SECTION 2: EFAP ADMINISTRATION
Definitions

**Acquisition Cost** – Acquisition cost means the cost of the equipment including modifications, attachments, and ancillary charges.

**Administrative Expenses** – Salaries, wages, supplies, and general expenses, including membership dues, including direct and indirect.

**Agency Indirect** – Those expenses that cannot be readily identified with a particular program.

**Ancillary Charges** – Ancillary charges such as taxes, duty, transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with your agency’s accounting practices.

**Applicant** – A public or private nonprofit organization, tribe, or tribal organization that applies for Food Assistance program funding.

**Authorized Representative** – For WSDA means the WSDA designee authorized in writing to act on the director’s behalf; for the contractor means the Authorized Signer.

**Authorized Signature** – Signature of the board president, tribal chairperson, agency director, or other official authorized to sign.

**Capital Assets** – Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

a. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and

b. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

**Capital Expenditures** – Expenditures to acquire capital assets or to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

**Client** – A person who self-declares they are in need of food, and are not able to purchase enough food for their subsistence.

**Contract** – A legally binding agreement between the state and another entity, public or private, for the provision of goods and services. Agreements, letters of intent, memos of understanding, and contract awards are specific forms of contracts.

**Contractor** – The eligible association, tribe, or tribal organization that entered into a contract with the WSDA Food Assistance to provide emergency food assistance within a county, multi-county region, tribe or tribes. Some funds administered in EFAP may be federal rather than state, in which case the term “contractor” used in Food Assistance Program guidance, is the same as the term “subrecipient” as defined in federal grant language.
**DEFINITIONS**

**Coordinated Services** – Making contact with and sharing information about other programs and establishing procedures for referring clients between food pantries and other services.

**Current Fair Market Value** – The value of equipment and supplies determined by selling them in a competitive market or by researching advertised prices for similar items on the used market. The current fair market value should be determined at the time the equipment and supplies are no longer needed by the contractor or subcontractor for EFAP operations regardless of when actual disposition takes place. Contractor or subcontractor must research the current fair market value and provide a recommendation to WSDA. WSDA must approve the recommended value.

**Desk Program Review** – Conducting a program review of the contractor’s performance by requesting documentation to be sent to WSDA staff.

**Debarment** – The act of being suspended or being declared ineligible by any state or federal agency from participating in any transactions with them.

**Direct Client Services** – Conducting programming that has direct contact with clients and could include food distribution to clients, collecting client information for the purpose of the client intake, and/or distribution of food vouchers to clients.

**Emergency Food Assistance Program (EFAP)** – The Emergency Food Assistance Program provides state general funds to help support food pantries and is subject to WAC 16-740.

**Emergency Food Assistance Program (EFAP) - Tribal** – The Emergency Food Assistance Program provides state General Funds to help support tribal food pantry and voucher programs and is subject to WAC 16-740

**Emergency Food** – Food that is given to clients who do not have the means to acquire that food themselves, so that they will not go hungry.

**Emergency Food Provider** – A tribal food pantry or a voucher program that provides clients with any kind of emergency food.

**Equipment** – Equipment means tangible personal property (including information technology systems) that has a useful life of more than one year, is movable, and has a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or $5,000.

**Food Assistance (FA)** – Washington State Department of Agriculture's (WSDA) Food Assistance (FA) programs.

**Food Assistance Advisory Committee** – Is part of the Washington Food Coalition and makes recommendations to Food Assistance for program and policy improvements.

**In-Kind** – The value of volunteer services or donated goods including staff time, rent, food, supplies and transportation.

**Interested party** – Any agency wishing to be considered for EFAP contractor, food pantry, or food bank.

**Maintenance and Repair Costs** – Costs incurred for utilities, insurance, security, necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment (including federal property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended
life, but keep it in an efficient operating condition, are allowable. These costs are only allowable to the extent not paid through rental or other agreements.

**Mobile Food Pantry** – A mobile food pantry or mobile food bank serves clients in areas of high need in an effort to supplement hungry families with nutritious food. Through a mobile food pantry or mobile food bank, food is distributed to clients in pre-packed boxes or through a client choice method where clients choose to take what they need.

**Modified Total Direct Cost (MTDC)** – Means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward. MTDC excludes equipment, capital expenditures, rental costs, and the portion of each subaward in excess of $25,000.

**New Client (Unduplicated)** – A client served by an emergency food provider during the reporting period for the FIRST time in the current fiscal year.

**Not-for-profit Corporation** – RCW 24.03 provides the code for nonprofits and states, “not for profit corporation” or “nonprofit corporation” means a corporation no part of the income of which is distributable to its members, directors or officers and that holds a current tax exempt status or is specifically exempted from the requirement to apply. All nonprofits must be registered with WA Secretary of State.

**On-Site Program Review** – The physical act of going to a contractor's location to conduct a program review for compliance.

**Operational Expenses** – Those costs clearly identifiable with providing direct services to eligible clients, or food bank distribution services to food pantries.

**Participating Food Pantry** – A local public or nonprofit food pantry that provides emergency food assistance to clients and receives state or federal emergency food assistance funding or food through the contractor.

**Program Review** – Any planned, ongoing, or periodic activity that measures and ensures contractor compliance with the terms, conditions, and requirements of a contract. The level of monitoring for program reviews will be based on a risk assessment of the contractor's ability to deliver services and its performance in delivering those services under the terms of the contract.

**Real Property** – Real property means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

**RCW** – Revised Code of Washington.

**Sealed Bid** – Bids are publically solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for the bids, is the lowest in price.

**Returning Client (Duplicate)** – A client served by an emergency food provider during the reporting period who has been previously served during the current fiscal year.

**Single Audit** – An organization-wide audit of an entity that expends $750,000 or more of federal assistance (funds, grants, awards) as required by federal Chapter 2 Part 200, Uniform Administrative Requirement.

**State** – State of Washington.
**Definitions**

**Subcontractor** – Any association, tribe or organization that, by subcontract or written agreement with the contractor, is performing all or part of the services under the contractor’s agreement with WSDA. The term does not include the contractor’s employees. The term includes any subcontractor in any tier.

**Tribal Voucher Program** – The statewide activities of the WSDA, which allocate and award state funds to tribes or tribal organizations for the purpose of issuing food vouchers to clients.


**WAC** – Washington Administrative Code.

**Washington Food Coalition (WFC)** – A nonprofit organization that advocates for the emergency food system and provides education and training to a statewide membership of food banks, food pantries, meal programs, state agencies and other partners. WFC also houses the FA Advisory Committee, which acts as an advisory body to FA.

**WSDA** – The Washington State Department of Agriculture or its successor agency if any.
Eligibility Criteria for Tribal Contractors

This policy applies to tribal contractors that use EFAP funds for a voucher program.

1. **Contractors must meet the following criteria:**
   - Be a federally recognized tribe or a tribe or approved tribal nonprofit organization with IRS 501(c)(3) status.
   - All contractors who are direct services providers, both recognized and unrecognized tribes, must register with the 211 Statewide Telephone Information and Referral System within 30 days of the start date of the contract, if not already registered.

   **Note:** RCW 24.03.005: “Not-for-profit-corporation” or “nonprofit corporation” means a corporation no part of the income of which is distributable to its members, directors or officers.
   - Must be currently registered with the Secretary of State Office in Washington as a not-for-profit/nonprofit agency/corporation.
   - Must have had IRS 501(c)(3) nonprofit status for at least one year prior to the beginning date of the contract date.

2. **Contractor must have contracting capabilities.**
   - Have management capabilities to administer a contract with the WSDA.
   - Have internal control and fund accounting procedures to assure the proper disbursement of, and accounting for, all funds.
   - Secure adequate fidelity insurance.
   - Have public liability insurance to protect against legal liability arising out of services under the contract.
   - The contractor shall name state of Washington, its officers, officials, agents and employees as additional insureds.
   - The contractor shall submit copies of current Liability and Fidelity Insurance Certifications within 30 days of contract execution to include additional insured endorsement attached to certificate. The following is acceptable proof of additional insured endorsements for a designated person or organization: an ISO Standard Endorsement CG 2026 or equivalent.
   - WSDA will terminate the contract if contractor fails to timely secure and maintain insurance. In the alternative, WSDA may refuse to reimburse contractor for any costs until contractor submits evidence of insurance.
   - Contractor shall indemnify, defend, and hold harmless and shall assure subcontractors indemnify, defend, and hold harmless the Washington State Department of Agriculture, the state of Washington, its officers, employees and authorized agents from and against all claims or damages for injuries to persons or property or death arising from or incident to performance under the contract. Contractors shall additionally assure that subcontractors will similarly indemnify, defend, and hold harmless the contractor.
ELIGIBILITY CRITERIA FOR TRIBAL CONTRACTORS

- Have an annual single audit if it receives federal funds totaling $750,000 or more per year from all sources, or undergo an independent financial audit once every two years if it receives $100,000 or more per year in state funds from all sources and does not get an annual single audit completed. Audits must include a Schedule of State Financial Assistance.
- If applicable, complete the Single Audit Exemption Form (AGR-2207) which must be sent to WSDA within 30 days after the close of the contractor’s fiscal year.
- Contractor must submit a copy of its most recent audit report including any management letters with documentation showing how any problems (questioned costs, management findings, or inadequate internal controls) revealed by the audit were resolved. Required single audits shall be submitted yearly. Required financial audits shall be submitted at least once every two years and must cover the previous two years.
- If contractor is not required to and does not have completed a single audit or financial audit as described above, contractor shall complete and submit an Accounting System Verification Form (AGR-2206) signed by an independent Certified Public Accountant every two years.
- Contractor’s audits are due to WSDA within 10 days of execution of the contract if not already submitted.

Forms listed above are located on the FA Forms and Publications webpage.

3. All contractors shall practice nondiscrimination in services and employment.
   - Contractors must practice nondiscrimination in the employment of individuals and the delivery of services in all programs of the organization. All have the right to be free from discrimination because of race, creed, color, national origin, sex, honorably discharged veteran or military status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability and this is recognized as and declared to be a civil right.
   - Tribes agree to comply with all state and federal laws regarding discrimination to the extent that those laws are applicable to the tribes for the activities that the tribes carry out pursuant to the contract.
   - Nothing in the contract constitutes or shall be construed as a waiver of the contractor’s sovereign immunity.
   - Nor shall the contract interfere with, or be construed as interfering with, tribes’ employment and contracting processes regarding Tribal and Indian preference as allowed by law.

4. Must have written client confidentiality policies.
   All providers must respect the confidentiality of clients. Personal information collected, used or acquired in connection with providing emergency food services must be used only for the purpose of those programs.
   - Personal information includes any information that identifies an individual’s health, education, business, use or receipt of governmental services, names, addresses, age, telephone numbers, social security numbers, driver’s license numbers and finances including financial profiles, credit card numbers or other identifying numbers.
ELIGIBILITY CRITERIA FOR TRIBAL CONTRACTORS

- Contractors and subcontractors with direct client contact must have written client confidentiality policies on file.
  - Prior to receiving services or reimbursement, subcontractors must have on file with the contractor copies of their client confidentiality policies.
- One cannot release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons the personal information without express written consent of the client or as provided by law.
- Providers who make referrals for clients must have a copy of the client release form on file with the contractor.
- Written consent from the client shall include what client information can be shared and to whom or which agencies/businesses.
- Providers agree to implement physical, electronic and managerial safeguards to prevent unauthorized access to personal information.
- Must have and adhere to a written policy that personal information collected, used or acquired in connection with any state-funded program shall be used solely for the purpose of that program.
- Agrees not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons or programs outside of the Emergency Food Assistance Program clients’ personal information without express written consent of the client or as provided by law.

5. Additional criteria for tribal contractors.
- Must have management capabilities to administer subcontracts with one or more tribes.
- Have written concurrence from each tribe with which it will subcontract that the subcontractor wishes the tribal contractor to apply for EFAP funding on its behalf. Each tribe the contractor represents must select the tribal contractor.
- A tribal contractor does not have to issue vouchers itself to be a contractor.

6. Tribal contractors must enter into subcontracts.
Tribal contractors must enter into subcontract agreements with each tribe/tribal organization participating in EFAP. These subcontracts must include:
- Signed face sheet by both parties, which must include a budget.
- Completed matching funds worksheet.
- Evidence of adequate liability insurance.
- Proof of 501(c)(3) status if subcontractor is not a recognized tribe.
- If applicable, an audit or Accounting System Verification, (AGR-2206).
- Written client eligibility standards.
- Written client confidentiality policies and client release forms.

7. Tribal contractors shall practice nondiscrimination in services.
- Tribes agree to comply with all state and federal laws regarding discrimination to the extent that those laws are applicable to the tribes for the activities that the tribes carry out pursuant to the contract.
8. **Contractors shall not have been suspended or debarred.**
   - By signing the contract, the applicant certifies that they are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded in any federal or state department or agency from participating in transactions.
   - Contractor shall notify WSDA within thirty 30 days of any exclusion from participating in transactions.
   - The contractor agrees to include the above requirement in all subcontracts into which it enters to complete the contract.

9. **Contractor shall be registered in the System for Award Management (SAM).**
   - Contractor must have a DUNS number and continue to maintain an active SAM registration with current information at all times during which it receives federal funding.
Eligibility Criteria for Subcontractors

This policy applies to tribal contractors and tribal subcontractors that use EFAP funds for a voucher program.

1. **Subcontracting tribes must meet criteria before receiving EFAP funding.**
   Contractor shall determine the eligibility of a new subcontractor prior to subcontracts being issued. Prior to receiving any funds for costs, a prospective tribal subcontractor must:
   
   - Be a recognized tribe, or a 501(c)(3) private nonprofit agency and be registered with the Secretary of State Office as a nonprofit/corporation.
   - Coordinate emergency food services with similar programs administered by the federal government, Washington State, and other community organizations.
   - Have information available for clients about other resources such as job training, mental health and substance abuse counseling, emergency housing, rental assistance, cash assistance, child care and energy assistance.
   - Register with 211 Statewide Telephone Information and Referral System within 30 days of the start date of the contract.
   - Practice nondiscrimination in all programs and services.
   - Tribes agree to comply with all state and federal laws regarding discrimination to the extent that those laws are applicable to the tribes for the activities that the tribes carry out pursuant to the contract. Nothing in the contract constitutes or shall be construed as a waiver of the contractor’s sovereign immunity.
   - If receiving a cash reimbursement, subcontractor must:
     - Have established internal controls and fund accounting procedures to assure the proper disbursement of, and accounting for, all funds provided.
     - The tribe shall provide the contractor with an annual single audit if it receives federal funds (including the dollar value of USDA TEFAP and CSFP foods) totaling $750,000 or more per year from all sources, or an independent financial audit once every two years if it receives $100,000 or more per year in state funds from all sources. If neither of those apply, they must provide the contractor with a completed Accounting System Verification Form (AGR-2206) if its subcontract is $20,000 or more in EFAP funding per year.
     - If a Subcontractor receives federal funding, from any source, then subcontractor must complete the Audit Requirement Form for Subcontractors (AGR-2217). The form is to be sent to the contractor within 10 days after the end of the subcontractor’s fiscal year.
   - Must secure public liability insurance to protect against legal liability arising out of services provided under this contract that includes a comprehensive indemnification clause holding harmless the contractor, the WSDA, the state of Washington, its officers, employees and authorized agents. If the contractor so requires it, subcontractor will co-insure the contractor and provide the contractor proof that it has done so. The following is considered acceptable for
addition, insured endorsements for a designated person or organization: An ISO Standard Endorsement CG 2026 or equivalent.

- The contractor may require subcontractors to also carry fidelity insurance, though this is not required.
- Have written client confidentiality policies and provide a copy to the contractor prior to receiving services or reimbursement.
- Agrees not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons the personal information without express written consent of the client or as provided by law.
- Use funds provided by the WSDA to operate only the Emergency Food Assistance Program designed to provide emergency food vouchers to individuals.
- Must match its EFAP funds with at least 35 percent in other funding. At least half of that match must be cash funding. The remaining match may be in-kind donations such as food vouchers, labor, and transportation.
- Obtain a DUNS number.

2. **Subcontractors shall not have been suspended or debarred.**
   - By signing the subcontract, the subcontractor certifies that the it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded in any federal or state department or agency from participating in transactions.
   - The subcontractor shall notify contractor within 30 days of any exclusion from participating in transactions.

3. **Subcontractors must at a minimum have a federal DUNS number.**
   - Must at a minimum have a Data Universal Numbering System (DUNS) number. Registration in the federal System for Award Management (SAM) may be required. To create a DUNS number, visit: [fedgov.dnb.com/webform/](http://fedgov.dnb.com/webform/)
Application Process

This policy applies to tribal contractors and tribal contractors that use EFAP funds for a voucher program.

1. **EFAP contracts cover a two-year period.**
   EFAP contracts shall begin the first day of the biennium, July 1, and end on the last day of the biennium, June 30.

2. **WSDA distributes and receives applications.**
   WSDA shall:
   - Notify contractors by email when applications and subcontracts are available for use.
   - Maintain a statewide mailing list of emergency food programs, including tribes.
   - Accept tribal applications throughout the state from all tribes and tribal organizations that meet eligibility requirements.

3. **WSDA computes the allocation of funds for tribes.**
   WSDA computes tribal food voucher allocations to each tribe based on a formula determined by WSDA in consultation with the Food Assistance Advisory Committee. That formula, in general, will be computed as follows:
   - An agreed-upon baseline to all tribes participating in the program.
   - The remaining funds based on other agreed-upon criteria that measure need.

4. **Specific requirements must be met in applying for funding.**
   - Must meet the eligibility requirements as listed in the [Eligibility Criteria for Tribal Contractors](#) section.
   - Tribes receive the same allocation whether they participate in the tribal food pantry and/or voucher programs.
   - Applicants must complete all forms and follow all procedures established by the WSDA.
   - Applicants must adhere to all application and contract timelines specified by the WSDA when applying for funding. Failure to do so may result in denial of the funding request.
Match Requirements for Tribal Voucher Program

This policy applies to tribal contractors and tribal subcontractors that use EFAP funds for a voucher program.

1. Minimum match requirement is 35 percent of the EFAP contract award.
   - Contractors and subcontracting tribes must at least match 35 percent of their EFAP contract awards with funds from other sources.
   - At least 50 percent of the minimum required match must be cash (hard match).
   - The balance of the required match may be in-kind contributions (soft match). Soft match may include the value of foods from TEFAP, FDPIR, CSFP, and other programs serving EFAP clients.
   - These requirements pertain to tribes that participate in the food pantry program and/or voucher program.

2. Contractors and subcontractors determine in-kind values.
   In-kind contribution is the value that is placed on donated services, materials, equipment, food, and other, as determined by EFAP or fair market value as determined by contractor and subcontractor in conjunction with their CPA or tax advisor. The determination is based on the following:
   - **Services/Labor** – Identify the number of hours provided, and the hourly value (to be determined by the agency, based on a fair market salary, minimum wage or WSDA’s current (biennial 2021-2023) suggested value of $16.69 per hour). Calculate the total for each volunteer.
     - This in-kind labor rate is used solely for EFAP closeout reporting. Agencies may use this rate or a Fair Market Value rate established in conjunction with their CPA or tax advisor as per the EFAP policies and procedure manual and contracts.
     - The EFAP in-kind labor rate is to be used internally by agencies and is not a rate to be used in receiving donors for their in-kind donations of labor. Donors are responsible for determining the fair market value of their own donations in conjunction with their own personal accountants or tax advisors.
   - **Equipment/Supplies** – Use the amount the donor has declared. If not available, estimate a fair market value.
   - **Transportation** – Donated volunteer mileage is calculated at the current state rate of $0.56. Use actual cost of donated transportation as declared from commercial carriers.
   - **Food** – Use (biennial 2021-2023) $1.82 per pound of food to estimate the value, or estimate a fair market value.
     - This in-kind food donation value rate is used solely for EFAP closeout reporting. Agencies may use this rate or a fair market value rate established in conjunction with their CPA or tax advisor as per the EFAP policies and procedure manual and contracts.
     - The EFAP in-kind food donation value rate is to be used internally by agencies and is not a rate to be used in receiving donors for their in-kind donations of food. Donors are responsible for determining the fair market value of their own donations in conjunction with their own personal accountants or tax advisors.
     - For EFAP reporting, TEFAP and CSFP commodities can be valued as in-kind match at the rate of $1.82 per pound. However, for audit purposes, TEFAP and CSFP commodities must be valued...
based on the actual product cost of each commodity received based on the current USDA price list published by WSDA each October 1.
Contractor Responsibilities

This policy applies to tribal contractors that use EFAP funds for a voucher program.

1. **Must take action to correct subcontractors’ performance.**
   - Contractor shall take action to correct any subcontractor noncompliance in conformance with the program requirements for each program under which the subcontractor receives food or funds.
   - Contractors may give a subcontractor a specific period of time to comply and shall follow the process for suspending or terminating a subcontractor as outlined in the subcontract when a subcontractor does not comply within that given timeframe.

2. **Conduct program reviews of subcontractors’ performance.**
   - Contractors shall review subcontractors’ activities to assure they are following WSDA policies. This includes:
     - Verifying that subcontractor meet all criteria listed in the [Eligibility Criteria for Subcontractors](#).
     - Verifying all EFAP expenditures are appropriate and reported monthly, and that other applicable policies are followed.
   - Contractors shall conduct program reviews of subcontractors at least once per contract period (once every other year).
   - Contractors shall produce a written report summarizing their program review visits with any corrective action needed.
   - Contractors shall follow up on any findings and make a notation in the subcontractor’s file of corrective action.

3. **May reallocate funds among subcontractors.**
   - Contractor may reallocate funds among its subcontractors if it can adequately provide WSDA with documentation of the change in need.
   - All tribes involved in the transfer of funds must approve of the transfer with the exception of termination of a tribe for noncompliance or nonperformance and that tribe’s remaining funds are being reallocated.
   - Contractor must notify WSDA in writing, explain the reason for the reallocation, and provide verification that the parties involved were in agreement.