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Section 1: Food Assistance Information
Introduction

Welcome to the Food Assistance (FA) programs updated procedures manual for the Emergency Food Assistance Program (EFAP) and the EFAP-Tribal Food Pantry Program. This manual includes both policies and procedures and is written to assist contracting agencies and their respective subcontractors. The effective date of this manual is July 1, 2021.

The Revised Code of Washington (RCW) Title 43.23.290 designates the Washington State Department of Agriculture (WSDA) to be the State agency responsible for the distribution of federal commodities and administrative funds of The Emergency Food Assistance Program (TEFAP), the Commodity Supplemental Food Program (CSFP), the state-funded Emergency Food Assistance Program (EFAP), and the Emergency Food Assistance Program - Tribal. If any procedure or guideline is found to be in conflict with the RCW, the RCW will prevail.

These policies and procedures shall be adjusted, as necessary, during the course of the program period. These policies and procedures are specific to EFAP and EFAP-Tribal Food Pantry Program and shall be followed by the contractors and subcontractors. Compliance with subsequent modification to this manual is also mandatory for all contractors and subcontractors.

Please take the time to thoroughly review the manual with your staff working with the WSDA Food Assistance programs. If changes are made, contractors shall receive notice of changes through program update emails.

If you have questions, suggestions, changes or corrections regarding this manual, please contact your WSDA regional representative.

Washington State Department of Agriculture

Food Assistance
1111 Washington ST SE
PO Box 42560
Olympia, WA 98504-2560

Or email to: foodassistance@agr.wa.gov

This manual is available at agr.wa.gov/services/food-access/hunger-relief-agency-hub/state-food-assistance-programs/emergency-food-assistance-program-(efap). This manual is a work in progress and we encourage your involvement to make this manual a tool that is valuable to you as a WSDA contractor.

With Appreciation,

The Food Assistance Team
Vision and Mission

VISION STATEMENT:
We are trusted partners who anticipate and respond to the evolving needs of the food system by focusing on the intersection, viability, and success of agricultural producers and hunger relief agencies. Together, we ensure access to healthy food and sustain vibrant communities for all Washingtonians.

MISSION STATEMENT:
Food Assistance serves communities and lower-income families by improving access to safe and nutritious foods. We honor our connections with agriculture and strengthen the emergency food system by providing food, funding, logistical support, and outreach to hunger relief providers and tribes.
Overview

The Washington State Department of Agriculture (WSDA) provides service to the people of Washington by supporting the agricultural community and promoting consumer and environmental protection. Food Assistance is part of the Food Safety and Consumer Services Division, which plays an active role in defending the availability, safety, and integrity of our food system.

WSDA’s Food Assistance programs serve food insecure families by providing food, funding, logistics services and outreach to hunger relief providers and tribes. Through active engagement and strong partnerships, we strengthen the emergency food system, improve access to nutritious and safe foods, and ensure regulatory compliance, while honoring our connections with agriculture. Our goals are to develop key partnerships and data-driven strategies to alleviate hunger and increase access to healthier food options available in the emergency food system while supporting the agricultural community. WSDA has made significant strides in reducing client access barriers by clarifying that client intake requirements are primarily based on client self-declaration (not documentation), removing service area restrictions, and actively engaging in stakeholder discussions that identify additional improvements in this area.

WSDA’s Food Assistance programs provide about $40 million worth of state and federal food and funding annually to support 500 food banks, food pantries, meal programs, tribes and tribal organizations. With increased state and federal support, WSDA was able to respond to COVID-19 by expanding its’ role to include purchasing food and personal protective equipment, securing reserve warehouses, providing emergency food boxes for mass distribution, National Guard coordination, and providing capacity grant funding to fill gaps in the emergency food system, We anticipate that many of these strategies will be ongoing and critical in addressing the impacts of a long-term recovery.

Annually, one in six Washingtonians (1.1 million people) received food from emergency food providers that were supported with resources from our programs. Due to COVID-19, the number of people relying on our services has increased to 1.8 million.

**CORE FUNCTIONS INCLUDE:**

- Distributing U.S. Department of Agriculture (USDA) federal commodities.
- Providing state and federal funds to support food banks, food pantries, meal programs, tribes and tribal organizations.
- Helping partners leverage existing resources to create a collaborative statewide food assistance network.
- Providing technical assistance and information to community programs that deliver emergency food and services to hungry people.
- Providing the necessary framework to keep food assistance distributions flexible and responsive to client needs.
PROGRAMS INCLUDE:

Commodity Supplemental Food Program (CSFP)
A federally funded (USDA) program that provides nutritious food “packages” designated specifically for the needs of lower-income elderly people at least 60 years of age. CSFP provides food and limited operational funding for distribution to nonprofit organizations, such as community action councils, food banks, and food pantries. (Limited availability)

Emergency Food Assistance Program (EFAP)
A state-funded program that supports local emergency food providers with funding to help alleviate hunger for lower-income children, adults, working poor, elderly and the homeless. The funding is flexible and may be used for the purchase of food, operational costs, nutrition training and equipment or repairs.

Emergency Food Assistance Program (EFAP) - Tribal
A state-funded program that supports tribal organizations with funding to help alleviate hunger for lower-income Washingtonians, including the homeless, receiving services from a food pantry or receiving a tribal food voucher. The funding is flexible and may be used for the purchase of food or food vouchers, operational costs, nutrition training and equipment or repairs.

The Emergency Food Assistance Program (TEFAP)
A federally funded (USDA) program that helps supplement the diets of lower-income Washingtonians, including the homeless. TEFAP provides food and limited operational funding for distribution to nonprofit organizations, such as community action councils, food banks, food pantries, shelters and meal programs.

Farm to Food Pantry (F2FP) Initiative
The initiative, established in 2014, is a partnership with Harvest Against Hunger. It helps bridge gaps between agriculture and hunger relief agencies, connects farmers to their communities and increases access to healthier food options for lower-income families. (Limited availability)

TEFAP Farm to Food Bank (FTFB)
TEFAP Farm to Food Bank (FTFB) is a federally funded (USDA) program that’s purpose is to reduce food waste by capturing donated food; build relationships between hunger relief organizations and agricultural producers, processors and distributors; and to provide food to those who need it. (Limited availability)

WSDA Fresh Produce Box Program
This program was initially developed to offset food supply chain issues caused by COVID-19. This has become an essential part of our services, provided increased nutrition for clients, and direct funding support for local farmers. (Limited availability)
EFAP FOOD PANTRY FLOW CHART

FOOD ASSISTANCE ADVISORY COMMITTEE

The WSDA Food Assistance (FA) Advisory Committee, which is part of the Washington Food Coalition (WFC), plays an important role in shaping how WSDA Food Assistance programs can provide the most value to the food assistance provider network and to those whom they serve.

The FA Advisory Committee is comprised of a chair, vice chair, provider members, the WFC executive director, WSDA staff and other interested parties. The Advisory Committee works on making recommendations for program policy and emergency food system improvements, and streamlining program processes. Subcommittees are established and comprised of provider members, subject matter experts, stakeholders, and WSDA staff.

The WFC has set up a page on their website where notes and information from Committee meetings are posted for anyone interested in staying informed. Please visit: wafoodcoalition.org/food-assistance-advisory-committee for more details.
Contact Information

**FOOD ASSISTANCE STAFF**

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**Food Assistance Mailing Address:**
Washington State Department of Agriculture
Food Assistance
1111 Washington ST SE, PO Box 42560
Olympia, WA 98504-2560

**Program Email:** foodassistance@agr.wa.gov
**Program Webpage:** agr.wa.gov/services/food-access
Section 2: EFAP Administration

EFAP PROCEDURES MANUAL
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.

**Commodities** – For the purpose of this manual, means food used in food assistance programs.

**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, or organization that entered into a contract with the WSDA Food Assistance to provide emergency food assistance within a county or multi-county region. 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 and/or collecting client information for the purpose of the client intake.

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 tribe or agency 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.

Food Bank – An organization that collects, warehouses, and distributes food, edible commodities or other product to food pantries, meal programs, and other hunger relief organizations on a regional, county, or statewide basis. For EFAP, this means the food bank(s) that is selected by food pantries to serve in that role which provides this service to participating EFAP food pantries.

Food Pantry – For the purposes of this manual, the term food pantry refers to an eligible emergency food assistance program subcontractor site which distributes unprepared food without charge to its clients. The organization must provide direct client services, food storage, and distribution with consistency.
**DEFINITIONS**

**Full Service Clients** – Clients who receive food bags with at least three of any of the five main food groups as identified by USDA.

**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 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 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 that are clearly identifiable with providing direct services to clients or 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.
**DEFINITIONS**

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

**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.

**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

**Special Dietary Needs** – Funds to purchase food that meets the nutritional needs of special populations. Special needs populations may include infants under one year of age, children with disabilities, pregnant and lactating women, people with chronic diseases such as cancer and diabetes, people with acquired immune deficiency syndrome, people with lactose intolerance, people with chewing difficulties, alcoholics, intravenous drug users, and people with cultural food preferences. For reporting purposes, an SDN client is defined as one who has been given a food bag designed to meet his/her special nutritional needs.

**State** – State of Washington.

**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, as an EFAP food pantry or food bank. The term does not include the contractor’s employees. The term includes any subcontractor in any tier.

**Supplemental Clients** – Clients who receive only items that are comprised of fewer than three of the five food groups (e.g. a loaf of bread and some potatoes).

**Uniform Guidance** – 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, available at [ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl](ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

**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 Contractors

This policy applies to all organizations that use EFAP funds for a food pantry.

1. **Nontribal contractors must be a not-for-profit corporation.**
   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. **Direct service contractors must register with 211.**
   - Contractors that provide direct services must register with 211 Statewide Telephone Information and Referral System within 30 days of the start date of the contract.

3. **Contractors do not have to provide emergency food services.**
   - While supporting access to emergency food services in their area, contractors do not have to provide direct client services.

4. **Tribal food pantry contractors must be a federally recognized tribe.**
   - Only a federally recognized tribe may apply directly to the State for food pantry funding. A federally recognized tribe may choose to apply for funding either directly with WSDA or through the county-based contractor.
   - If a tribe applying for food pantry funding is not a recognized tribe, it must apply for food pantry funds under the county-based contractor, must have been a nonprofit 501(c)(3) for at least a year and must be registered with the Secretary of State’s office as a nonprofit agency/corporation.

5. **All contractors must have contracting capabilities.**
   - Have management capabilities to administer the 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.
   - All public or general liability, excess, umbrella, and property insurance policies shall name the State of Washington, Washington State Department of Agriculture (WSDA), its elected and appointed officials, agents and employees as additional insured’s.
   - Submit copies of contractor current liability and fidelity insurance certifications within 30 days of contract execution to include the additional insured endorsement attached to certificate. The
following is considered acceptable for additional insured endorsements for a designated person or organization: An ISO Standard Endorsement CG 2026 or equivalent. (Contractors shall keep copies of subcontractors’ certifications on file).

- 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 ensure their subcontractors will similarly indemnify, defend, and hold harmless the contractor.

- 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 allowable costs until contractor submits evidence of insurance.

- 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 a completed 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.

6. **Contractors must enter into subcontracts.**

Nontribal contractors must enter into subcontract agreements with each food pantry (including their own if they provide direct client services) participating in EFAP in its service area prior to providing them with food and or funding and have on file. These subcontracts on file must each include:

- Signed face sheet by both parties, which must include a budget if funds are allocated to the food pantries.
- Completed matching funds worksheet.
- Evidence of adequate liability insurance. The contractor may require the subcontractors to co-insure the contractor if it so wishes.
- Proof of 501(c)(3) status or that it is a recognized tribe.
- Subcontractors must submit an Audit Requirement Form for Subcontractors (AGR-2217).
• If applicable, an audit or Accounting System Verification Form (AGR-2206).
• Written client eligibility standards.
• Written client confidentiality policies and client release forms.

7. **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.
     o Nothing in the contract shall interfere with, or be construed as interfering with, tribes’ employment and contracting processes regarding Tribal and Indian preference as allowed by law.

8. **Contractors shall not have been suspended or debarred.**
   • By signing the contract, the contractor certifies that 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.
   • Contractor shall notify WSDA within 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 Food Bank Subcontractors

This policy applies to food bank subcontractors.

1. Food banks must meet criteria before receiving EFAP funding.
   - Must be a public agency or a private nonprofit with 501(c)(3) status and registered with WA Secretary of State as a nonprofit agency/corporation.
   - Must be in operation as a food bank for at least one year prior to receiving funds from the WSDA.
   - Must have the ability to generate resources and food in volume for distribution.
   - Must be able to provide adequate storage relative to the quantities needed to meet the demands of your service area.

2. Food banks must have contracting capabilities.
   - Have established internal controls and fund accounting procedures to assure proper disbursement of, and accounting for, all funds provided, and must have adequate fidelity insurance.
   - 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.
   - A 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.
   - Will 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.

3. Food banks must secure insurance.
   - Food banks must secure public liability insurance to protect against legal liability arising out of services provided under this contract and liability on vehicles used for business purposes. (See Insurance section of the Food Bank Subcontract, Terms and Conditions for details on required amounts.) If the contractor so requires it, subcontractor food banks will co-insure the contractor and provide the contractor proof that it has done so. The following is considered acceptable for additional insured endorsements for a designated person or organization: An ISO Standard Endorsement CG 2026 or equivalent.
   - Must secure adequate fidelity insurance. (See Insurance section of the Food Bank Subcontract, Terms and Conditions for details on required amounts.)
• Must include a comprehensive indemnification clause holding harmless the contractor, the WSDA, the state of Washington, its officers, employees and authorized agents.

4. **Subcontractors shall not have been suspended or debarred.**
   • By signing the subcontract, the subcontractor certifies that 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.
   • Subcontractor shall notify the contractor within 30 days of any exclusion from participating in transactions.

5. **Subcontractors must at a minimum have a federal Data Universal Numbering System (DUNS) number.**
   • To create a DUNS number, visit: fedgov.dnb.com/webform/.
   • Registration in the Federal System for Award Management (SAM) may be required.
Eligibility Criteria for Food Pantry Subcontractors

This policy applies to food pantry subcontractors.

1. **Subcontractors must meet criteria before receiving EFAP funding.**
   The contractor shall determine the eligibility of a new food pantry, including tribes, prior to subcontracts being issued. This should occur before the meeting at which the new contractor is selected and allocation of EFAP funds is decided.

   Subcontractors must:
   - Be currently registered as a nonprofit agency/corporation with the Secretary of State Office in Washington.
   - Be a food pantry for at least one year prior to the start of the contract.
     - The food pantry has been distributing food, engaging in client data collection practices, and has had set hours of operation for the duration of the year.
     - This does not mean organizations that have primarily been distributing pre-packed food boxes only during the COVID-19 pandemic. If the organization has a set physical location, food storage capabilities, client intake systems, and a regular distribution schedule, then they may be considered to have been in operation as a food pantry during that time.
   - Be a public agency, a recognized tribe, or a 501(c)(3) nonprofit agency.
   - If a nonprofit agency, have had IRS 501(c)(3) nonprofit status for at least one year prior to the beginning date of the subcontract date.

2. **Subcontractors must coordinate services and adhere to other EFAP policies.**
   Subcontractors must:
   - 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, childcare and energy assistance.
   - Have a written client confidentiality policy and provide a copy to the contractor prior to receiving services or reimbursement.
   - Make reasonable effort to secure the services of volunteers and work training participants to supplement paid labor.
   - Register with 211 Statewide Telephone Information and Referral System within 30 days of the start date of the subcontract.
   - Obtain a DUNS number.

3. **Subcontractors must have written client eligibility standards.**
   - Must clearly identify client eligibility standards, such as: preferred service area boundaries, number of times a client may access services in a month or year, or any other standard.
   - Each subcontractor must provide to the contractor a copy of their standards prior to receiving reimbursement for expenditures through EFAP or receiving services supported by EFAP.
• Written eligibility standards must be available for clients to view.
• WSDA can request copies of standards.

4. **Subcontractors must practice nondiscrimination.**
The policy of the WSDA Food Assistance is to not discriminate against any class of persons in all services to clients. WSDA expects local programs to provide food to every person who seeks it, regardless of their status as a member of any class of persons.

Under federal law, certain classes of persons have a right to file a federal discrimination complaint if a local program using federal resources discriminates against them. Washington’s state nondiscrimination law also applies to local programs and prohibits discrimination on the bases of:
• Race
• Color
• National origin
• Age
• Sex
• Disability (any sensory, mental, or physical disability)
• Familial or parental status
• Marital status
• Political beliefs
• Creed
• Honorably discharged veteran or military status
• Sexual orientation (including gender identity)
• Use of a trained guide dog or service animal by a person with a disability
• All or part of the individual’s income is derived from any public assistance program
• Reprisals

In addition to federal and state law, local programs may be subject to city or county nondiscrimination laws. For example, if your facility is a place of public accommodation in the City of Seattle, it may be subject to a nondiscrimination ordinance in the Seattle Municipal Code. Programs can check with their local government to confirm whether there are any local nondiscrimination laws.

Regardless of who are protected classes under law, however, food banks, food pantries, and meal programs are more likely to avoid a discrimination claim by following WSDA’s policy to not discriminate against any class of people. The purpose of the program is not to judge a person’s status but to feed hungry people.

As well as not discriminating against any class of people, providers must also adhere to the following:
• They must treat all clients with dignity.
• They shall not require, request or accept payment or donations from clients for food received.
• They shall not practice evangelism or proselytize, request or require clients to participate in any kind of religious service as condition for receiving emergency food.
• They may not put religious literature in food bags, pray in the presence of clients or ask clients if they would like to pray before, during or after receiving food. Food pantry activities must be totally separate from any religious activities.
• They may have religious literature on a table or counter that clients may voluntarily take separate from any food pantry items received.

5. **Subcontractors must secure public liability insurance.**

• Subcontractors must secure public liability insurance to protect against legal liability arising out of services provided under the subcontract and liability on vehicles used for business purposes 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, food pantry subcontractor will co-insure the contractor and provide the contractor proof that it has done so. The following is considered acceptable for additional insured endorsements for a designated person or organization: An ISO Standard Endorsement CG 2026 or equivalent.

• The contractor may require food pantry subcontractors to also carry fidelity insurance, though this is not required.

6. **Subcontractors receiving cash must:**

• Have established internal controls and fund accounting procedures to assure the proper disbursement of, and accounting for, all funds provided.

• 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/

• Provide the contractor with an annual single audit if it receives federal funds (including the dollar value of USDA TEFAP, TMP, 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.

• A 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.

• If a subcontractor does not meet these criteria for receiving a cash contract, the contractor may purchase food for the food pantry or directly pay the billing agents or vendors for the subcontractor.

7. **Subcontractors shall not have been suspended or debarred.**

• By signing the subcontract, the subcontractor certifies that 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.

• Subcontractor shall notify the contractor within 30 days of any exclusion from participating in transactions.
APPLICATION PROCESS

Application Process

This policy applies to all organizations that use EFAP funds for a food pantry.

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 at the biennial meeting.
   - Maintain a statewide mailing list of emergency food programs, including tribes.
   - Accept no more than one contractor application per county for the county-based food pantry program throughout the state, except for King County where it may accept up to three.
   - Accept tribal food pantry applications throughout the state from all tribes that meet eligibility requirements.

3. **WSDA computes the allocation of funds to counties.**
   WSDA computes food pantry program county allocations and tribal allocations to each county or tribe based on a formula determined by WSDA in consultation with the Food Assistance Advisory Committee.

4. **WSDA computes the allocation of funds to tribes.**
   The formula for allocation of funds to tribes, 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. Currently it is based on tribal enrollment numbers.

5. **Formula for allocation of funds to counties.**
   The formula for allocation of funds to counties (non-tribal providers), in general, will be computed as follows:
   - An agreed-upon baseline amount will be allocated to each county.
   - The remaining funds will be allocated based on other agreed-upon criteria that measure need. Currently it is based on percent of poverty as determined by the American Community Survey.

6. **Specific requirements must be met in applying for funding.**
   - Must meet the eligibility requirements as listed in the Eligibility Criteria for Contractors section.
   - Tribes receive the same allocation whether they participate in the tribal food pantry and/or voucher programs.
   - All 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.
EFAP Application - Community Meeting

This policy applies to contractors and subcontractors that choose to apply for food pantry funding under the county’s contractor.

1. Each county or multi-county region must have an EFAP community meeting.
   - Eligible participating food pantries, other interested parties, prospective contractors and food banks for a county or multi-county region must meet prior to the due date for the EFAP application.
   - The community biennial EFAP meetings are required of all subcontractors to receive funding. Contractors may excuse a food pantry from attending only if there is an extreme circumstance that prohibits the agency from sending a staff, volunteer or board member.
   - Only those food pantries who will be entering into a subcontract with the contractor are allowed to vote, along with the contractor where applicable. Contractors wishing to clarify the voting structure for the biennial spring meeting should hold a pre-meeting to determine voting structures which may include:
     - One vote per agency – regardless of the number of sites. Each separate organization gets a vote (an organization might have more than one site).
     - If choosing this option, you must determine a process for approving new sites under the same agency. This may vary county to county, and may include “grandfathering in” existing sites.
     - One vote per food pantry site. Each food pantry site gets a vote.
   - Contractors who serve multiple counties may host separate spring meetings for each county if they or their subcontractors would prefer to do so. This should be discussed and voted upon in advance of the spring meeting. At this meeting participants will make the following decisions:
     - Determining if there are any new eligible food pantries. The only reason for denying an eligible food pantry is because of duplication of service. Some non-duplication factors to consider are: distance from other food pantries, hours and days of operation, specific population served, and access to special dietary food.
       - New food pantries must be allowed to make their case for receiving EFAP prior to a vote and should check with the contractor to see if they have a preferred presentation format.
     - The selection of a contractor.
     - The selection of a food bank(s), if any.
     - How to utilize the EFAP funds in each county. Also see Communities Determine How to Spend EFAP Funds section of this manual.
     - How the EFAP funds will be allocated among the food pantries if the group agrees that some funding will be allocated to that budget category.
       - The meeting must include discussion about how the service area’s food pantries will procure food. See the Food Procurement Priority System section of this manual.
   - At this meeting, participants may also make other procedural decisions that may arise throughout the biennium:
o How funds will be redistributed if a pantry is unable to spend out or has not presented plans to spend out its funds by the end of the state fiscal year (June 30th).

o How funds will be redistributed during or at the end of the state fiscal year if additional funds become available, are taken away, or should a pantry close or return funds or not spend out their allocation. Possible votes could include:
  ▪ Redistribution of funds to closest food pantry.
  ▪ Redistribution of funds to food pantries that show largest increase in clients in the following month.
  ▪ Redistribution of funds to a food bank level bulk buy program.
  ▪ Redistribution of funds equally to all participating food pantries.

• Alternatives to in-person meetings that require a vote during the course of the biennium (electronic voting, conference call, web meetings etc.)

• An agreed upon spend out procedure. Example: 80 percent of funds must be spent by May billing.

• An additional vote to confirm final allocation levels if EFAP actual funding varies considerably from estimated figures. Initial allocation estimates have been provided to each EFAP contractor prior to 2021 community meetings. Once the budget is final then an EFAP allocation fund table will be provided to each EFAP contractor. Keep in mind that EFAP may be funded through state and federal sources due to the federal COVID-19 relief package.

• Approve a process for determining the use of future funding increases mid-biennium should funds be made available.
  o Contractor may hold a vote at the spring meeting to decide voting methods for other procedural items relevant to their county that may come up throughout the year such as electronic voting, conference call or web-based meetings etc. However, all voting methods must include the two-thirds vote requirement of the eligible food pantries and contractor, as applicable.

• The current contractor shall organize and conduct the meeting for its current service area and notify WSDA of the date, time and place.

• Every attempt must be made to schedule this meeting when all food pantries can attend.

• WSDA will provide guidelines for the agenda and discussion topics to the contractor.

• The contractor will be responsible for sending all participants the agenda, the guidelines and all applicable handouts.

• The contractor must submit detailed minutes of the meeting with the application, including who was at the meeting, details of the discussions and the vote count for each decision.

• Good meeting etiquette is an expectation of all attendees.

Note: Where there is a two-thirds vote required the vote must be two-thirds of the agencies/sites (excluding drop sites) that will be receiving EFAP funds, not two-thirds of those present at the meeting.

Reminder: WSDA provided guidance is general in nature. Contact Food Assistance if guidance does not address the specific questions or scenarios you or your county are facing.
2. **Absentee ballot voting allowed.**
   - Food pantries may be excused from having a representative present at the meeting only in extreme cases. The contractor has the authority to make this determination.
   - Food pantries that cannot have a representative present at the meeting where the above decisions are to be made may submit an absentee ballot.
   - An absentee ballot must be mailed or delivered to the agency calling the meeting, and be signed by the executive director or board president of the voting organization.
   - The ballot must specifically state how the food pantry votes on the issues of contractor, food bank, and allocation of funds.

3. **Process when a group cannot arrive at a decision on one or more issues.**
   - Groups that cannot arrive at a two-thirds vote for the selection of contractor, food bank and/or allocation of funds shall select a local, objective mediator to assist the group at another meeting in reaching a decision(s).
     - Note: In a county spring meeting that has an insufficient number of eligible votes (potentially two or fewer) to achieve a two-thirds majority, WSDA may cast vote(s) in the decision making process.
   - The current contractor must notify WSDA either in writing or by phone that the mediation option is being exercised or, that WSDA's votes are requested for a majority decision.
   - The notice must include when and where the meeting is scheduled, who the mediator is and what issues are in question.
   - When the meeting is completed, the contractor has the responsibility to inform WSDA of the outcome. The group will have 30 days from the date of the original meeting to arrive at its decision(s).
   - The contractor may request that a WSDA representative be present at the follow-up meeting.
Procedure for Scheduling the Community Meeting

This procedure applies to contractors and subcontractors who choose to apply for food pantry funds under the contractor.

If any of these steps are determined to have been skipped, any party, including WSDA, the current contractor or food bank, interested parties, or participating food pantries, may request of WSDA that another meeting be held to reconsider any of the votes.

**Action by:**

**WSDA**

WSDA will notify by email of upcoming biennium application packets to current contractors at least six weeks prior to the date packets are due back to WSDA. Forms will be posted on the [FA Forms and Publications](#) webpage.

WSDA must maintain a list of participating food pantries, past and present interested parties, including agencies that have directly contacted WSDA, and send all parties interested in being the contractor information on the application process.

**Current contractor and participating food pantries**

If a current contractor or participating food pantry is contacted by an interested party (an agency wishing to be considered for contractor and/or food bank), they must tell that party to notify WSDA of its interest in writing or by email.

**Interested party**

If interested in becoming the contractor, interested party must notify WSDA, in writing or email, a minimum of 2 weeks prior to the biennial EFAP meeting being held in its declared service area.

If interested in becoming the food bank, interested party must notify the current contractor a minimum of 2 weeks prior to the biennial meeting.

If an interested party for contractor has had no prior relationship with EFAP in the previous biennium, WSDA will conduct a site visit before the community meeting to determine eligibility as a potential contractor.

If an interested in becoming the food bank and has had no prior relationship with EFAP in the previous biennium, the contractor will conduct a site visit before the community meeting to determine eligibility as a potential food bank.

**WSDA**

WSDA will notify the interested party and current contractor of its eligibility status in writing prior to the scheduled meeting.
### SCHEDULING THE COMMUNITY MEETING

<table>
<thead>
<tr>
<th>Action by</th>
<th>Action:</th>
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<tbody>
<tr>
<td>Current contractor</td>
<td>The current contractor must schedule the biennial meeting, send notices to all food pantries currently receiving EFAP and those interested in receiving EFAP, current food bank(s), agencies interested in being the selected food bank, any agencies interested in becoming the contractor and WSDA stating the date, time and place of the meeting in writing or email. The contractor must include with the meeting notice the required EFAP Subcontractor Biennial Meeting Handout (AGR PUB 609-460) that explains the meeting process.</td>
</tr>
<tr>
<td>Interested parties and participating food pantries</td>
<td>Must email or call to RSVP to the contractor if planning on attending the meeting.</td>
</tr>
<tr>
<td>Current contractor</td>
<td>Contractor must follow up with participating food pantries and interested parties prior to the meeting to confirm their planned attendance if it has not received RSVPs from them.</td>
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Selection of Food Pantry, Contractor, and Food Bank

This policy applies to contractors and subcontractors that choose to apply for food pantry funding under the county’s contractor.

The selection process is conducted at the community biennial EFAP meetings. Only those food pantries who will be entering into a subcontract with the contractor are allowed to vote, along with the contractor where applicable. All decisions are made with a two-thirds vote of participating food pantries and the contractor, as applicable. Only food pantries who will be entering into a subcontract with the contractor are allowed to vote. Food bank distribution centers are not allowed a vote.

- The lead contractor (which might also serve as a food bank distribution center) may vote on everything other than who should be the lead contractor. If the lead contractor is a food pantry, then they are permitted one vote to determine lead contractor.
- For all other votes, if the lead contractor is also a food pantry, then they may only get one vote.
- If there are not enough eligible voters for determining a two-thirds majority then WSDA may cast deciding votes (i.e., there are less than three votes in the county).

Note: Should a food pantry not be present at the meeting, two-thirds refers to all of the food pantries in a county receiving EFAP funds and food for the next biennium, not two-thirds of those present at the meeting. All votes should be made, and reported separately in the meeting minutes. See EFAP Application – Community Meeting section for more detail.

1. Food pantry selection.
   - Any agency that meets the food pantry eligibility criteria should contact the contractor to verify eligibility and request to present their case at the community biennial meeting.
   - The only reason for denying an eligible food pantry at the community biennial meeting is because of duplication of service. See EFAP Application – Community Meeting section for more detail.
   - The participating food pantries and contractor vote to determine if there is a duplication of service with the requesting food pantry. There must be at least a two-thirds vote of duplication of service for the requesting food pantry to be denied.

2. Contractor selection.
   - Any agency that meets the eligibility criteria may compete to be the contractor to manage the contract.
   - Prospective contractors shall have the opportunity to present their proposals for providing services to the group prior to the voting. Prospective agencies must contact the WSDA in advance for minimum capacity/requirements analysis, which typically includes an onsite visit, written descriptions of experience, capability, current working relationships with potential
food pantries, eligibility criteria, and an organization chart, along with job descriptions for key personnel.

- Each county can only have one contractor, except for King County, which can have up to three contractors.
- An agency may be the contractor for more than one county, but each county must vote separately for their contractor.
- The eligible participating food pantries must elect a contractor with at least a two-thirds vote. Contractors who are also participating food pantries may vote.
- If multiple counties have selected the same contractor in the past, that does not preclude any of the counties from selecting a different contractor than the other counties for future contracts.

3. **Food bank selection.**
   - Any agency that meets the criteria may vie for food bank.
   - Prospective food banks shall have the opportunity to present their proposals for providing services to the group prior to the voting.
     - Prospective agencies must contact the WSDA in advance for minimum capacity/requirements analysis.
   - A county may select more than one food bank to fund.
   - The eligible participating food pantries and new contractor elect a food bank(s) with at least a two-thirds vote.
   - If a contractor is also a participating food pantry, they only have one vote.
   - The contractor may also serve as the food bank if it has that capacity.
Allocating Funds to Food Pantry, Contractor and Food Bank

This policy applies to contractors and subcontractors that choose to apply for food pantry funding under the county's contractor.

1. Allocating EFAP funds.
   - All eligible participating food pantries and the new contractor have the responsibility of deciding how to allocate the EFAP funds among the food pantry, food bank, equipment, SDN food purchases, and membership dues to the WA Food Coalition or other anti-hunger groups.
   - At least two-thirds of the eligible participating food pantries and contractor must agree on the allocation of funds.
   - If a contractor is also a participating food pantry, they only have one vote.
   - Funds may be allocated to any category the food pantries consider the most beneficial for their area, from one of the categories to all of them.
   - The contractor alone decides if it will take 10 percent of the contract total for administrative costs before the remaining funds are allocated.
   - The group may wish to revisit how the funds are allocated towards the end of the meeting to be sure that all parties are satisfied with the allocation decisions.
   - A multi-county area with the same contractor may make decisions on how the funding is allocated as individual counties or as a combined block vote. With the latter case, at least two-thirds of all the food pantries involved must vote to do so. This would involve pooling all of the counties’ funding into one single allocation for the combined counties and would be considered as a single allocation in computing the combined area’s percentages to the various budget categories.
   - If any county’s food pantries would receive less money with this method, they have the option of not being included in the block vote. The other counties may continue to vote as a block.

2. Allocating funds for equipment and capital improvements.
   As a county or region, the group shall discuss any equipment purchases or capital improvement projects that benefit the entire service area.
   - The shared equipment allocation shall be decided by a two-thirds vote of the eligible participating food pantries and new contractor.
   - The equipment allocation is taken off the top prior to funds being allocated to other categories if the purchase is to benefit the entire contractor area.
   - An individual food pantry, contractor or food bank has the authority to decide on its own if it wishes to purchase equipment or undertake a capital improvement out of its own allocation. The WSDA purchase or project approval processes must still be followed.

3. Allocating funds in the food pantry category.
   - If funds are allocated to the food pantry category, the new contractor and eligible participating food pantries shall collaborate in determining how to allocate those funds. This may be done by each county or as a block vote per paragraph 1 above.
• The formula for allocation must be based on the substantiated need documented by the participating food pantries.
• The group shall try to reach consensus. If this is not possible, at least two-thirds must agree on the allocation formula.

4. Allocating funds in the food bank category.
• If the group elects to allocate funds to food bank(s), the new contractor and eligible participating food pantries shall select their food bank(s) with a two-thirds vote either by county or as a block vote.
• The group will also work cooperatively in determining the conditions of the food bank subcontract. This may include such details as to when deliveries will be made, approximately what percentage of food each food pantry will receive and what kinds of food and essential non-food items shall be procured on behalf of the food pantries.
• The group may elect to allocate subcontracts to more than one food bank.
• The contractor may serve as the food bank if it has that capacity.
Communities Determine How to Spend EFAP Funds

This policy applies to contractors and subcontractors.

1. **Contractor and food pantries together make funding determinations.**
   EFAP funding is flexible in how it can be used in each county. EFAP is a locally driven program. The contractor and food pantries, including tribal food pantries applying under the county’s contractor within a county or multi-county service area, shall determine how to spend their EFAP funds at the community meeting. (See Selection of Food Pantry, Contractor, and Food Bank section.)
   - The county food pantries and the contractor may choose to fund any one or any combination of the following:
     - Allocate funds for each food pantry to use as they wish on allowable expenditures.
     - Allocate funds for a food bank to provide food to food pantries.
     - Allocate funding for special dietary needs food to be purchased for all of the food pantries.
     - Allocate funds to pay for equipment to benefit all of the participants such as a walk-in freezer where all can store food or a truck that all can use to transport food.
     - Allocate funds to pay for capital improvement projects needed for EFAP organizations.
     - Allocate dues to an organization, up to 1 percent of allocation, that focuses on anti-hunger or nutrition issues.
   - Two-thirds of the food pantries plus the contractor must agree on how to allocate the funds, taking into account the needs of their communities.

   **Note:** WSDA recommends that the food pantry community financially support food banks with EFAP funds. WSDA recognizes these agencies are one of the largest suppliers of food in the state, and provide it at a minimum cost to food pantries.

2. **Counties can determine service area boundaries.**
   - Food pantries within a county or multi-county region may agree to define their service area boundaries for the purpose of equitably allocating resources.
   - Tribes may also establish service area boundaries for their food pantries,
   - Providers must serve clients, no matter where the client resides.
     - The same level of service should be provided to all clients regardless of where they reside.
     - If appropriate, the provider may refer the client to the agency typically servicing the area in which the client resides, or the tribe that has established jurisdiction over the area where the individual lives.
   - Providers must practice nondiscrimination when applying their service area policies.

3. **Using funds for special dietary needs food.**
   Food pantries, food banks and contractors may allocate funds for the purchase of special dietary needs (SDN) food to benefit clients with special needs such as:
   - Baby foods and formula
• Nutritional supplements (Boost, Glucerna, Ensure)
• Gluten-free products
• Diabetic specific items
• Dairy-free foods
• Low salt/low fat foods
• Fresh produce and dairy

Culturally appropriate foods may also be considered in this category to serve the special dietary needs of clients.

• Those who elect to allocate funds for special dietary needs food will assess which clients with special dietary needs reside in their service area, and which of those groups are not adequately having their nutritional needs met by other social service programs.

4. **Using funds for food banks to provide food and other product.**

If food pantries elect to allocate EFAP funds for food bank distribution services, food banks shall use their funds for costs related to soliciting, purchasing, storing and transporting food and other essential non-food products that they will make available to food pantries.
Match Requirements for EFAP Contract Awards

This policy applies to organizations using EFAP funds.

1. **Tribal contractors and tribal subcontractors match.**
   - Tribal 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 TEFAP, FDPIR, CSFP, and other programs.

2. **Food pantry contractors and food bank subcontractors match.**
   - Non-tribal contractors and food bank subcontractors must at least equally match their EFAP contract 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, CSFP, and other programs serving EFAP clients and food pantries.

3. **Food pantry subcontractors have two ways to meet match requirement.**
   Non-tribal food pantry subcontractors can match their EFAP funds in two ways:
   - They can equally match their EFAP funds with at least 50 percent of the minimum match required as cash (hard match) from other funding sources and the remainder from donated in-kind services (soft match).
   - They can match EFAP funds with at least 200 percent of in-kind donations of food, labor, transportation and the like (soft match), if they do not have sufficient cash match.

4. **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 close-out 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 receipting 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 contractors with subcontractors.

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 Food Pantry Subcontractors section or Eligibility Criteria for Food Bank Subcontractors section.
     - 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 food pantries within a county.**
   - At any time during the contract period, a non-tribal contractor or participating food pantry may request a reallocation of funds in a given county if need among the existing participating food pantries change.
   - All parties must vote with a two-thirds agreement to shift funds with the exception of termination of a food pantry for noncompliance or nonperformance and that food pantry’s remaining funds are being reallocated.
     - Reallocations among food pantries within a given county do not need the permission of WSDA; however, contractors must notify WSDA in writing, explain the reason for the reallocation, and provide verification that the parties involved were in agreement.

4. **May add new participating food pantries.**
   - **During application process:** New non-tribal, eligible food pantries requesting EFAP funds during the application process must be funded unless it is determined they provide a duplication of service.
     - In determining duplication of service, the contractor and participating food pantries should consider what other services the new food pantry would provide, the proximity of other
food pantries (if it is a hardship for clients to get to the currently funded food pantries) whether the new food pantry serves a different clientele, whether or not the hours the adjacent food pantries are open could complement each other, does the new food pantries have access to different kinds of food.

- **Two-thirds of the currently participating food pantries and contractor must vote that there is a duplication of service.**
  - Follow pre-determined process decided on at community meeting for adding new sites that are a part of the same subcontracting agency.
  - For more information on the application process, please refer to the [EFAP Biennial Application Instructions](#).

- **During the contract period:** The contractor for the food pantry program may add additional food pantries in its region any time during the contract period, after the subcontracts are in place.
  - The contractor must have the support of two-thirds of the participating food pantries for the addition. Duplication of services may be a justification for not adding a new food pantry.
  - The contractor must submit documentation of the required consent to WSDA.

5. **May reallocate funds when a food pantry closes or is terminated.**
   - During the contract period, the contractor may reallocate the funds of a closed or terminated food pantry to the remaining subcontractors according to the allocation formula used during the application process without a vote of the remaining food pantries.
   - The contractor may elect to hold a meeting with the remaining food pantries to determine the best use of the funds. This could include such decisions as giving the funding to the food pantry(ies) closest to the closing/terminated food pantry or spending the funds on some purchase that would benefit all providers such as a group food purchase or equipment purchase.
   - The contractor must have the support of two-thirds of the participating food pantries when distributing the funds differently than the original allocation formula.
   - Contractors must notify WSDA in writing the result of the reallocation, and if applicable, provide verification that the parties involved were in agreement of reallocation.
   - Such a vote may take place in advance at the EFAP spring meeting.

6. **Contractors must continue to maintain contracting eligibility.**
   - This includes maintaining an active SAM registration, registration with Secretary of State, and not be debarred at all times during which it receives state or federal funding.
Section 3: Client Management
Qualifying Eligible Clients

This policy applies to all organizations that use EFAP funds for a food pantry.

1. **WSDA defines eligible client.**
   - Eligible clients are persons who are not able to purchase enough food for their subsistence.
   - This is the minimum eligibility standard required by the state.

2. **Can create additional client eligibility standards.**
   - Contractors and subcontractors must apply these additional standards to all clients, without prejudice.
   - These standards apply to volunteers and employees of the contractor and subcontractor. Employees and volunteers meeting the same eligibility requirements for services shall be given the same opportunity to receive services and shall be treated the same as other clients.

3. **Service areas.**
   - Providers must serve clients, no matter where the client resides.
     - The same level of service should be provided to all clients regardless of where they reside.
     - If appropriate, the provider may refer the client to the agency typically servicing the area in which the client resides, or the tribe that has established jurisdiction over the area where the individual lives.

4. **Data collection.**
   - Data collected for EFAP includes:
     - Household size
     - Ages of all members of the client’s household
     - Is this a new or returning client (returning clients should be counted as new on the first visit of each one-year period)
   - Documentation should not be required to verify eligibility or assist in your data collection practices. This includes pieces of mail, school records, or medical records. Under no circumstances should a pantry require a client’s social security number, proof of citizenship, proof of income, proof of address, or proof of household size.
   - We recommend taking every step to guarantee that all people receive food without ID or documentation. If other funders require additional data collection outside of WSDA programs, which encourage or require verifying client information through documentation, then please work with those organizations to clarify the data they need and understand why this is required, with the goal of shifting policy towards acceptance of self-attestation of information.
   - WSDA actively seeks to reduce client access barriers across all programs and invites our partner hunger relief organizations to do the same.
Written Client Confidentiality Policies

This procedure applies to all organizations that use EFAP funds for a food pantry.

1. **Must have written client confidentiality policies.**
   All providers must respect the privacy 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.
   - 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.

2. **Monitoring by WSDA of personal information collected.**
   - WSDA reserves the right to monitor, audit or investigate the use of personal information collected, used or acquired by the contractor. Not properly maintaining clients’ private information could result in termination of contract or subcontract.
   - Contractor shall agree to indemnify and hold harmless WSDA for any damages related to the contractor's unauthorized use of personal information.
   - Contractor shall monitor the use of personal information collected by subcontractors.
   - Subcontractors shall agree to indemnify and hold harmless the contractor for any damages related to the subcontractor's unauthorized use of personal information.
Performing Outreach and Networking Activities

This policy applies to all organizations that use EFAP funds for a food pantry.

1. **Conduct outreach activities to clients.**
   All contractors and subcontractors providing direct services shall provide the following outreach activities:
   - A food pantry must register with 211 within 30 days of the effective start date of its subcontract.
   - To register, a food pantry can call 211 in its area or register online at [wa211.org](http://wa211.org).
   - A food pantry must prominently display the 211 number for the benefit of its customers.
   - Posting information on EFAP food pantry services (including how to apply for food pantry services) in public locations, at tribal and government offices, hotlines, advocacy and community social service organizations as funding allows. This information could include the following:
     - Handouts or pamphlets that list the services and locations.
     - Pamphlets from each agency providing the above services that clients can take home with them.

2. **Contractors will network and provide information on available services to clients and other providers.**
   Contractors and subcontractors will coordinate services with other advocacy and community services organizations. "Coordinate services with" is defined as making contact with these programs, sharing information about programs such as brochures or listing contact information, and establishing procedures for referring clients between food pantries and the other services. Such programs in your community could include:
   - Supplemental Nutrition Assistance Programs (SNAP).
   - State food assistance programs.
   - School breakfast, lunch and summer feeding programs.
   - Women's advocacy organizations.
   - Rental Assistance programs.
   - Senior centers.
   - Area Agencies on Aging.
   - Organizations and associations for people with disabilities.
   - Rescue missions and emergency shelters.
   - Churches and religious organizations, such as the Salvation Army, St. Vincent DePaul.
   - Local Department of Social and Health Services programs.
   - Urban Leagues.
   - Multi-cultural organizations.
   - Drug and alcohol treatment programs.
   - Local job training programs and local employment security offices.
   - Public transportation facilities.

3. **Contractors are responsible for subcontractors having referral information,**
   Contractors and subcontractors will disseminate information to clients. Such information can include handouts, pamphlets, or a list of services clients can take home with them about programs. Contractors
are responsible for ensuring subcontractors have referral information. At a minimum, this information must list other social services available to clients, such as:

- Local Basic Food and cash assistance programs.
- Emergency housing, rental assistance and low-income housing.
- Job training programs including the closest employment security office.
- Child care assistance.
- School breakfast, lunch and summer feeding programs.
- Drug and alcohol treatment programs.
- Public transportation and other transportation assistance.
- Additional services that will help clients gain greater self-sufficiency.
- Energy assistance.
- Senior services.
- Services for people with handicaps.
- Assistance for victims of crime and domestic violence.
SECTION 4: FISCAL MANGEMENT

Section 4: Fiscal Management

EFAP PROCEDURES MANUAL
SECTION 4: FISCAL MANAGEMENT
Allowable Activities and Expenses

This policy applies to organizations using EFAP funds.

1. Bill only allowable activities and expenses.
   - Contractors and subcontractors are allowed to use state funds for administrative and operational expenses, including direct service expenses, agency indirect expenses, and equipment purchases.
   - Facilities maintenance and repair costs are allowable.
   - Capital expenditures including equipment purchases and capital improvements are allowable.

2. Shall not be reimbursed for unallowable expenses.
   Funds awarded under the contract shall not be used for:
   - Activities not related to the food assistance programs.
   - Administrative and/or indirect expenses above the allowable ten percent of the contract.
   - Payment of mortgages or leases with option to buy.
Allowable Administrative Activities and Expenses

This policy applies to organizations using EFAP funds.

1. Allowable administrative activities and expenses.
   • Contractors, subcontractors to include food pantries, food banks and tribal contractors shall only bill for allowable administrative activities and expenses, including agency indirect expenses not attributable to any one specific program. It is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect cost in order to avoid possible double-charging of state awards.
   • Allowable administrative activities and expenses may include:
     o Salaries, wages and fringe benefits for administrative staff.
     o Office supplies and lease, rental and repairs of equipment.
     o Travel expenses for administrative staff.
     o Rental or lease of space.
     o Telephone, postage, mailing, printing, and copying.
     o Insurance and audit costs.

2. Administrative and indirect expenses are limited.
   • Contractors are limited to 10 percent administrative costs of the total contract award if performing one function (e.g. contractor), 15 percent administrative costs if performing two or more functions (e.g. contractor and/or food bank services and/or direct client food pantry services).
   • A food bank distribution center has the right to take up to 10 percent of its EFAP allocation for administrative purposes to cover its costs of being the county distribution center. If the food bank is also a food pantry, they may take up to 15 percent of their allocation for administrative purposes.
   • Food pantry and food bank subcontractors are limited to 10 percent of their allocation for administrative purposes.
   • Up to one percent of EFAP funds may be budgeted as administrative costs for membership dues to organizations whose concerns address emergency food assistance, anti-hunger, nutrition and health issues.
     o These types of membership dues will not be counted toward the maximum percentage allowed for administrative expenses.
   • Contractors with a federally approved indirect rate may use that rate to charge indirect costs. However, the total indirect charged for the year may not exceed the allowable 10 percent of the yearly award amount unless performing more than one function.
   • Subcontractors with a federally approved indirect rate may also use that rate to charge indirect costs. However, the total indirect charged for the year may not go over 10 percent of their yearly subcontract amount.
3. **Allowable agency indirect administrative activities and expenses.**
   - Indirect costs must be classified within two broad categories: “Facilities” and “Administration”.
     - **Facilities** is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.
     - **“Administration”** is defined as general administration and general expenses such as the director’s office, accounting, personnel and all other types of expenditures not directly or easily attributable to this program.
   - Allowable indirect costs must be determined in accordance with generally accepted accounting principles (GAAP) and charged on the basis of modified total direct costs. Includes membership dues that cannot be readily identified with a particular program.
     - Indirect expenses on the basis of modified total direct costs excludes equipment, capital expenditures, rental costs, and the portion of each subaward in excess of $25,000.
   - Costs not directly charged and that are spread among more than one program shall be charged to appropriate programs according to the agency’s cost allocation plan and state and federal regulations, policies, and laws, as applicable.
   - If indirect rate is above 10% de minimis, contractor must have proof of a federally approved indirect rate.
   - If you have questions regarding how to determine your agency indirect please contact your auditor.

4. **Allowable direct administrative activities and expenses.**
   Direct administrative costs are those costs that can be identified specifically with the EFAP or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as direct costs.
   - Includes membership dues specific to EFAP or its purpose.
   - Unless otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under EFAP awards:
     - Allowable costs must:
       - Be necessary and reasonable for the performance of the state award and be applicable to this program or its purpose.
       - Conform to any limitations or exclusions associated with this program or any applicable state and federal regulations, policies, and laws.
       - Be consistent with policies and procedures and other activities of the state pass-through agency.
       - A cost must be consistently applied and may not be assigned to a state award as a direct cost if any other cost incurred for the same purpose has been allocated to the state award as an indirect cost.
       - Be determined in accordance with Generally Accepted Accounting Principles (GAAP).
       - Be adequately documented per program and policy requirements.
       - Be reasonable and allocable to this program or its purpose.


5. **Administrative funds returned proportionate to contract budget.**
   Contractors returning unexpended funds to WSDA during the contract period shall return administrative funds in an amount proportionate to the contract budget unless administrative funds have already been transferred to another budget category during the course of the contract.

- Have prior written approval if applicable (e.g. equipment or capital expenditures over $5,000 in value).
- For additional guidance refer to the 2 CFR Part §200 Code of Federal Regulations.
Allowable Direct Operational Activities and Expenses

This policy applies to organizations receiving EFAP funding.

1. Allowable direct operational activities and expenses.

Direct costs are those costs that can be identified specifically with the EFAP and its purpose, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as direct costs.

Unless otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under EFAP awards.

Allowable costs must:
- Be necessary and reasonable for the performance of the state award and be applicable to this program or its purpose.
- Conform to any limitations or exclusions associated with this program or any applicable state and federal regulations, policies, and laws.
- Be consistent with policies and procedures and other activities of the state pass-through agency.
- A cost must be consistently applied and may not be assigned to an award as a direct cost if any other cost incurred for the same purpose has been allocated to the award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP).
- Be adequately documented per program and policy requirements.
- Be reasonable and allocable to this program or its purpose.
- Have prior written approval if applicable. (e.g. equipment over $5,000 in value, capital expenditures, etc.)
- Activities and expenses that are not charged (and paid) to other food assistance programs and support EFAP’s purpose, are considered allowable direct activities and expenses.
- For additional guidance refer to the 2 CFR Part §200 Code of Federal Regulations.

2. Operational activities and expenses.

Operational activities and expenses are those activities clearly identifiable with providing direct services to clients.

Operational costs may include:
- Personnel costs – salaries, wages and fringe benefits for personnel who are actually performing duties related to client service, including networking and outreach activities.
- Travel/Transportation – mileage expense related to direct provision of services.
- Food purchases for distribution to clients.
- Space Costs – rent or lease payments for facilities and costs of power, heat and water for space occupied by program staff and for storage and warehouse areas.
- Communication cost (telephone, mailing and printing) for direct program services.
- Other operational costs, such as supplies, lease and repair of equipment directly related to providing services.
• Computer purchases costing under $5,000. EFAP is following the Uniform Guidance that defines computer purchases costing under $5,000 as supplies.

• Up to 10 percent of food pantry, food bank or tribal food pantries’ allocation may be used on the purchase of essential nonfood items. These items include: cleaning supplies, dental adhesive, deodorant, detergent, diapers, dish soap, facial tissue, feminine products, hand soap, paper towels, napkins, shampoo, shaving products, teeth/denture cleaner products, toilet paper, and toothbrushes.

• There is no limit on the percentage contractors and subcontractors may spend on operational costs.

3. Operational expenses returned proportionally to contract budget.
Contractors returning unexpended funds to WSDA shall return operational funds in an amount proportionate to the contract budget unless operational funds have been transferred to another budget category during the course of the contract.
Allowable Capital Expenditures

This policy applies to organizations receiving EFAP funding.

For all capital expenditures, refer to the associated guidance document pertaining to the type of capital asset being purchased.

- Equipment Procurement Guidelines (AGR 609-454)
- Capital Improvement Guidelines (AGR 609-898)

Overview of approval process:

- Prior WSDA approval is required before any reimbursable costs are incurred on equipment estimated to cost $5,000 or more.
  - For capital improvement projects in the $2,000-$4,999.99 range, no WSDA pre-approval is required. Subcontractors should seek contractor approval prior to implementing any capital improvement project.

- Receiving WSDA approval is a three-part process:
  - Contractor to submit the correct Food Assistance Purchase Request/Approval Form to the applicable FA regional representative. The form must include the estimated cost for the procurement and sufficient bid(s)/quote(s) from responsible bidders based on the cost as described in the associated guidance document
    - If utilizing the competitive proposal process or sealed bid process, a narrative description of the purchase and the procurement process is required.
  - WSDA will return approval form to contractor indicating the project or purchase is approved or not approved.
  - Contractor to resubmit form for post-purchase finalized cost verification along with final reimbursement invoice voucher. For the competitive or sealed bid process, proof of your publicized request for proposals/invitation for bids must be submitted with your reimbursement request. Payment will not be processed without all required documentation.

- Contractors are to submit the form on their behalf and/or on behalf of their subcontractor(s).

- The contractor must submit the bid/quote(s) attached to the approval form. A responsible bidder cannot be suspended, debarred or have an active exclusion.
Required Expenditure and Data Reports

This procedure applies to contractors and subcontractors using EFAP funds.

1. **Required expenditure and data reports.**

   Each contractor reports the total activity for themselves and their subcontractors, if applicable. The contractor expenditure and data information is reported in the contractor invoice voucher template (required) and the subcontractor’s expenditure and data information is reported in the subcontractor invoice voucher template (format optional) is provided by WSDA and located on the [FA Forms and Publications](#) webpage.

   There are multiple tabs in the contractor and subcontractor invoice voucher templates that include instructions, year rollup (auto populates), each month in the state fiscal year, and the closeout report (auto populates most fields).

   Contractor reports are due to WSDA by the 20th of the month following the month in which the costs were incurred or the client activity occurred. Even if a contractor doesn't have any fiscal activity it still must submit the contractor invoice voucher, including any client activity. Tribal contractors have the option to submit reports to WSDA either monthly or quarterly. All tribal contractors must identify the method they wish to use to submit the report, (monthly or quarterly) during the application process which applies for the entire contract period. WSDA may require the last report of each fiscal year, the June's report, be submitted earlier than July 20th.

   Subcontractor reports are due to the contractor by the date indicated by the contractor of the month following the month in which the costs were incurred.

**The contractor and subcontractor invoice vouchers include the following sections:**

**Expenditure detail section:**

- The invoice voucher includes compiled costs by budget category, incurred for the contractor and their subcontractors (food pantries and food banks).
- The contractor shall include with each monthly invoice voucher a detailed Expanded General Ledger indicating the EFAP costs charged each month by the budget category in which they are charging costs.
  - Source documents are required for equipment and capital improvements of $5,000 or more.
  - For subcontractors’ expenses, the contractor shall include in the detailed Expanded General Ledger at least the aggregate amounts spent by all food pantries and food banks by budget category.
- Subcontractor food pantries and food banks must submit backup expenditure documentation for each cost to contractors with all subcontractor invoice vouchers (expenditure reports).
- WSDA staff may, at its discretion, request backup documentation for charged expenditures.
**Food purchases section**

- Contractors shall breakout and report the amount of EFAP funds spent on food purchases by food pantries and food bank distribution centers (if applicable). This shall include funding spent for special dietary needs food.

**Clients served section**

For the purposes of demographic reporting, there are four different groups of food pantry clients: Full service clients, supplemental clients, special dietary needs clients, and kids weekend bags clients. Tribal contractor clients served section also includes food voucher client data (if applicable). WSDA requires contractors and food pantry subcontractors to report full service client data but also requests that you report client data for special dietary needs, supplemental, and kid’s weekend bags. This data is critical in telling the story of your unique hunger relief efforts that are taking place in your county and the state.

- **Full service clients (mandatory):** Food pantries must report full service clients, including special dietary needs clients. Full Service food bags must include at least three of any of the five main food groups as identified by USDA and are expected to supply full service clients with nutritionally balanced meals.
  - New (unduplicated), first visit/voucher of the year and;
  - Returning (duplicate), not a client’s first visit/voucher that year.

- **Supplemental clients (optional):** Food pantries typically offer clients additional food that is not part of a complete food bag. Supplemental clients are clients who receive only items that are comprised of fewer than 3 of the 5 food groups (e.g. a loaf of bread and some potatoes) and nothing else.
  - Though clients receiving solely supplemental food must be tracked separately from full service clients, clients who pick up the supplemental items **and** the full service products must be included in the full service count **only**.

- **Special dietary needs clients (optional):** New (unduplicated) and returning (duplicated) clients. Special dietary needs clients are reported in both the full service clients’ data and the special dietary needs clients’ data. In addition, food pantries may track clients who receive special dietary bags, whether or not the food pantry uses EFAP funds to purchase SDN food. As identified by the WA State legislature, these groups include: Infants under one year of age, children with disabilities, pregnant and lactating women, people with chronic diseases such as cancer and diabetes, people with acquired immune deficiency syndrome, people with lactose intolerance, people with chewing difficulties, alcoholics, intravenous drug users, and people with cultural food preferences.

- **Kids weekend bag clients (optional):** New (unduplicated) and returning (duplicated) clients. Kids weekend bags clients that are full service are reported in both the full service clients’ data and the kids weekend bags clients’ data. In addition, food pantries may track clients who receive kid’s weekend bags. Bags are expected to supply clients with nutritionally balanced meals. Bags must include at least three of any of the five main food groups as identified by USDA and provide food for at least two days.
EXPENDITURE & DATA REPORTS

- Bags that do not meet the definition above should be considered supplemental.
- **Total kids weekend bags (optional):** The total number of kid’s weekend bags distributed each month.
- **Food voucher client data (mandatory, if applicable):** Tribal contractors who administer the EFAP-Tribal Food Vouchers must include this information.
- **Food pantry subcontractor match (mandatory, if applicable):** Food pantry subcontractors have an additional section for tracking match.

**Pounds of food distributed section**
The number of pounds of food distributed to clients by food pantries and the number of pounds of food its food bank(s) delivered to the EFAP food pantries, if applicable.

- **Food pantry full service (mandatory):** The number of pounds of food distributed to full service clients by the contractor and food pantry subcontractors. This includes full service special dietary foods.
- **Food bank distribution center (mandatory, if applicable):** The number of pounds of food distributed to EFAP food pantries by the food bank(s).
- **Supplemental (optional):** The number of pounds of food distributed to supplemental clients. In order to quantify the additional food that providers sometimes offer clients, providers have the option to additionally track supplemental pounds of food.
  - **Note:** Though clients receiving solely supplemental food must be tracked separately from full service clients, clients who pick up the supplemental items and the full service products must be included in the full service count only.
- **Kids weekend bags (optional):** The number of pounds of food distributed through Kids Weekend Bags.

**EFAP closeout report required**
The contractor must submit closeout reports after the close of each fiscal year as required by the WSDA, during the transfer of obligations to another contractor, or upon termination of the contract for any reason.

- The final closeout report shall accurately reflect the work completed, the funds expended by the contractor during the contract period, the demographics required by WSDA and the reporting of the required match.
- Typically this report is due 45 days after the end of the fiscal year for contractors and 30 days after the end of the fiscal year for tribal contractors.

2. **Failure to submit expenditure and data reports.**
The WSDA may recapture unclaimed funds if contractor does not submit invoice vouchers in a timely manner.

- For monthly billers, if the contractor fails to file an invoice voucher within any two consecutive month period, the WSDA may elect to terminate the contract.
- For quarterly tribal billers, if the contractor fails to file the three monthly invoice vouchers for the quarter within 30 days of the end of the quarter, the WSDA may elect to terminate the contract.
• Contractor may recapture unclaimed funds or terminate the subcontract with subcontractor based on the same criteria as long as it is not inconsistent with the subcontract.

3. **Required reports and schedule of submittals.**
   Unless otherwise expressly required by a provision the contract, contractor shall adhere to the following schedule for reporting:

<table>
<thead>
<tr>
<th>DUE DATE</th>
<th>EFAP REPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>20th of the month following provision of services</td>
<td>Nontribal and tribal monthly reporting contractors</td>
</tr>
<tr>
<td></td>
<td>▪ Monthly invoice voucher / request for reimbursement</td>
</tr>
<tr>
<td></td>
<td>▪ Demographics – new and returning clients by age group and pounds of food data.</td>
</tr>
<tr>
<td>The 20th of the month following the quarter for the provision of services: October 20, January 20, April 20 and July 20.</td>
<td>Tribal only, quarterly reporting contractors</td>
</tr>
<tr>
<td></td>
<td>▪ Quarterly includes monthly invoice voucher / request for reimbursement</td>
</tr>
<tr>
<td></td>
<td>▪ Demographics – new and returning clients by age group and pounds of food data.</td>
</tr>
<tr>
<td>Within 30 days (tribal) and 45 days (non-tribal) after the close of the fiscal year.</td>
<td>All food pantry and tribal contractors and subcontractors</td>
</tr>
<tr>
<td></td>
<td>▪ Emergency Food Assistance Program Closeout Report</td>
</tr>
<tr>
<td>Within 30 days of subcontract execution</td>
<td>▪ Subcontract face sheets</td>
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<tr>
<td></td>
<td>▪ Subcontractor site list (if applicable)</td>
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<td></td>
<td>▪ Other reports and data as requested</td>
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<tr>
<td>Annually, nine months following end of contractor’s fiscal year</td>
<td>▪ Single Audit report, if applicable</td>
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<td>▪ Financial Audit, if applicable and if contractor is conducting an annual audit.</td>
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<tr>
<td>Every two years, nine months following the end of contractor’s fiscal year</td>
<td>▪ Financial Audit or Accounting System Verification Form, if applicable</td>
</tr>
<tr>
<td>Within 30 days of contract execution and thereafter upon each renewal.</td>
<td>▪ Insurance certificates</td>
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</tbody>
</table>

Forms listed above are located on the [FA Forms and Publications](#) webpage.
Section 5: Commodity Management
Food Safety and Sanitation Requirements

This policy applies to all food pantry and food bank subcontractors and tribal contractors.

1. All must adhere to safety and sanitation standards.
   Any program that provides either food bank or food pantry services must adhere to all applicable local, state and federal regulations on food safety and sanitation. These standards cover the areas of ground and warehouse maintenance, food storage and pest control.
   • Properly control pests inside and outside.
   • Use the assistance of a trained exterminator to set outside traps and bait stations, setting traps indoors. **Note:** Rodent pesticides are not to be used inside except with very serious infestations and never in close proximity to food.
   • Do proper lawn care and weed control.
   • Store equipment, pallets and trash receptacles away from the building, keeping grounds litter-free. Keep trash receptacles covered and clean.
   • Keep doors and windows shut unless they are screened.
   • Maintain the inside of buildings so that they are clean and in good repair.
   • Adhere to good food safety practices so that foods are stored in a manner to protect them from spoilage, infestation, damage or other condition that may jeopardize the wholesomeness or safety of the foods.
     o Move out the oldest food first.
     o Must be maintained in sanitary conditions, keep food storage areas and pallets clean.
     o For all foods, maintain proper temperatures and humidity, and with adequate air circulation of perishable foods. Cold storage must be maintained at between 33 and 40 degrees; frozen storage must be maintained at 0 degrees or lower.
     o Keep food off the floor and on pallets.
     o Keep food 4-6 inches from the wall.
     o Keep cleaning agents and other toxic materials away from food, inspecting food for damage or contamination.
   • Food safety: Foods that show signs of spoilage, infestation, or other visible defects should not be used or distributed, regardless of product dates or when the foods were received, as such food is generally considered not fit for human consumption.
   • There must be hand-washing facilities with hot running water.

2. Non-compliance to safety and sanitation standards.
   • Providers who put the public’s health at risk and do not adhere to these standards may be terminated from EFAP if they do not make the necessary improvements within thirty days of a notice from WSDA or contractor requiring compliance.

Note: Chapter 246-215 Washington Administrative Code (WAC), **Part 9, Subpart D - Donated Food Distributing Organizations**, provides the safety standards for food pantries and food banks. The Food Code serves as the basis for food service rules in most states and provides Washington with rules that are more consistent with the national food safety standards. [doh.wa.gov/Portals/1/Documents/Pubs/332-033.pdf](doh.wa.gov/Portals/1/Documents/Pubs/332-033.pdf)
Food Procurement Priority System

This policy applies to organizations using EFAP funds.

Food pantries will have a food procurement system in place.

Food pantries should have a food procurement system in place which prioritizes donations. If unable to acquire donations, food pantries should keep the following principles in mind:
- The health of the client, and prioritization of nutritious foods.
- A good and judicious stewardship of funds.
- Client preference and cultural appropriateness.
- Support of special dietary programs.
- Have a clear decision making process; how and what food is to be procured.

Food pantries should attempt to buy food through the following channels when utilizing state funds:
- Nonprofit distributors.
- Wholesalers or food brokers.
- Discount retailers.
- Local retailers and farms.

Contractors should:
- Have information on what food resources are available and the process for obtaining product from those resources.
- Be responsible for monitoring their food pantries’ compliance.
- Include discussion about how its service area food pantries will procure food at the EFAP meeting held with food pantries prior to submitting the biennial application.
- Facilitate group purchases if that would be most cost-effective.
- Support local nutritional policies and equity practices.

WSDA monitors for compliance with this policy. Significant deviation from this policy must be justified. Any food product procured with EFAP funding is intended solely for private consumption by eligible recipients. The sale, trade, exchange or other disposal of these foods for personal gain is strictly prohibited.
Equipment and Capital Improvements

This policy applies to organizations receiving EFAP funds.

1. Allowable equipment purchases.
   - Equipment is defined as any tangible nonexpendable personal property with a useful life of more than one year. The purchase of equipment to be used in the EFAP is an allowable expenditure.
   - Equipment costing $5,000 or more per unit must be approved prior to purchasing using the Food Assistance Equipment Purchase Request / Approval Form (AGR-2204). Equipment Procurement Guidelines (AGR PUB 609-454) are located on the FA Forms and Publications webpage.
   - Equipment costing $30,000 or more per unit requires three bids in writing, must be submitted with and approved prior to purchasing using the Food Assistance Equipment Purchase Request / Approval Form (AGR-2204). Equipment Procurement Guidelines (AGR PUB 609-454) are located on the FA Forms and Publications webpage.
   - Contractors must have written procurement and inventory policies for equipment and procedures for disposing of equipment that at a minimum meet WSDA FA standards. If an agency’s internal equipment procurement policies are more restrictive, then they should adhere to the stricter of the two policies. See the Equipment Procurement Guidelines (AGR PUB 609-454).

2. Allowable capital improvement projects.
   - Capital improvement means expenditures to acquire permanently located capital assets, or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets which are permanently located that materially increase their value or useful life.
   - Contractors and subcontractors who wish to use EFAP funds for a capital improvement should reach out to their regional representative to make sure they understand what will be required of them before beginning the project and bid process.
   - Capital improvements are most easily approved to buildings which are owned by the contractor or subcontractor. Capital improvements may be approved if a building is leased. Be advised that a lease term minimum may apply.
   - Procurement and bid process requirements for capital improvements will vary depending on the cost of the capacity project. Make sure you review the Capital Improvement Guidelines (AGR PUB 609-898) before initiating the process of soliciting bids to ensure the process is conducted as required.
   - Contractors must have written procurement and inventory policies for capital improvements and procedures that at a minimum meet WSDA FA standards. If an agency’s internal capital improvement policies are more restrictive, then they should adhere to the stricter of the two policies. See the Capital Improvement Guidelines (AGR PUB 609-898).
Property Management and Inventory

This policy applies to organizations using EFAP funds to purchase capital assets valued $5,000 or more with a useful life of more than one year. WSDA monitors for compliance with this policy.

The Washington State Administrative and Accounting Manual (SAAM) defines the state's capitalization policy as assets with a unit cost (including ancillary costs) of $5,000 or greater, or collections with a total cost of $5,000 or greater. Consequently, components valued less than $5,000 but are pieces of a larger system valued over $5,000 are determined to be equipment. (Refer to SAAM 30.20.20). Property management and inventory practices must also be in compliance with requirements from 2 CFR Part 200 Subpart D.

1. Capital asset inventory policy required.
   - Contractor and subcontractors, including food banks shall have an inventory policy in place for capital assets that adequately addresses how to track all capital asset inventories.
   - Contractors shall have a method for tracking inventory purchased by their subcontractors with FA funding in order to assure that all appropriate capital asset is listed on FA's Annual Inventory Report each year.
   - Subcontractors shall have a method for tracking FA purchased capital assets.
   - A physical inventory of the property purchased with FA funds must be taken and the results reconciled with the property records at least once every two years.
   - A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the capital asset. Any loss, damage, or theft shall be investigated.
   - Adequate insurance and maintenance procedures must be in place for all capital assets.
   - If the agency is authorized to sell the property, proper sales procedures must be established to ensure the highest possible return.
   - Contractors shall follow proper procedures for the disposition of capital assets purchased with FA funds. (See Part 3 of this policy.)

2. Annual reporting of capital assets.
   - All contractors must report at the end of each state fiscal year on the FA Annual Inventory Report (AGR-2201) of capital assets with an acquisition cost of $5,000 or more per unit that was purchased with FA funds, regardless of the percentage FA paid. Section 1 of the report includes new and past purchases that have not been placed in disposition status. Section 2 of the report includes only disposition of capital assets that occurred since the last report was submitted.
   - Contractors are responsible for reporting subcontractors' applicable capital asset inventory on the FA Annual Inventory Report.
   - Capital asset reporting is based on the acquisition date and has no ending date for the FA Annual Inventory Report until disposition occurs.
   - Records shall be maintained.
3. **Disposition of personal property and equipment.**
   - Disposition requirements apply. Please reference the disposition guidelines posted at:
     agr.wa.gov/services/food-access/hunger-relief-agency-hub/fa-forms-and-pubs.
Section 7: Compliance Management
Contractor’s Program Management and Administration

This policy applies to organizations using EFAP funds for a food pantry.

1. **Contract amount based on the availability of funds and allocation formula.**
   - Contract awards are based on the amount of EFAP funds available and the allocation formula approved by the WSDA.
   - If there is a reduction or increase in the amount of program funds available, the WSDA may reduce or increase the amount of a contractor’s original award.
   - Unless it is specifically identified where the reductions or increases must be taken or given, the WSDA will ask the contractors to call a meeting or arrange for a conference call of all its subcontractors.
     - At that meeting or during that call, the group will decide with a two-thirds vote how to implement the reductions or increases. Note: contractors may vote in advance on these potential scenarios in their biennial spring meeting.
     - If applicable, the contractor must send an amendment to all affected subcontractors indicating their budget changes where applicable.

2. **Expenditures are limited by the contract.**
   Funds are allocated to each county by fiscal year. Expenditures are limited to the amounts on the contract face sheet for each fiscal year, even though contracts cover a two-year period.
   - Funds not spent in the first year may not be carried over to the second year of the contract.
   - Second year funds must not be spent in the first year.

3. **EFAP is a reimbursement program.**
   Costs are reportable for the month in which the expenditures are incurred.
   - Incurred is defined as when a contractor or subcontractor becomes liable for a cost, which is further defined as when the purchase is made or the services have been rendered.
     - Note: goods must be received before expenses are eligible for reimbursement.
   - Subcontractors must provide contractor with all backup documentation of costs incurred.
     - Contractor may not request reimbursement on behalf of the subcontract. Contractor must reimburse subcontractor before requesting reimbursement.
   - In the case of reimbursement for salary, the month in which an employee worked in the emergency food program, as indicated by the employee’s time sheet is sufficient documentation for reimbursement.

4. **Contractors must have required documentation for subcontractors on file.**
   Must have on file for each subcontractor:
   - Client confidentiality policies.
   - Client eligibility standards.
   - Current insurance certificate.
   - Current 501(c)(3) status.
   - Current Washington Secretary of State nonprofit/corporation registration.
5. **Contractors must provide subcontractors with program information.**

Contractors must:

- Pass through program information that affects the management of EFAP to its subcontractors. This includes information on new, modified, and ongoing policies and procedures.
- Provide subcontractors with a copy of the EFAP Procedures Manual.
- Offer technical assistance to help subcontractors carry out their EFAP obligations.

6. **WSDA may require contractor to attend meetings or trainings.**

Notification of required attendance at meetings will be sent by FA staff. These may include meetings for:

- Updating contractor on policies or procedures.
- Providing information on changes in legislation affecting EFAP.
- Providing training that would result in better service to clients.

Contractors may also require subcontractors to attend meetings or trainings that would result in better service to clients.
WSDA Program Management and Administration

This policy applies to the WSDA staff when carrying out the duties and responsibilities of the Emergency Food Assistance Program.

1. **WSDA staff shall monitor contracts.**
   WSDA staff shall conduct monitoring of contractors by evaluating monthly submitted expenditure reports and responses to other requests that includes program reviews on-site or by a desk program review. At any time, the WSDA may request a contractor to send in any and all supporting documentation for expenditures.
   - WSDA staff will generally conduct program reviews every four years with contractors who are performing at an adequate level.
   - Contractors that have serious performance issues will have a program review more often if warranted.
   - Program reviews can be either on-site or by a desk review.
   - Contractors with EFAP budgets of less than $20,000 per year will receive desk reviews unless there are serious performance issues.
   - If a contractor violates any of the more critical conditions set forth in the contract, WSDA staff may conduct a site visit to investigate the violation.

2. **On-site program reviews.**
   - WSDA staff will try to schedule site visits at least two weeks prior to the visit by sending a written notice to the program and fiscal staff who will be involved in the visit. Written notice may also be sent to the director.
   - Documentation may be requested ahead of time for review in the office by WSDA staff or be reviewed on site.
   - WSDA Staff will perform an exit interview at the end of the visit where findings, exemplary performance and other concerns will be reviewed and recommendations for change and improvements made to the contractor, preferably with the director and program staff.
   - Within thirty days of the visit, WSDA staff will prepare a formal written report with the results and recommendations consistent with the exit interview discussion. A copy of the Contractor Review (AGR-2225) will be sent to the contractor’s executive director or tribal chairperson with a copy to program and fiscal staff. The WSDA will keep a copy of the report on file.
   - If necessary, WSDA staff will develop an action plan with the contractor, including due dates of responses, to ensure that identified findings are addressed in a timely and appropriate manner.

3. **Desk program reviews.**
   - The WSDA staff will request contractors to submit documentation for review. The review will be done at the desk of the staff responsible for the contract.
• Staff will review the submitted documentation for contract compliance, allowable activities and expenses. WSDA staff will communicate with contractor’s staff should questions or clarifications be necessary.

• Within thirty days of completing the desk review, staff will prepare a formal written report with the results and recommendations of the review. A copy of the Contractor Review (AGR-2225) will be sent to the contractor’s executive director or tribal chairperson with a copy to the program and fiscal staff. The WSDA keeps a copy of the report on file.

• If necessary, WSDA staff will develop an action plan, including due dates of responses, with the contractor to ensure that identified findings are addressed in a timely and appropriate manner.

4. **WSDA staff shall offer technical assistance to contractor.**

   WSDA staff shall offer technical assistance to contractor when needed. This includes information on program-related policies and procedures, helping to identify other resources, offering information on best practices and assistance with fiscal issues. When necessary, staff will conduct an on-site visit to provide this service.
Contract Compliance

This policy applies to organizations using EFAP Funds.

1. **WSDA may recapture and reallocate contract funds.**
   The WSDA reviews the contractor's level of actual performance over the course of the contract and after nine months of each fiscal year.

   If contractors fail to achieve 65 percent of their yearly performance goals (expenditures and activities) stated on the contract face sheet by March 31, or the date designated by WSDA, then the WSDA may reduce funds available based on actual performance and negotiation between the WSDA and the contractor.

   • Contractors may also reallocate funds from one of its subcontracting food pantries to another, with the WSDA's permission, if a subcontractor does not claim, or only partially spends, its portion of the allocated funds.

   • The WSDA may recapture unclaimed funds if a contractor does not submit expenditure reports in a timely manner.
     - For monthly billers (tribes or food pantries), if the contractor fails to file an expenditure report within any two consecutive month period, the WSDA may elect to terminate the contract.
     - For quarterly billers (tribes only), if the contractor fails to file the three monthly expenditure reports for the quarter within 30 days of the end of the quarter, the WSDA may elect to terminate the contract.

   • Contractors may recapture unclaimed funds or terminate the subcontract with subcontractors based on the same criteria.

2. **Either party may terminate the contract.**
   Either party may terminate contract in whole or in part upon thirty 30 days written notice, regardless of whether termination is for cause or at will.

3. **WSDA may suspend or terminate contractor funds.**
   • If WSDA determines to terminate because of contractor's failure to comply with the contract (termination for cause), WSDA may provide notice and offer contractor the opportunity to correct the noncompliance. The notice will provide a time by which the contractor must return to compliance.

   • If contractor fails to correct the noncompliance within the time WSDA allows, WSDA may then immediately terminate the contract.

   • If WSDA terminates the contract for cause, contractor may request a dispute review as provided under, Disputes, of the General Terms and Conditions of the contract.

   • As an alternative to termination, WSDA may suspend the contract in whole or in part, effective upon contractor's receipt of notice of suspension.
CONTRACT COMPLIANCE

• If WSDA suspends the contract because of contractor’s failure to comply with the contract, WSDA may provide opportunity for contractor to correct the noncompliance during the period of suspension.
• WSDA will not pay any costs associated with suspended work from the time contractor receives notice of suspension until the time contractor receives notice from WSDA to resume work.
• WSDA may terminate contract at any time during a period of suspension.
• Action to suspend or terminate funding will be taken if repeated communication with the agency’s governing board fails to produce corrective action.
• WSDA shall follow the process for suspension and termination as provided in the contract.
• Contractor shall refund WSDA for any misuse or loss of funds or food received by contractor under the contract, regardless of whether contractor has further distributed the funds or food.

4. **Contractors may suspend or terminate subcontractor’s funds.**
Contractors may suspend or terminate funding to subcontracting food banks and food pantries according to the above criteria and their corrective action policy. The contractor must notify the WSDA prior to taking any corrective action.

5. **Selecting a new contractor and food bank within the same county(ies) during a contract period.**
• If WSDA terminates a contractor during a contract period, a new contractor must be selected for the remainder of the contract period.
• Only current contractors or subcontractors will be considered to be eligible as the new contractor for the affected county or counties for the remainder of the current biennium’s contract. WSDA will determine prospective contractor’s eligibility. (See Eligibility Criteria for Contractors section for the criteria used to determine prospective contractors.)
• If the contractor is also the food bank for the same county(ies) WSDA will also make a determination about whether its food bank subcontract will be terminated.
• If the food bank subcontract is terminated, WSDA will make a determination as to which current food banks are eligible to be the food bank for the new county(ies).
• WSDA will contact the food pantries in the county(ies) to inform them that a new contractor (and food bank) must be selected.
• WSDA will bring together the food pantries, and potential contractors and food banks for a community meeting to select the new contractor (and food bank).
• Two-thirds of the food pantries in each county must select the new contractor and food bank(s).
• See Selection of Food Pantry, Contractor, and Food Bank section for information on selecting a contractor, as this process will also be used in this circumstance.
• WSDA will enter into a contract with the new contractor.
• The new contractor will enter into new subcontracts with the food pantries and with the continuing or new food bank, if any.

6. **Selecting a new food bank that is not also the contractor.**
• After the contractor has notified WSDA and then terminated a food bank during a contract period, a new food bank may be selected for the remainder of the contract period.
• Contractor will identify potential food banks and determine their eligibility to be a subcontracting food bank. See Eligibility Criteria for Food Bank Subcontractors section for additional details. WSDA can provide assistance in determining potential food banks.
• Contractor will notify the food pantries of the termination and schedule a community meeting to select a new food bank.
• The contractor must call the subcontracting food pantries to a community meeting to select a new food bank, and invite the potential food banks.
• The food pantries and contractor will select their new food bank with a two-thirds vote.
• See Selection of Food Pantry, Contractor, and Food Bank section for information on selecting a food bank, as this process will also be used in this circumstance.
• The contractor will enter into a subcontract with the new food bank and notify WSDA of the outcome of the meeting.
Dispute Policy for Contractors

This policy applies to contractors, contractor applicants and tribal contractors using EFAP funds.

When a dispute arises between WSDA Food Assistance and the contractor that cannot be resolved by direct negotiation, the contractor may request review by WSDA's director, who may designate another person (designee) to hear the dispute, as follows:

1. **Disputing a WSDA Food Assistance’s (FA) decision.**
   - Contractors may appeal to WSDA any substantive decision of FA to deny, award, recapture, reallocate, suspend or terminate funds that is believed to be to be unfair, unreasonable, or have a major adverse impact on local delivery of services.
   - FA must provide contractors with a copy of the dispute policy prior to or with any substantive decision.
   - Any decision of FA to deny, award, recapture, reallocate, suspend or terminate funds will stand until the dispute review process is completed and will only be modified or reversed as a result of the dispute review process.

2. **The contractor dispute review process.**
   - The request must:
     - Be written;
     - Identify the contractor's name, address and the contract number;
     - State the disputed issues;
     - State each party’s position;
     - Be mailed to the director, with a copy to the WSDA Food Assistance program manager within fifteen 15 working days after the parties agree that they cannot resolve the issue.
   - The WSDA Food Assistance program manager shall submit a written answer to the request to both the director or the director's designee and the requestor within ten 10 working days.
   - The director or director’s designee shall review the written statements and provide a decision in writing to both Parties within fifteen 15 working days. At the discretion of the director or director's designee, the time in which to make a decision may be extended upon notice to both parties.
   - The decision of the director or the director’s designee shall be the final agency decision.
   - The parties shall attempt to resolve the dispute under this policy and as in the Disputes section of the contract, before filing a claim in any tribunal.
Dispute Policy for Subcontractors

This policy applies to contractors and their subcontractors.

When a dispute arises between the contractor and a subcontractor that cannot be resolved by direct negotiation, the subcontractor must follow the contractor’s dispute process. The contractor dispute resolution process shall not include WSDA as the arbitrator. WSDA is available to review and provide feedback to contractors when they are dealing with a subcontractor dispute.

1. The contractor shall establish a dispute process.
   The contractor shall establish a process for when disputes arise between the contractor and a subcontractor. The contractor shall have its dispute process completed no later than 30 days after execution of the subcontract.

2. The contractor must provide this dispute process in writing to all subcontractors.
   The contractor shall provide a copy of the dispute process to all subcontractors within 45 days of the subcontract execution date.