperatures are exceeded.

NOTE: USDA Foods fact sheets (<http://www.whatscooking.fns.usda.gov/fdd/household-material-fact-sheets>) may provide shelf life information for a product at various temperatures (for example, flour or cornmeal at 40, 70 and 90 degrees Fahrenheit). Products will not spoil during the shelf life; however, storage at higher temperatures increases the likelihood of insect infestation and may shorten shelf life. Therefore, products must be stored at temperatures recommended by state and local health codes.

Cooler and freezer temperatures must be checked and recorded using *Temperature Record* (Form H1639) during regular business hours as well as during shut-down or vacation periods

- a minimum of every other day,
- immediately after a power loss is known or suspected, and
- late each Friday afternoon and early each Monday morning (if operations are suspended during weekends).

4132 Air Circulation

Frozen, chilled, and dry storage areas must have air circulation. USDA Foods must be stored on pallets or shelves with six inches of clearance from the floor and walls and two feet of clearance from the ceiling.

4133 Stacking

Stacks of USDA Foods should be

- sufficiently low so that the product at the bottom will not burst or be crushed by the weight of the product above,
- cross-stacked, and
- away from steam, heat, or moisture.

4134 Protection of Stored Food

CEs must ensure that USDA Foods are in good condition by taking the following steps:

- Check all products frequently for deterioration
- Inspect for torn sacks and broken cartons
- Keep all storage areas in a clean and orderly condition
- Store foods away from pesticides, cleaning supplies, and paper products
- Use security measures to prevent theft
- Inspect storage areas monthly and exterminate as necessary

Some foods, such as grains, dried fruit, and string cheese, are more sensitive to storage conditions. The table below illustrates storage for grains.

Storage of Grains during Summer Months	
<i>TDA recommends . . .</i>	Grain products to be stored in cool storage.
<i>TDA requires . . .</i>	Grain products in cool storage remain there until distribution. <i>NOTE: Grain products moved from cool storage to dry storage are at risk of spoilage. CEs are liable for such spoilage.</i>

4140 Insurance

Food banks and sub-distributing agencies must obtain insurance to protect the value of USDA Foods inventories.

The insurance amount must be at least equal to the entity's average monthly value of month-end USDA Foods inventories in the previous fiscal year (as determined by one of USDA's foods valuation methods in 7 CFR§250.12(d)). Reasonable insurance premiums are allowable costs.

Entities that are *not* required to obtain insurance include, but are not limited to, the following:

- Distribution sites
- Food pantries
- Soup kitchens
- Community action agencies

4150 Inventory Requirements

CEs must maintain complete and accurate records of USDA Foods received and distributed. CEs must differentiate between USDA Foods and other purchased or donated foods. All recipient agencies that receive USDA Foods are responsible for good inventory management. Good practices include

- requesting only an amount of food that can be used without waste,
- preventing excess inventory levels, and
- detecting damage or spoilage.

The CE is responsible for two types of inventory:

- **Perpetual Inventory** — An ongoing accounting system that requires daily entries to document the amounts of food added to or removed from storage.
- **Physical Inventory** — An annual process to account for all USDA Foods received since the last physical inventory and to report those on hand at the time of the report. Submit *Annual Inventory Report* (Form H1526) as requested by TDA. Form H1526 must include physical inventory information about USDA Foods stored at CEs' storage sites, at commercial facilities, and at any other storage sites. CEs must include on Form H1526 the names and locations of off-premise storage sites.

4151 Date of Possession

CEs must record the date of possession of USDA Foods on the perpetual inventory.

For example: The date of possession of USDA Foods by a CE is the date the CE accepts delivery directly from USDA.

4160 USDA Foods Distribution

4161 Program Recipients

The method of distributing USDA Foods directly to participants is subject to the review and approval of TDA. Sites must distribute a food package each month, or a two-month supply every other month.

In all circumstances, sites must ensure that participants are not discriminated against on the following bases:

- Race
- Color
- National origin
- Age
- Sex
- Disability

For additional information, refer to Section 6000, *Civil Rights*.

When funds are unavailable to provide CSFP benefits, or if all available caseload has been allocated, CEs must maintain a wait list of eligible applicants. TDA recommends that eligible applicants be placed on the wait list on a first-come, first-served basis. When caseload becomes available – even on a temporary basis – CEs must enroll eligible applicants from the wait list according to the date the application was received.

Food packages are based on the food package guide rates established by USDA.⁴ Although the quantity of each item in the package will vary, the basic food items will remain the same. All items must be canned or packaged. Participants may refuse any food item they cannot use or do not want. Refused food items must be returned to the CE and placed back into the CE's physical inventory.

CSFP participants and proxies must present some form of personal identification to pick up food packages. Examples include an ID card or a bill with identifying information.

Local agencies may not distribute food packages to participants retroactively. If a participant is unable to collect a food package, the site may neither keep the food package to be picked up at a later date nor provide an additional food package the next month. Rather, the uncollected food package must be returned to the CE and placed back into the CE's physical inventory. To the

⁴ For more information, email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

extent possible, the site should provide service to participants who are unable to pick up food packages. Home delivery is one option.

4162 Product dates

Product dates on foods are not federally regulated, so these dates are not an indicator of wholesomeness or food safety. Participants should have the opportunity to consume USDA Foods before the product end dates, discussed below, have passed.

best-if-used-by or *best-if-used-before* – Date that a product will be of best flavor or quality.

use-by – Last date that the manufacturer recommends using the product at peak quality.

sell-by – Date by which the manufacturer recommends that a store sell the food product for inventory management purposes and product quality.

If handled properly, food could still be wholesome and safe to consume beyond its product end date. However, if handled improperly, food can lose quality prior to the product end date. Therefore, USDA Foods with expired product end dates should not be distributed to program recipients, so considerations must be made for inventory management. Generally, CEs and sub-agencies should use first-in-first-out (FIFO) inventory management by marking food cases or other containers with the date of receipt. However, CEs and sub-agencies should also note food product dates provided by the manufacturer. Products marked with the earliest end date (that is, *best-if-used-by* and *best-if-used-before*) should be distributed first, even if those items were received at a later date.

Other dates that affect distribution of USDA Foods are discussed below.

pack code or *date of pack* – Foods packed shortly after harvest, including, but not limited to, canned or frozen peaches; pears; green beans; and corn. These foods may be delivered throughout the following year or until the next harvest season.

For example: USDA Foods packed in September 2018 may be distributed in July 2019.

manufacture date – Date the product was manufactured.

Pack and manufacture dates affect inventory management differently than product end dates, because pack and manufacture dates do not necessarily provide useful information of product wholesomeness or nutritional value. As always, CEs and sub-agencies must practice proper storage and inventory management system to ensure that USDA Foods are distributed in optimal condition.

4163 Distribution during a disaster or situation of distress

CEs and sub-agencies must not initiate emergency feeding using CSFP USDA Foods. Rather, TDA will contact CEs if USDA implements its Disaster Household Distribution (DHD) Program. For more information, see the USDA Foods Program Disaster Manual at <https://www.fns.usda.gov/disaster/disaster-assistance>. Also see Section 12000, *Frequently Asked Questions*, in the *CSFP Handbook*.

4164 USDA Foods Preferences

Conditions affecting USDA purchases of USDA Foods include market conditions; the amounts, types and costs of foods available; and price support requirements. However, when purchasing USDA Foods, USDA considers the recommendations of CEs and sites.

A CE may contact the Program Specialist⁵ to report USDA Foods preferences or suggestions. The Program Specialist will then forward any preferences or suggestions to USDA.

4170 Caseload Management

TDA monitors and works with CEs to maximize caseload usage. Depending on a CE's caseload usage rates, TDA may adjust the CE's caseload. In this case, TDA will ensure that service to participants is **not** discontinued due to the CE's caseload adjustment. Additionally, TDA may review a CE's policies and procedures to ensure service to participants in each service area. A CE's distribution method is subject to the review and approval by TDA. TDA maintains the right to adjust caseload and administrative funding.

4171 Ensure full use of caseload

There are various methods to ensure full caseload use. Several of these are the wait list, temporary certification, and the use of proxies. For more information, see Item 4300, *Certification* in this handbook section.

Frequent, Positive Communication. A key component of full caseload utilization is frequent and positive communication, which enables CEs to meet the following responsibilities:

- Serve as many participants as possible
- Provide clear expectations to participants
- Address challenges with food package pickup or home delivery

At Initial Certification. Participants must be informed of distribution time, location, and date, including delivery to homebound participants. CEs may choose to provide

⁵ Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

calendars with this information. CEs must explain the process of distribution (such as waiting in line, taking a number, etc.).

Regularly Phone. CEs or sites can call participants to confirm the date, time, location, and the participant's intention to participate that month. When CEs know in advance that caseload is temporarily available, they have the opportunity to distribute it to wait-listed applicants.

Missed Distribution. It is a best practice for CEs to contact participants who miss a distribution. This contact allows the CE to arrange, if possible, an alternative pickup or delivery date or time. When contacted, participants can express their intention to continue participation.

NOTE: Sites must not keep unclaimed packages. Rather, unclaimed packages must be returned to the CE and placed back into inventory.

Early Distribution. To the extent possible, CEs should distribute food packages early in the month. This allows sites to make arrangement for unforeseen circumstances, such as staff shortages, road closures, lack of electricity, or poor weather conditions. If unforeseen circumstances prevent distribution and the distribution cannot be rescheduled during the same month, CEs must contact TDA.⁶

4180 Food Losses

The CE must report⁷ all losses regardless of the cause. TDA will make a determination to pursue a claim depending on the circumstances. CEs and sub-distributing agencies (as applicable) are responsible to ensure that sites take appropriate steps to reduce losses. Further, USDA may pursue a claim against CEs and sub-distributing agencies for loss of USDA Foods, as well as for the loss or improper use of funds provided or obtained as a result of food distribution. USDA may choose to compromise, forgive, or waive a claim (waiver is not guaranteed). There are a number of reasons for loss.

4181 Fraud

Intentional concealment or willful misrepresentation of information. In this discussion, the term fraud includes theft, embezzlement, and willful misapplication.

If a loss of any amount occurs as a result of fraud then TDA must pursue a claim against the responsible party. Additionally, federal regulations require TDA to forward the claim to USDA.

⁶ Email CommodityOperation@TexasAgriculture.gov or call 1-800-TEX-MEAL.

⁷ Report of loss is discussed below.

4182 Negligence

Improper distribution or use of USDA Foods; or failure to properly store, handle, or care for the food.

TDA will not pursue a claim if the loss is less than \$500.

4183 Uncontrollable event

Events including but not limited to hidden damage, hurricane, flood, or general power outage.

TDA will not pursue a claim if a loss is the result of an uncontrollable event. If the loss exceeds \$500, TDA informs USDA.

4184 Report of Loss of USDA Foods

To report a loss CEs must complete and submit to the Program Specialist⁸ *Report of Loss of USDA Foods* (Form H1638) and any other supporting documentation, including documents provided by sub-agencies.

Examples of supporting documentation include photographs; the confirmation document of the local health official who inspects the food loss; or a receipt or invoice from a landfill that verifies destruction of the food loss.

The form should be submitted within 30 days of a loss, and should explain how and why the loss occurred. For a copy of the *Report of Loss of USDA Foods*, go to www.Squaremeals.org. Choose Programs then Commodity Supplemental Food Program; click on CSFP Administration and Forms, then input the proper form number into the appropriate search field.

⁸ Email CommodityOperations@TexasAgriculture.gov.

The following table provides examples of supporting documentation for *Report of Loss of USDA Foods*.

Type of Documentation	Details about Documentation
<i>Condemnation certificate</i>	From health official
<i>Destruction certificate</i>	Must include when, where, and how the USDA Foods were destroyed; and by whom
<i>Temperature logs</i>	If USDA Foods were stored in the freezer or cooler
<i>Police report</i>	If theft or vandalism was involved <i>Also include precautions taken to prevent future theft or vandalism.</i>
<i>Fire department report</i>	If loss was due to fire
<i>Extermination records</i>	If loss was due to infestation
<i>Refrigeration repair information</i>	If loss was due to refrigeration failure

4185 Holds and Recalls

USDA notifies TDA of a hold or recall to provide 1) instructions, 2) replacement of recalled foods, and 3) reimbursement of specific costs related to the recall. TDA emails pertinent information to CEs. In some cases, the email also directs CEs to TX-UNPS, where CEs respond to a survey. Via the survey, CEs report the amount of affected product in their possession, as well as whether the product was delivered to sub-agencies.

If USDA Foods are *on hold*, the CE and sub-agencies, if applicable, segregates the product until USDA either releases the hold or provides further information.

If the USDA Foods are *recalled*, TDA instructs CEs of the ways to dispose of the product.

For more information, see the USDA Food Safety website at <http://www.fns.usda.gov/food-safety/hold-and-recall-procedures>.

4186 Public Notification of a Recall

TDA recommends that the CE and sub-agency broadcast recall information in ways that a participant can be reached. The CE and sub-agency may take further action as they deem necessary.

4187 Out-of-Condition USDA Foods

Out of condition USDA Foods are no longer fit for human consumption because of damage, spoilage, or infestation. Occasionally, some USDA Foods can be salvaged; if so, CEs must contact TDA.

When there is question about the wholesomeness of USDA Foods, CEs and sub-distributing agencies must have the foods inspected by a state or local health authority to ensure the foods are still safe. When USDA Foods are determined to be out of condition, CEs must take the following steps:

1. Obtain from a federal, state or local health official a written statement that the USDA Foods are unfit for human consumption

NOTE: If a federal, state or local health official is not available to inspect foods to determine if they are out-of-condition, then CEs and distribution sites may, with TDA approval, use other community resources, e.g., individuals who provide inspection services, nurses, or others whose training, experience or background in medical, health, or related fields qualify them to determine if food is fit for human consumption.

2. Obliterate carton labels
3. Destroy food and ensure that it is inedible
4. Transport unsalvageable, out-of-condition USDA Foods to a landfill for proper disposal

4188 Salvage license

CEs must maintain a valid salvage license. TDA will request to see the license at each monitor review.

4190 Prohibited Actions

4191 Payment for USDA Foods

CEs must not require, solicit, or accept payment from CSFP applicants or participants or sites in money, materials, or services for, or in connection with, receiving USDA Foods. Additionally, USDA Foods must not be sold or disposed of through commercial methods.

NOTE: This policy does not restrict any person or persons from volunteering services in their communities, as they choose, when such volunteer services are not conditions for receiving USDA Foods.

CEs and sites must not use the distribution of USDA Foods as a means of furthering the political interest of any person or party.

4192 Join an Organization

CEs must not require an agency, organization, individual or a household to join, attend meetings of, or pay dues to a specific organization as a condition for receiving, distributing, or using USDA Foods.

4193 Activities Unrelated to USDA Foods

A person(s) conducting an activity that is unrelated to USDA Foods distribution at any site must take the following precautions:

- Clarify that the activity is not a part of CSFP, is not endorsed by USDA or TDA, and is not a condition for receiving USDA Foods
- Ensure that the activity does not disrupt USDA Foods distribution

TDA investigates claims of violations of unrelated activity requirements.

NOTE: Claims of unrelated activity violations may include the distribution of written material on or with food packages to participants from sources other than federal, state, or local governments.

4200 Enrolling Participants

4210 Application Process

The application process must be completed in a space that provides confidentiality. To accomplish this, the waiting area must be separate from the application area.

4220 Other Public Assistance Programs

CEs must inform applicants in writing of other public assistance programs for which applicants might be eligible. (7 CFR §247.12(a)(3)) CEs must also make referrals as appropriate to the following programs:

- Supplemental Security Income (SSI)
- Medical assistance provided under Title XIX of the Social Security Act, including medical assistance provided to a qualified Medicare beneficiary
- Supplemental Nutrition Assistance Program (SNAP)

TDA recommends that CEs also inform elderly applicants of the Senior Farmers' Market Nutrition Program (in limited areas) and the Child and Adult Care Food Program, which is offered in some adult day care centers if the CE is aware of the availability of these programs within its service area.

4230 Written Application Procedures

CEs must maintain written procedures for the application process. The procedures must be available for monitor and compliance reviews at all levels of distribution — the CE level and the site level. The CE is responsible to train sites on the application procedures. Included in the application procedures must be providing to applicants the *Written Notice of Beneficiary Request*.

4240 Participant Application

Low-income persons sixty years old and older may apply to participate in the CSFP. A proxy may apply for the applicant. For detailed information on the proxy, see Item 4350, *The Proxy* in this handbook section.

For each individual who wishes to participate in the CSFP, Form H1504, *Participant Application*, must be completed. For a copy of Form H1504, access the TDA website at <http://www.squaremeals.org/>, go to "Programs," click on "Commodity Supplemental Food Program," choose "CSFP Administration and Forms," then input the form title or form number in the appropriate search field. This form is provided in English and Spanish.

Regardless of the availability of CSFP caseload and the potential ineligibility of an applicant, a CE must complete Form H1504 for each individual who wishes to participate in the CSFP.

4241 Electronic information

A CE and sub-agency may record participant and applicant information, including signatures, electronically. CEs and sub-agencies must protect electronic information to ensure confidentiality.

4242 Confidentiality

CEs must protect the confidentiality of any information that has been provided on an application, whether the application is paper or electronic. For instance, CEs must ensure that information is physically secure against theft or misuse.

The CE may use the information to determine eligibility for CSFP benefits and to verify income.

A CE may release information only for the following two purposes:

1. To aid the administration and enforcement of the CSFP
2. To assist with the investigation and prosecution of CSFP violations

4233 Participant Rights and Responsibilities

CEs or sites must provide *Participant Rights and Responsibilities* (Form H1516) at application, at denial of certification, and at termination. The form gives brief instructions about how to request a fair hearing, as well as information about other rights and responsibilities of participants.

4250 Application Information

To establish eligibility, applicants must provide their name, age, address, and household income on Form H1504, *Participant Application*. (7 CFR §247.8). This form must be filled out completely to certify and document the eligibility of CSFP applicants for CSFP benefits.

There are no citizenship requirements for participation in the CSFP. CEs and sites cannot require applicants or participants to prove citizenship.

Applicants must reside within a designated CSFP service area on the day of certification to be eligible to participate in the CSFP. Examples of service areas include, but are not limited to, county or counties; zip codes, or neighborhoods.

4251 Full name, address, and date of birth

The CE must ensure that the full name, address, and date of birth of the applicant are entered on the *Participant Application* (Form H1504). At the time of application, some form of identification for each applicant must be provided. Identification may include, but not limited to, any of the following:

- Birth certificate
- Baptismal certificate
- Health card
- Identification card
- Driver license
- Military ID
- Veteran ID
- Passport
- Refugee visa

Applicants must reside within a designated CSFP service area on the day of certification to be eligible to participate in the CSFP; therefore, the address must be provided on the application. Proof of residency is not required.

4252 Total gross income (before deductions) for all household members

Applicants must provide their total gross income from all sources of income. Refer to Item 4262, *Determining Household Income*, for a list of income sources that are excluded. For example, SNAP benefits do not count as income for purposes of determining income eligibility in CSFP. Applicants with zero income are income eligible. On the *Participant Application*, indicate zero income.

Applicants are required to provide income information; however, applicants are not required to provide proof of income.

Applicants must indicate the number of household members.

4260 Income Eligibility

On the day of certification, applicants must meet income eligibility guidelines:

- Household income must meet income eligibility guidelines on *Income Eligibility Guidelines for the Elderly* (Form H1666).
- Eligibility for SNAP benefits does not make applicants automatically eligible for CSFP benefits. Applicants must meet the income eligibility guidelines for CSFP.
- Applicants who meet all other CSFP eligibility requirements cannot be denied CSFP benefits simply because they participate in SNAP.
- Applicants who meet the income eligibility requirements for CSFP also meet the income requirements for the Senior Farmers' Market Nutrition Program.⁹

TDA posts the updated federal income guidelines online each year. The CE may obtain a copy of the guidelines by accessing the TDA website at www.squaremeals.org. Choose Programs, then Commodity Supplemental Food Program; click on CSFP Income Eligibility Guidelines.”

4261 Determining Household Size

When determining household size, CEs must include all related and unrelated individuals, exclusive of boarders¹⁰, who are not residents of an institution, but who live as one economic unit and for whom food is customarily purchased and prepared in common.

4262 Determining Household Income

When determining household income, CEs must calculate the total gross income of all household members before deductions. Total net household income is not valid when determining income eligibility.

Applicants are not required to provide proof of income, however, all sources of the applicant's household income, not excluded below, must be used to calculate total gross income of all household members.

⁹ Organizations interested in applying for the Senior Farmers' Market Nutrition Program should go to www.squaremeals.org and choose Programs, then Senior Farmers Market Nutrition Program.

¹⁰ See *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms* for a definition of this term.

The following items are excluded from consideration as income for households when determining program eligibility:

- Supplemental Nutrition Assistance Program (SNAP) benefits
- Family Subsistence Supplemental Allowance
- National Flood Insurance Program payments
- Medicare Prescription Drug Card subsidy
- Filipino Veterans Equity Compensation Fund payments authorized by the American Recovery and Reinvestment Act of 2009 for certain veterans, or for surviving spouses of veterans, who served in the military of the Government of the Commonwealth of the Philippines during World War II.
- Lump sums or periodic payments from the *Cobell* settlement

The value of CSFP benefits may not be considered as income or resources when determining eligibility for other public assistance programs. Contact the Program Specialist¹¹ if you have a question about an item that might be excluded from consideration as income.

4270 Determination of Eligibility

After reviewing all data elements on the application, CEs must determine the applicant's eligibility by selecting one of these options:

1. Eligible
2. Eligible and on Wait List
3. Ineligible

4341 Eligible

Only those applicants who meet all eligibility criteria are eligible for CSFP benefits.

4342 Eligible and on Wait List

Only applicants who meet all eligibility criteria can be certified for CSFP benefits. However, when a CE does not have available caseload, each CE must maintain a wait list of applicants. The best practice is to determine eligibility and certification before placing an applicant on the wait list to enable the CE to move quickly when a caseload slot opens. For more information, see Item 4280, *The Wait List*.

¹¹ Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

4343 Not Eligible. Applicants must be low-income and elderly. Otherwise, the applicant is ineligible. See Item 4200, *Enrolling Participants* in this handbook section for details regarding eligibility.

As of February 7, 2014, women under age 60, infants, and children applicants are no longer eligible to apply for the CSFP. CEs should refer them to other nutrition assistance programs for which they might be eligible.

4280 The Wait List

The wait list contains eligible, certified applicants¹² who are waiting for a caseload slot¹³. When caseload becomes available, the CE must certify a wait-listed applicant in the order they applied. The wait list must include at least

1. the applicant's name,
2. address or telephone number, and
3. the date the applicant is placed on the wait list.

The table below contains further details about the wait list.

Wait List Details	
<i>When the applicant remains on the wait list fewer than six months, the Eligibility Specialist must . . .</i>	Confirm the following information: <ul style="list-style-type: none"> • Has your address changed? • Do you still want to receive CSFP benefits? • Does the CE or site believe that the participant still has an income that meets eligibility requirements?
<i>When an applicant remains on the wait list longer than six months, the Eligibility Specialist must . . .</i>	. . . Perform a full certification before providing the applicant benefits.
<i>When a participant transfers to a CE's service area that doesn't have a caseload slot, the participant. . .</i>	. . . Must be placed on the wait list ahead of all waiting applicants

¹² The best practice is to determine eligibility and certification before placing an applicant on the wait list to enable the CE to move quickly when a caseload slot opens.

¹³ A caseload slot is the actual available benefits for a participant.

4300 Certification

4310 Initial Certification

The initial certification period 1) lasts six months and 2) extends to the final day of the month in which eligibility expires. Notice that the month of certification counts as the first month.

For example: An applicant was found eligible and was certified on May 13. She began to receive benefits in May, so her initial certification period extends until October 31.

When an applicant on the wait list begins to receive benefits, the certification period begins the month that benefits begin

For example: an applicant was found eligible on June 8 and was placed on a wait list. Caseload opened on July 2, and he began to receive benefits on July 5. His certification period extends until December 31.

4320 Temporary Certification

Temporary certification lasts fewer than six months and enables CEs to fully utilize caseload, especially when expected participants do not pick up their packages. Any applicant, whether wait-listed or new, can be temporarily certified.

When certification begins, the CE must clarify several points:

- The benefits are temporary.
- Once temporary certification ends, the recipient might
 - receive a certification extension,
 - be recertified, or
 - return to the wait list.

The *Temporary Certification* (Form H1509) provides the necessary information to the temporarily certified participants. If CEs choose not to use this form, they must nevertheless provide the participant with the information in the bullet points above.

For example: A participant missed the regular distribution in November. Although Star Food Bank made reasonable efforts, the food bank was unable to reach the participant. To fully utilize caseload, the food bank certifies the first wait-listed applicant for one month and gives the participant the Temporary Certification form.

4330 Certification Extension

The initial certification period, and recertification periods, may be extended an unlimited number of six-month periods without a formal review as long as the following conditions are met:

- 1) The participant's address remains the same.
- 2) The participant still wants to receive CSFP benefits.
- 3) The eligibility specialist (ES) has sufficient reason to believe that the participant still meets income eligibility standards.

However, if the participant still wants to receive CSFP benefits, but their address has changed or the ES has sufficient reason to believe that the participant no longer meets income eligibility standards, the ES must recertify the participant.

A certification extension begins the month that follows the current certification.

For example: May is the sixth month of a participant's initial certification. When the participant picks up her box, the CE extends her certification for another six months. The extension begins in June and runs through the final day of November.

For example: A participant's certification extension ends in August. He picks up his box that month. In September, the participant arrives to collect his box. The CE extends his certification. The extension begins in September and continues through the final day of February.

Notice that the certification extension extends to the final day of the month in which eligibility expires.

For example: An ES extends a participant's certification on August 15, the sixth month of her recertification. Her certification extension runs from September 1 through February 29.

A portion of the *Participant Application* (Form H1504) is designed for certification extension and can be printed as necessary.¹⁴ Use of the certification extension portion of the form is not mandatory. However, the CE or site must maintain documentation showing the certification extension.

4340 Recertification

Upon certification expiration, a CE must consider these conditions:

- 1) The participant's address or continued interest in receiving program benefits are verified.
- 2) The eligibility specialist (ES) has sufficient reason to believe that the participant still meets income eligibility standards.

The CE must recertify eligibility if either one of the conditions is **not** met

¹⁴ Obtain the form at www.Squaremeals.org.

The participant must provide documentation, and an ES must recertify his or her eligibility based on the applicable portion of *Participant Application* (Form H1504). CEs may print the portion of Form H1504 necessary for recertification. CEs are not required to use the recertification portion of Form H1504. However, the CE must capture all recertification information included on the form.

Each recertification period extends to the final day of the month in which eligibility expires.

For example: An elderly participant's eligibility is recertified on July 18, the sixth month of his initial certification. His recertification is from August 1 through January 31.

4350 The Proxy

A proxy is a person designated by a participant to act for the participant as necessary throughout every process of CSFP. For example, proxies can provide a signature on forms. Proxies may also act for the participant at application, certification, food package distribution, and recertification. A proxy must provide proof of identification prior to picking up a food package.

4351 Multiple Proxies

A participant may designate as many proxies as necessary to ensure that the food package is picked up. Likewise, a single proxy can be designated by multiple participants.

4352 Requirements

CEs must collect at least the following information:

1. Participant's name
2. Name of distribution site
3. Authorization including proxy name
4. Participant's signature
5. Duration of proxy

The CE must maintain each written proxy designation on file. Proxy identification must be reviewed at each application, certification, food package distribution, and recertification.

4353 Proxy Change

The participant must change a proxy in two ways:

- In a written, signed statement
- In person at the CE or site, where proxy changes are noted and maintained in the participant file

The *Proxy Form* collects federally required information for the proxy, including, but not limited to, the proxy change. Use of the form is not required. The form is available at www.Squaremeals.org, Programs, Commodity Supplemental Food Program, CSFP Administration and Forms, then input the form's name into the appropriate search field.

4360 Dual Participation

Dual participation means participation by an individual in CSFP at more than one distribution site. CEs and sites must protect against dual participation. Participants found dually participating may be discontinued from the CSFP. For more information on discontinuance, see Item 4390, *Discontinuance* in this handbook section.

4370 Transfer of Certification

Occasionally, a CSFP participant must transfer from one CE or site to another, either within or outside of the jurisdiction of TDA. The participant's certification remains valid until the certification period expires — so sites must serve transferring participants through the end of their current certification. TDA knows this might cause CEs to exceed caseload across several months. This fluctuation is acceptable.

To verify a current certification, the CE completes the *Participant Transfer Form*. The CE may give the form to the participant, or may mail or email the form. However, the use of the *Participant Transfer Form* is not mandatory. As an alternative, CEs may use other verification methods, which must include the following information:

- Participant's name, address, and signature
- Date
- Date the certification began
- Date the certification expires
- Signature and printed or typed name of the eligibility specialist in the originating jurisdiction
- Name, address, and phone number of the current CE
- CE or site's representative signature

When the transferring participant's certification expires, the transferring participant shall be

placed at the top of the list, ahead of all other applicants. Refer to Item 4242, *Eligible and on Wait List* in this handbook section for additional instructions. CEs must keep records of transfers.

4380 Certification Expiration

Certification lasts six months¹⁵.

For instance: An applicant's initial certification is January 10. The certification lasts from January through June 30.

Certification expires on the final day of the sixth month. CEs must notify participants in writing at least 15 days before certification expires. The *Certification Expiration Notice* notifies CSFP participants that certification expiration is approaching.¹⁶ This form, however, is not required.

4390 Discontinuance

Discontinuance is the cessation of administering CSFP, which can occur for reasons including, but not limited to, the following:

- A participant becomes ineligible during the certification period
- Consecutive missed distributions
- Insufficient number of caseload slots

The CE must provide the participant with a written notification at least 15 days before the discontinuance becomes effective. The CE has two options for notification, each discussed below.

If the CE chooses to provide *each* discontinued participant a written notification, the following information must be included on it:

1. The effective date of discontinuance
2. A statement of the individual's right to appeal the discontinuance
3. A statement informing the participant that the CSFP is administered without discrimination by race, color, national origin, age, sex, or disability.

When a participant misses distributions, however, it can be difficult to notify *each* of them in writing of discontinuance. In this case, CEs have the option to post a CSFP Missed Distribution Notice. If the CE chooses the notice, it must be posted with the "And Justice for All" poster at

¹⁵ See Item 4310, *Initial Certification* in this handbook section.

¹⁶ The *Certification Expiration Notice* also helps the CE or site decide whether certification extension or recertification are appropriate, and it contains directions to help a participant gather the documentation necessary for recertification.

each site. The Missed Distribution Notice satisfies the requirement to notify participants of discontinuance due to repeated missed distributions.

A participant that appeals the discontinuance within the 15 days of notification will continue to receive CSFP benefits until the hearing official reaches a decision. However, the applicant that is denied benefits at initial certification, or at subsequent certifications, may appeal the denial of benefits but will not receive benefits while awaiting the hearing.

4400 Program Violations

Program violations are actions taken by applicants, participants, or their caregivers to improperly obtain or use CSFP benefits. Program violations may result in a participant's termination from the CSFP. Program violations include, but are not limited to, the following actions:

1. Intentionally making false statements orally or in writing
2. Intentionally concealing information that pertains to eligibility
3. Selling CSFP foods
4. Trading CSFP foods for non-food items
5. Physically abusing, or threatening physical abuse of, program staff
6. Participating simultaneously at multiple sites

CEs must report negligence, fraud, embezzlement, or other abuses of the CSFP. If a CE is aware of such activity but fails to notify TDA, the CE assumes financial liability for the activity. Based on a CE's notification, TDA may determine whether to refer the incident either to the USDA Food and Nutrition Service or to the USDA Office of Inspector General for investigation.

4410 Violations Not Involving Fraud

TDA may require CEs to disqualify participants for up to one year if applicants, participants, or their caregivers commit one of the following program violations:

1. Physically abusing, or threatening physical abuse of, program staff
2. Participating simultaneously at multiple sites.

NOTE: If the eligibility specialist concludes that a serious health risk will result from disqualification from the CSFP and the participant is currently eligible, then the disqualification shall be waived.

4420 Violations Involving Fraud

Fraud includes the following actions:

- Intentionally making false or misleading statements, orally or in writing, to obtain USDA Foods
- Intentionally withholding information to obtain USDA Foods
- Selling USDA Foods
- Trading USDA Foods for non-food items

TDA requires CEs to disqualify applicants and participants from participating in the CSFP for up to one year if applicants, participants, or their caregivers commit program violations that include fraud.

NOTE: If the eligibility specialist concludes that a serious health risk will result from disqualification from the CSFP and the participant is currently eligible, then the disqualification shall be waived.

TDA may require CEs to pursue claims against participants for fraudulent activity. See Item 4430, *Claims against Participants for Fraud* in this handbook section for more information.¹⁷

4521 Three Fraudulent Violations

TDA requires CEs to permanently disqualify participants and applicants that commit three fraudulent program violations.

¹⁷ For more information about fraud, see the *CSFP Handbook*, Section 8000, *Denials, Terminations, and Appeals*.

4430 Claims against Participants for Fraud

TDA must ensure that CEs pursue claims against participants when the value of USDA Foods fraudulently received is more than \$500. To begin the claims process, the CE must contact TDA with the participant's name and any supporting documentation¹⁸.

The CE must then provide the participant with the following information in writing:

1. The participant's opportunity to appeal the claim through the fair hearing process and
2. The participant's disqualification from the CSFP for up to one year.

NOTE: If the eligibility specialist concludes that a serious health risk will result from disqualification from the CSFP and the participant is currently eligible, then the disqualification shall be waived.

4440 Pursuing Claims for Fraud

When pursuing a claim against a participant, the CE must take the following steps:

- 1) Issue a letter demanding repayment for the value of the USDA Food improperly received or used
- 2) If repayment is not timely made, contact the Program Specialist ¹⁹ for additional collection actions that are cost-effective according to the TDA-established standards
- 3) Maintain all records regarding claim actions taken

4450 Notification of Disqualification from the CSFP

Disqualification means the act of ending CSFP participation of a participant as a punitive sanction. Reasons for disqualification include, but are not limited to, fraud, which is:

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

¹⁸ Supporting documentation includes, but is not limited to, notes or emails the CE makes when someone informs about a CSFP participant fraudulently receiving USDA Foods.

¹⁹ Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

Each CE must provide a disqualified participant with written notification at least 15 days before the effective date of disqualification. The notification must include all of the following information:

1. The effective date and length of disqualification.
2. The reason for the disqualification.
3. A statement that the participant may appeal the disqualification through the fair hearing process. (See Item 4600, *Appeal for Fair Hearing* in this handbook section for information regarding a fair hearing.)

4500 Participant Rights and Responsibilities

The following sentences shall be read by, or read to, the applicant or the applicant's caretaker at the time of certification:

Standards for participation in the program are the same for everyone regardless of race, color, national origin, age, sex, or disability. You may appeal any decision made by the site regarding your denial or termination from the program. If your application is approved, the site will make nutrition education available to you, and you are encouraged to participate.

NOTE: When a significant proportion of the population that the CE serves is composed of non-English or limited English speaking persons who speak the same language, the sentences shall be stated to such persons in a language they understand.

Additionally, CEs must perform the following notification responsibilities:

1. Each applicant shall be informed during certification of the right to a fair hearing and of the illegality of participation in the CSFP with more than one CE or site
2. A person found ineligible for the CSFP during a certification visit shall be advised in writing of the ineligibility and of the right to a fair hearing according to Item 4600, *Appeal for Fair Hearing* in this handbook section. CEs must properly document the reasons for ineligibility and maintain the documentation with its program records.
3. A person found ineligible for the CSFP at any time during the certification period shall be advised in writing 15 days before termination of eligibility of the reasons for ineligibility and of the right to a fair hearing.
4. Each participant shall be notified at least 15 days before the expiration of each certification period that eligibility for the CSFP is about to expire.
5. Each participant shall receive an explanation of how the food delivery system at the site operates.
6. Each participant shall be advised of the importance of participating in ongoing routine health care, the types of health services available, where they are located and how they may be obtained.

Participants must consent to the release of information to the following:

- CSFP staff;
- Another CFSP agency, if transferring site and to prevent dual participation;
- USDA;
- TDA;
- The site;
- The CE

Participants are informed of this potential information release when they receive the *Participant Rights and Responsibilities* (Form H1516).

4600 Appeal for Fair Hearing

TDA maintains a hearing procedure through which any individual may appeal²⁰ an action that results in the denial or termination of benefits.

4610 Appeal Rights

At the time of initial certification as well as at denial or termination of benefits, CEs must notify an applicant in writing of the right to appeal and receive a fair hearing.

This notification must include the following information:

- The assurance of the right to a fair hearing
- The method by which a hearing may be requested
- An assurance that any positions or arguments on behalf of the individual may be presented personally or by a representative such as a relative, friend, legal counsel, or other spokesperson

Notification is not required at the expiration of a certification period.

4620 Request for a Fair Hearing

A request for a hearing is any clear expression by the individual or the individual's caretaker, or other representative, that an opportunity to present his or her case to a higher authority is desired. CEs must not limit or interfere with the individual's freedom to request a hearing.

²⁰ For definitions of terms, including, but not limited to, appeal, hearing, denial, termination of benefits, see *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms*.

4621 Time Restriction for Request

An individual has the right to request a fair hearing at any time within 60 days of receiving notice of adverse action to deny or terminate benefits.

4622 Denial or Dismissal of Request

A request for a hearing shall not be denied or dismissed unless the:

- request is not received within the time identified in Item 4621, *Time Restriction for Request* in this handbook section;
- request is withdrawn in writing by the individual or representative; or
- individual or representative fails, without good cause, to appear at the scheduled hearing.

4630 Continuation of Benefits

Participants must receive written notice within 15 days of the date that benefits will be discontinued. Participants who appeal (that is, request a fair hearing) the termination of benefits within the 15-day advance adverse notice period shall continue to receive CSFP benefits until the hearing official reaches a decision.

Applicants who are denied benefits at initial certification or at subsequent certifications may appeal the denial but shall not receive benefits while awaiting the hearing.

4640 Hearing Details

4641 Hearing Official

An administrative review official (ARO)²¹ will be appointed by TDA. The official will be an individual who was not involved in the decision that the applicant, participant, or CE is appealing (referred to as “appellant”).

4642 Conducting the Hearing

The hearing shall be accessible to the appellant and their representative, if applicable. TDA will provide the appellant with a minimum of 10 days advance written notice of the time and place of the hearing and shall enclose the rules of procedure. TDA will also provide the appellant or their representative, if applicable, an opportunity to take the following steps:

²¹ For a definition of this term, see the *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms*.

- Examine, before and during the hearing, the documents and records presented to support the decision under appeal
- Be assisted or represented by an attorney or other persons
- Bring witnesses
- Advance arguments without undue interference
- Question or refute any testimony or evidence, including an opportunity to confront and cross-examine adverse witnesses
- Submit evidence to establish all pertinent facts and circumstances in the case

4643 Hearing Decisions

The ARO makes a decision based on a complete review of the administrative record and sends a copy of the decision to the appellant by certified mail, return receipt requested. The decision shall be binding on the appellant and shall summarize the facts of the case, specify the reasons for the decision, and identify the supporting evidence and the pertinent regulations.

4700 Program Administration

4710 Sites

4711 Site Requirements

When selecting CSFP sites, CEs must evaluate the administrative cost and ability of the site to operate CSFP in light of the *Agreement Between Contracting Entity and Site* (Form H1501).

Each site must have a site coordinator that is separate and apart from the CE's administrative staff. At distribution sites, the CE must plan for and instruct the site coordinator on the proper handling of a USDA Foods package when a participant is unavailable. CEs must ensure that the USDA Food package is either

- returned to one of its storage sites, **or**
- properly stored at the site.

NOTE: Before storing a USDA Food package for a period of one day or longer, CEs must complete and sign Agreement Between Contracting Entity and Site (Form H1501) with the agency that will store the package.

4712 Site List

Use *Site Information* (Form H1503) to maintain a complete list of all sites. During the program year, CEs must revisit each site to monitor program operations and verify compliance with program requirements according to *Agreement Between Contracting Entity and Site* (Form H1501).

Refer to Item 4740, *Monitor Reviews by Contracting Entities* in this handbook for specific instructions related to these visits.

During the application process, CEs are required to visit each site as provided in the *CSFP Handbook*, Section 2000, *Eligibility and Application Requirements*, Item 2200, *Application Process*.

4813 Adding Sites

During the program year, a CE may wish to add or eliminate a site. The addition or elimination of a site is a change (that is, an amendment) to the *Application for Participation/Plan of Operation*. If the CE wishes to add a new site, it must take the following steps:

- Visit the site to verify that it will operate in full compliance with the requirements mandated in *Agreement Between Contracting Entity and Site* (Form H1501)
- Execute *Agreement Between Contracting Entity and Site* (Form H1501) with each site that will certify the eligibility of applicants or that will transport, distribute, or store USDA Foods
- Complete *Site Information* (Form H1503) for each certification, distribution, or storage site
- Submit Form H1503 and Form H1501 to the Program Specialist ²² to obtain TDA approval

4714 Eliminating Sites

If a CE wishes to eliminate a site, it must notify the Program Specialist, who will provide guidance.

4720 Sites Located at Religious Organizations

Federal civil rights laws address explicitly religious activities at some sites:

1. Organizations must not engage in explicitly religious activities as part of CSFP, including overt religious content such as worship, religious instruction, or proselytization.
2. An explicitly religious activity at a site must be separated in time or location from CSFP services.
3. Organizations must not require participants or applicants to participate in explicitly religious activities to receive CSFP.

²² Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

4721 CSFP and Explicitly Religious Activities

The following table provides examples to guide explicitly religious activities at CSFP sites. TDA encourages CEs to contact the Program Specialist²³ with questions about specific circumstances.

<i>It is acceptable to . . .</i>	<i>It is unacceptable to . . .</i>
Hang a cross on a wall at the CSFP site.	Require participants to stand by a cross and recite a prayer prior to CSFP distribution.
Place a menorah on a table at the site during the holiday season.	Refuse USDA Foods to participants who do not practice the Jewish faith.
Display faith-based pamphlets at the front or back of the site for interested people.	Insert faith-based pamphlets into CSFP bags or boxes that will be distributed to participants.
Have a religious official, such as a pastor, assist with CSFP distribution.	Require or encourage participants to have a religious conversation prior to or during CSFP distribution.
Hold a prayer service on the second level of a church building while CSFP distribution occurs on the lower level.	Hold a prayer service in the same room and at the same time as CSFP distribution.
Invite participants or applicants to participate in a voluntary — and clearly separate — prayer before CSFP distribution.	Lead participants in a prayer at the beginning of CSFP distribution.

4722 Written Notice of Beneficiary Rights

Certification or distribution sites located at faith-based or religious organizations must protect applicants' and participant's rights regarding participation in religious activities. The CSFP *Written Notice of Beneficiary Rights* form must be made available to all applicants.

For example: Some CEs laminate the Written Notice of Beneficiary Rights and make it available to the applicant.

Upon the request of the applicant or participant, CEs must give them a copy of the *Written Notice of Beneficiary Rights*, which details the following information:

- The site must not discriminate against applicants on the basis of religion or religious belief; a refusal to hold a religious belief; or a refusal to attend or participate in a religious practice.

²³ Email CommodityOperations@TexasAgriculture.gov or call 877-TEX-MEAL (877-839-6325).

- The site must not require applicants to attend or participate in any explicitly religious activities. Applicants' and participants' participation in these activities must be purely voluntary.
- The site must separate, in time or in location, any privately funded, explicitly religious activities from activities supported with USDA direct assistance.
- If the applicant or participant objects to the religious character of the site, then the site must make reasonable efforts to refer them to an alternative provider to which he or she has no objection, with the understanding that the site cannot guarantee that an alternate provider will be available in every instance.
- Applicants and participants may report violations of these protections (including denials of services or benefits) by either a site or a CE to TDA at www.Squaremeals.org.

The CE or site may include the bulleted information in its application form as long as the form's content reads verbatim to the *Written Notice of Beneficiary Rights*.

The CE (and site, if applicable) must maintain written application procedures that include the provision of the *Written Notice of Beneficiary Rights* to applicants. The procedures must be available for monitor and compliance reviews at the CE and the site. The CE is responsible to train sites.

4723 Beneficiary Referral Request

When an applicant or participant objects to the religious character of sites, the site or CE must make reasonable efforts to refer them to an alternative site. "Reasonable efforts" depend on the situation. At a minimum, the site or CE must 1) attempt to identify an alternative provider and 2) determine the service that the provider offers. A referral may be made to non-USDA funded providers if necessary and if the provider has the capacity to accept the beneficiary.

The *TEFAP and CSFP Beneficiary Referral Request* form documents the referral efforts. Copies of the form must be easily available at each site. The form is available at www.Squaremeals.org. Choose Programs, Commodity Supplemental Food Program, CSFP Administration and Forms, then input the form name into the appropriate search field.

The CE or site must maintain records, including referral records, for three years from the close of the fiscal year to which they pertain. Upon request, referral records must be made available to TDA and CEs.

4730 Training

TDA provides training for new CEs. TDA may train CEs via webinar, classroom, or on-site, as necessary. CEs provide training to sub-agencies.

4731 Staff Training

After an organization's application has been approved, it must conduct training for administrative and site personnel, including volunteers, before they assume any CSFP duty. CEs must provide annual training thereafter. Training topics must include, but are not limited to, civil rights, eligibility determinations (for staff who determine applicant eligibility), recordkeeping requirements, and distribution of USDA Foods.

CEs must maintain a record of trainings and attendees (sign-in sheets) which includes

- date of training,
- location of training,
- training topics,
- name(s) and signature(s) of attendees, and
- name of trainer.

CEs must retain this documentation with its program records.

4740 Monitor Reviews by Contracting Entities

CEs conduct monitor reviews²⁴ of their administrative and site personnel as well as their sites to confirm the following:

- Ensure program compliance
- Investigate reported problems
- Verify proper storage and use of USDA Foods
- Determine whether to operate a site during the following program year

NOTE: Monitor reviews can reveal site supervisors with a poor performance record, such as the inability to implement or complete corrective action. Depending on the nature of previous performance problems, TDA may not approve such sites for participation in future program years.

If monitor reviews reveal problems, CEs must take appropriate action to correct the noncompliance. At its discretion, TDA may collect information about the content of CEs' findings for sites.

²⁴ For a full definition of this term, see *CSFP Handbook*, Section 9000, *Terms, Definitions, and Acronyms*.

Independently or in coordination with TDA, as appropriate, CEs will review sites to ensure that they are complying with *Agreement Between Contracting Entity and Site* (Form H1501).

4741 Storage Facility Review

CEs must annually review facilities where USDA Foods are stored. A report of findings to TDA is not required; however, documentation of findings must be available to TDA or USDA upon request. CEs must document the results of each storage facility review and retain the documentation for three years following the end of the program year in which the review was done. Additionally, CEs must require sites that store USDA Foods to review their storage facilities annually.

CEs should schedule the storage facility review to coincide with the annual inventory of USDA Foods reported to TDA on *Annual Inventory Report* (Form H1526). Follow procedures to report a loss of USDA Foods discovered as a result of either the annual inventory or the storage facility review (use both *Annual Inventory Report* (Form H1526) as well as *Report of Loss of USDA Foods* (Form H1638)). CEs must correct deficiencies discovered during a storage facility review. A CE storage facility review must ensure that the facility is, at a minimum:

- Sanitary
- Free from animal and insect infestation
- Secure from theft, spoilage and other loss
- Maintained at proper temperatures
- Used appropriately to store food (for example, the product is stored off of the floor, boxes are safely stacked with USDA labels visible and containers are spaced for proper ventilation)
- In compliance with other standards, as appropriate

4750 Nutrition Education

- CEs must provide nutrition education²⁵ that can be easily understood by participants, that is related to their nutritional needs and household situations, and that accounts for specific ethnic and cultural characteristics whenever possible. The CE must make nutrition education available to all participants.

The Goal of Nutrition Education. The goal of the nutrition education is to provide both immediate and long-term improvement in the health status of participants. Nutrition education should be thoroughly integrated into program operations. Nutrition education has a dual purpose: 1) ensuring that CSFP foods are properly used and 2) emphasizing the relationship of proper nutrition to the total concept of good health.

Nutrition Education's Five Topics. The CE must provide nutrition education that includes the following information:

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

Implementing Nutrition Education. The CE's nutrition education materials must meet the following expectations:

- Cover the five topics listed above
- Be accurate, current, and relevant in content
- Be based on sound, established, and scientific evidence
- Account for specific ethnic and cultural characteristics whenever possible
- Be tailored to meet any limitations experienced by participants, such as lack of running water, lack of electricity, and limited cooking or refrigeration

²⁵ For more about CSFP's Nutrition Education Plan, go to www.squaremeals.org, choose Programs, click on Commodity Supplemental Food Program, then click on Nutrition Education Plan.

What Does Nutrition Education Look Like? Examples of nutrition education include

- cooking demonstrations;
- nutrition handouts or newsletters;
- written information about health issues;
- introduction to online resources such as USDA's website and MyPlate;
- recipes incorporating CSFP foods; and
- nutrition classes.

Evaluation of Nutrition Education. Annually, each CE must evaluate the effectiveness of its nutrition education program using TDA's evaluation tool.²⁶ Homebound elderly should also be included in the evaluation process. Information provided by the completed evaluations shall be considered in formulating future plans, goals, and objectives for the CE's nutrition education plan. Copies of evaluation results must be kept on file by the CE and must be made available to TDA staff during compliance reviews.

4760 Filing and Submitting Monthly Claims

A CE's claim is an actual participation report submitted for the purpose of receiving financial assistance with administrative costs associated with its CSFP operation. TDA reimburses claims depending on the availability of funds. Monthly reimbursement claims should be received by TDA in TX-UNPS within 60 days after the claim month has ended, and costs reported by the CE must appear in the approved budget. The claims should include allowable costs of distributing USDA Foods as well as commodities donated from other sources. Only a person authorized on *Certificate of Authority for External Users* (Form FND-101), may enter the claim in TX-UNPS.

4761 Adjusted Claims

TDA will suspend claim payments if a CE repeatedly submits adjusted claims. The suspension remains in effect until the CE demonstrates that it has procedures in place to produce a final claim on time each month.

If TDA processes an adjusted claim for a month in the current program year, TDA will reconcile any overpayment or underpayment against any outstanding claims for the current program year. If the outstanding claims are not sufficient to reconcile the adjusted claim, TDA will process payment to the CE for any underpayment and will require the CE to submit any remaining overpayment.

If TDA receives an adjusted claim for a month that is not in the current program year, and funds are available, then TDA will process payment to the CE for any underpayment and will require the CE to submit the amount of any overpayment.

²⁶ CEs receive the evaluation tool via email from the Program Specialist.

4770 Negligence and Fraud

Negligence is misuse or improper distribution of USDA Foods; or failure to properly store, handle, or care for the food.

Fraud includes intentionally making false or misleading statements; intentionally withholding information to obtain USDA Foods; or selling or exchanging USDA Foods obtained through CSFP for non-food items.²⁷

A CE must immediately report suspected fraud or misuse of USDA Foods to TDA. Include information related to the amount of USDA Foods involved; location of the incident; suspected parties; and other details and facts. If a CE does not immediately report it, the CE is liable for the fraud.

4771 CEs, Sites, and CSFP Funds

If a CE or its sites misuse CSFP funds through negligence, fraud, theft, embezzlement, or other causes, TDA must initiate and pursue a claim against the entity to repay the amount of the misused funds.

4772 CEs, Sites, and USDA Foods

TDA must initiate and pursue claims against any entity that misuses USDA Foods in the CSFP. Misused USDA Foods include foods improperly distributed, lost, spoiled, stolen, or damaged as a result of improper storage, care, or handling.

4773 Participants and USDA Foods

See Item 4430, *Claims against Participants for Fraud* in this handbook section.

²⁷ For a further discussion of fraud, see Item 4430, *Claims against Participants for Fraud* in this handbook section.

4800 Program Documentation

TDA is able to observe only the CE's daily operation of the CSFP when conducting onsite compliance reviews and monitor reviews. Therefore, TDA must rely on the records that the CE maintains to determine compliance with program requirements and verify the reimbursement to which the CE is entitled. If a CE's records do not support eligibility or claims for reimbursement, the CE must repay any amount that was received improperly.

4810 Retention Period

CEs must retain all documents relating to participation in the CSFP, such as claims and supporting documents that are specific to a particular program year, for at least three years from the end of that program year. These documents include, but are not limited to, financial and supporting documents and statistical records.

For example: All documents specific to program year 2016 (October 1, 2015 through September 30, 2016) must be retained until September 30, 2019.

However, if audit findings, claims, litigation or investigation findings have not been resolved, all forms and records must be retained beyond the required time period until all claims and findings are resolved. Findings and claims are considered resolved when a final order is issued in litigation, or when the CE and TDA sign a written agreement.

4820 Availability of Records

CEs, and each site, must allow TDA, USDA, the Government Accountability Office (GAO) and representatives of other appropriate agencies to inspect facilities and records and to audit, examine and copy records during normal working hours.

CEs must maintain separate records for each site, and CSFP records must be maintained separately from records of other programs. If the *Agreement Between Contracting Entity and Texas Department of Agriculture* (Form H1502) is terminated or is not renewed, the CE must still retain all records according to the retention period and make them available upon request.

4830 Statistics by County

CEs must provide annual statistics by county for the areas they serve. This information is based on data from the previous state fiscal year, September 1st through August 31st, and is due by November 30 of each year. This information should be submitted on an Excel spreadsheet, with the fields listed in the order below:

1. Name of CE
2. Name of county
3. Number of sites in county
4. The quantity of USDA Foods received by the CE for the state fiscal year (total pounds);
5. Total value of USDA Foods received by the CE for the state fiscal year
6. Quantity of USDA Foods distributed by the CE for the state fiscal year (total pounds)
7. Quantity of USDA Foods distributed by county for the state fiscal year
8. Percentage of total USDA Foods distributed by county
9. Total amount of CSFP administrative funds that have been reimbursed to the CE during the state fiscal year
10. Total administrative CE expense for the state fiscal year
11. Administrative expense for the county for the state fiscal year