

Emergency Food and Shelter National Board Program

PHASE 28
Responsibilities and Requirements



FEMA



American
Red Cross



Catholic
Charities
USA.

Working to Reduce Poverty in America.



The Jewish Federations
OF NORTH AMERICA



NATIONAL COUNCIL
OF THE CHURCHES
OF CHRIST IN THE U.S.A



United
Way



A QUICK REFERENCE GUIDE TO THE EMERGENCY FOOD AND SHELTER PROGRAM

*Note: This page outlines some key operating principles of the Emergency Food and Shelter Program (EFSP). **THE ENTIRE MANUAL MUST BE STUDIED PRIOR TO MAKING ANY GRANT AWARDS OR PROVIDING ANY SERVICES.***

- The EFSP is a restricted federal grant. This manual details eligible program costs on pages 32-48. Expenditures outside these guidelines are strictly prohibited.
- Program expenditures are limited to food, meals, shelter (either in a mass sheltering facility or a motel/hotel), rent/mortgage assistance, and utility assistance. Details regarding these services are on pages 32-48.
- **ALL EXPENDITURES MUST BE PAID FOR BY LRO CHECK, LRO VENDOR ISSUED CREDIT CARD OR LRO DEBIT CARD PAYABLE DIRECTLY TO THE VENDOR (E.G., GROCERY STORE, FOOD BANK, LANDLORD, UTILITY COMPANY, ETC.). (Visa, Master Card, American Express are NOT the vendors.)** See pages 24, 32 for more information.
- **NO CASH PAYMENTS ARE ALLOWED WITH EFSP FUNDS. THE NATIONAL BOARD WILL NOT CONSIDER ANY WAIVERS OF THIS GUIDELINE IN PHASE 28. (Note: If vendor only accepts cash, EFSP funds may not be used for purchases from that vendor.)**
- Vendors may not be paid until an acceptable vendor-originated invoice has been submitted for payment (e.g., itemized receipt, motel bill, or voucher for eligible expenditure, landlord letter or utility bill). **Billing statements that are not itemized or statements showing just invoice numbers are not sufficient documentation.**
- Prepayment for goods or services or placing funds on account are not eligible. See pages 40, 46 for more information.
- Local Boards do not have the authority to expand National Board guidelines without written approval from the National Board. Matters of interpretation where the Local Board or LRO is uncertain should be referred to National Board staff.
- Members of Local Boards must not vote on funding decisions concerning their respective agencies. See pages 8 for more information.
- LROs must submit second payment requests to their Local Board chair no later than July 31 2010. Local Board chairs must submit the second payment requests to the National Board by August 15, 2010. The deadline to reallocate Phase 28 funds to existing LROs is August 15, 2010. Correspondingly, the deadline to resolve Phase 27 and Phase AR compliance exceptions in order to receive any funds held for Phase 28 is August 31, 2010.

The National Board will issue first payments by electronic funds transfer (EFT) to LROs funded in previous phases. The National Board will issue checks to newly funded LROs (those not funded prior to the EFT requirement) for the first payment only and will provide EFT sign-up forms to LROs receiving first payments by check.

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This manual contains changes from previous manuals issued to guide implementation of the Emergency Food and Shelter Program. This manual must be carefully studied prior to administering the program, giving any information to the public, or making any grant award. Matters of interpretation must be referred to the National Board staff.

This manual is intended for use by Local Boards and Local Recipient Organizations administering and providing services under the Emergency Food and Shelter National Board Program. This manual is not intended for individuals seeking services.

Catalog of Federal Domestic Assistance (CFDA) No. 97.024

For information on other Federal programs to help homeless people, including programs funded under the McKinney-Vento Homeless Assistance Act, contact the U.S. Interagency Council on Homelessness, 409 Third Street, SW, Suite 310, Washington, DC 20024, (202) 708-4663.

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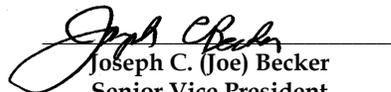
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PREAMBLE

The Emergency Food and Shelter Program (EFSP) was created in 1983 to supplement and expand the work of local social service agencies, both nonprofit and governmental, in an effort to help people with **economic** emergencies (not disaster-related [i.e., fires of any kind, floods, tornadoes, etc.]) emergencies. Therefore, EFSP funds are not to be used to provide emergency assistance for circumstances that are the **immediate** result of a disaster situation. EFSP funds may be used to provide economic assistance in the long term, even if the current circumstances may have been impacted by an earlier disaster occurrence. The EFSP funding is open to all organizations helping hungry and homeless people. EFSP funds must be used to supplement feeding, sheltering (including transitional sheltering) and rent/mortgage and utility assistance efforts only.

EFSP is governed by a National Board that selects jurisdictions for funding. Local Boards are convened in those qualifying jurisdictions to determine the highest need and best use of funds and to select Local Recipient Organizations (LROs) that will provide emergency food and shelter services. Each year, needs are to be assessed in an effort to respond to changes in the community.

HISTORY

The Emergency Food and Shelter Program was established on March 24, 1983, with the signing of the “Jobs Stimulus Bill,” Public Law 98-8. That legislation created a National Board, chaired by the Federal Emergency Management Agency (FEMA) that consisted of representatives of the American Red Cross, Catholic Charities USA, National Council of the Churches of Christ in the U.S.A., The Salvation Army, The Jewish Federations of North America, and United Way Worldwide.

The EFSP was authorized under the Stewart B. McKinney Homeless Assistance Act (P.L. 100-77 signed into law on July 24, 1987, since renamed the McKinney-Vento Homeless Assistance Act and subsequently reauthorized under P.L. 100-628, signed into law on November 7, 1988). Since 1983 the EFSP will have distributed \$3.604 billion to over 12,800 human service agencies in more than 2,500 communities across the country.

The original authorizing legislation (PL 100-77) specifically calls for “sensitivity to the transition from temporary shelter to permanent homes and attention to the specialized needs of homeless individuals with mental and physical disabilities and illness and to facilitate access for homeless individuals to other sources of services and benefits.”

Also in accordance with the legislation, the National Board encourages Local Boards to place special emphasis on identification of and assistance to the elderly, families with children, Native Americans and veterans. In addition, the authorization as revised (PL 102-550) in 1992 requires that a homeless or formerly homeless person serve on decision making boards.

TABLE OF CONTENTS

NATIONAL BOARD MEMBERS	iii
PREAMBLE.....	iv
HISTORY	iv
NATIONAL BOARD’S RESPONSIBILITIES	1
FEMA’S RESPONSIBILITIES.....	4
STATE SET-ASIDE COMMITTEE’S RESPONSIBILITIES.....	5
LOCAL BOARD’S RESPONSIBILITIES	7
LOCAL RECIPIENT ORGANIZATION’S RESPONSIBILITIES	21
FINANCIAL TERMS AND CONDITIONS.....	28
PROGRAM COSTS	32
REQUIRED DOCUMENTATION	50
AUDIT/REVIEW/ REQUIREMENTS & DOCUMENTATION RETENTION RESPONSIBILITIES	53
UTILITY DOCUMENTATION GUIDELINES.....	55
SAMPLE FORMS AND LETTERS	56
PUBLICIZING/ADVERTISING ELEMENTS.....	63
SAMPLE ADVERTISEMENT	64
SAMPLE APPLICATIONS ELEMENTS	65
SAMPLE APPLICATION	66
LOCAL BOARD CERTIFICATION FORM.....	67
LOCAL RECIPIENT ORGANIZATION CERTIFICATION FORM.....	69
FISCAL AGENT/FISCAL CONDUIT AGENCY RELATIONSHIP CERTIFICATION FORM.....	70
REALLOCATIONS	71
LOBBYING CERTIFICATION	73
GLOSSARY OF EFSP TERMS.....	74
INDEX.....	75

NATIONAL BOARD'S RESPONSIBILITIES

The National Board will:

1. Select jurisdictions of highest need for food and shelter assistance and determine amount to be distributed to each. The National Board's formula is based upon average unemployment statistics from the U.S. Department of Labor for the most current 12-month period available and poverty statistics from the 2000 census. Poverty and unemployment were selected as the best indicators of need available nationwide at the city or county level. The National Board adopted this combined approach in order to more effectively target funds for high-need areas and to allocate these funds rapidly and fairly.
2. Develop the operational manual and establish criteria for expenditure of funds and distributing funds.
3. In jurisdictions that received previous awards, notify the jurisdiction that new funds are available. In areas newly selected for funding, notify the local United Way, or other National Board organization to request that a Local Board be formed. The National Board will notify qualifying jurisdictions of award eligibility within 60 days following allocation by the Federal Emergency Management Agency (FEMA).
4. Provide copies of award notification materials to National Board member affiliates and other interested parties.
5. Secure board plan, certification forms and board roster from Local Boards. Ensure Local Boards and Local Recipient Organizations (LROs) comply with established guidelines.
6. Distribute funds to selected LROs.
7. Review and grant waivers requested by Local Boards.
8. Establish an equitable system to accomplish the reallocation of unclaimed or unused funds including hearing special requests from State Set-Aside Communities and Local Boards.
9. Ensure that funds are properly accounted for and that funds due are collected.
10. Provide consultation and technical assistance regarding the program.
11. Compile reports from data received from the Local Boards and submit a detailed accounting of use for all program monies in the form of a report to FEMA.
12. Conduct compliance reviews of food and shelter expenditures made under this program for specified LROs. The National Board, DHS/FEMA, the National Board's public accounting firm, or the Inspector General's office may also conduct an audit of these funds. The National Board is also responsible for monitoring LRO compliance with Circular A-133 of the Office of Management and Budget Item 7 (page 30).

National Board administration and Secretariat

The National Board has selected United Way Worldwide as the Secretariat and fiscal agent to perform the necessary administrative duties for the Board. An administrative allowance of one percent of the total award may be used for National Board administration.

Grant payment process

United Way Worldwide has been designated as the fiscal agent for the National Board and as such will process all Local Board plans and make payments directly to LROs recommended by Local Boards for funding.

The National Board will not issue any payments to a jurisdiction until the previous phase's final report has been received. No first payments will be issued to any LRO with any known or unresolved compliance problems in any jurisdiction in which they have previously received funds including the previous phase's final report, if reviewed.

Method of payment

All awards will be paid in two equal installments. Except for the first check to newly funded LROs, **the National Board will make all payments by electronic funds transfer (EFT) only.** If an LRO has received funds subsequent to October 1998 (Phase 17), they are not considered new for payment purposes; therefore they must have EFT in place to receive payments. This authorization form is sent to each new LRO with their first payment notice and may also be printed from the "LB and LRO Information" section of the EFSP web site: www.efsp.unitedway.org or you may **contact the National Board staff for the preprinted authorization form at (703) 706-9660.**

First payments

The National Board will issue first payments by EFT to LROs funded in the previous phase. The National Board will issue checks to newly funded LROs (those not funded prior to the EFT requirement) for the first payment only. **The National Board will not issue any payments to a jurisdiction until the previous phase's final report has been received. No first payments will be issued to any LRO with any known or unresolved compliance problems in any jurisdiction in which they have previously received funds including the previous phase's final report.**

Awards totaling \$100,000 or more will be paid upon submission of the lobbying certification and disclosure. See Annex 11 (page 73).

Second payments

Second payments will be made once the jurisdiction's compliance

review of the previous phase is completed and any compliance problems resolved. Compliance resolution after the end of the funded phase is no guarantee that any remaining award will be forthcoming. Notice of second payments are mailed to Local Boards and LROs only upon the submission of each LRO's interim report/second payment request form. See page 16 for further details. This form may be printed from the "LB and LRO Information" section of the EFSP web site (www.efsp.unitedway.org) only after an LRO has received their first payment.

The Local Board chair will authorize second payments once assured the LRO is implementing the program as intended and according to EFSP guidelines or other requirements established by the Local Board. **The deadline to request all second payments under Phase 28 is August 15, 2010.** Second payments will be held until all compliance exceptions (if any) are satisfied by the LRO. LROs with unresolved compliance exceptions as of August 31, 2010 **may not be paid.**

Subsequent payments

If an LRO receives additional EFSP funds after the second payment has been requested (e.g., through a national reallocation), the National Board will issue a subsequent payment to the LRO.

State Set-Aside Payments

State Set-Aside funding will be included either in part with the first and second payment or in whole with the second payment.

Client eligibility

The EFSP is a needs based program, for which clients must qualify.

The National Board does not set client eligibility criteria. Local Boards may choose to set such criteria. If the Local Board does not set eligibility criteria, the LRO may use its existing criteria or set criteria for assistance under this award. Any criteria used must provide for assistance to needy individuals without discrimination (age, race, sex, religion, national origin, disability, economic status or sexual orientation), sensitivity to the transition from temporary shelter to permanent homes and attention to the specialized needs of homeless individuals with mental and physical disabilities and illness and to facilitate access for homeless individuals to other sources of services and benefits. In providing assistance under the EFSP, verification of proof of citizenship or qualified alien status of any applicant for assistance is not required. **Note: Funds allocated to a jurisdiction can only be used for permanent residents and transients within that jurisdiction.**

FEMA'S RESPONSIBILITIES

FEMA will:

1. Constitute a National Board consisting of individuals affiliated with American Red Cross; Catholic Charities USA; National Council of Churches of Christ in the U.S.A.; The Salvation Army; The Jewish Federations of North America; United Way Worldwide; and the Federal Emergency Management Agency.
2. Chair the National Board, using parliamentary procedures and consensus by the National Board as the mode of operation.
3. Provide policy guidance, monitoring and oversight, Federal coordination and staff assistance to the National Board.
4. Award the grant to the National Board.
5. Assist the Secretariat in implementing the National Board Program.
6. Report to Congress on the year's program activities independently and through the U.S. Interagency Council on Homelessness Annual Report.
7. Through the DHS Office of the Inspector General (OIG), and FEMA Office of the Chief Financial Officer, monitor United Way Worldwide's annual audit of the EFSP.
8. Monitor the overall administration and management of the grant expenditures.
9. Obtain reports from the National Board, which provide detailed accounting of all program monies.

STATE SET-ASIDE COMMITTEE'S RESPONSIBILITIES

The **State Set-Aside (SSA)** program allows greater flexibility in selection of jurisdictions to target pockets of homelessness or poverty. The SSA Committee should consider jurisdictions which have documented measures of need that are not adequately reflected in unemployment or poverty data, areas experiencing drastic economic changes such as plant closings, and areas with high levels of unemployment or poverty which do not meet the minimum level of unemployment.

Basis of state award

Funds allocated to SSA Committees will be based on a ratio calculated as follows: each state's average number of unemployed in non-funded jurisdictions divided by the average number of unemployed in non-funded jurisdictions nationwide equals each state's percentage of the total amount available for SSA awards. **There will be no SSA award should all jurisdictions in a state qualify for funding except to satisfy a minimum award per state.**

Deadline

The National Board will provide SSA Committees with a specific deadline for the submission of award materials. The deadline is approximately 25 working days after award notification.

Selection of SSA jurisdictions

SSA Committees in each state will submit high need jurisdictions and award amounts to the National Board. **SSA Committees must give priority to and consider the special circumstances of jurisdictions that did not meet criteria for direct funding, including those that qualified in the most recent funding phase or other prior phases.** SSA Committees may wish to provide these jurisdictions with an allocation so that the abrupt change in funding status is not too disruptive to local services.

SSA Committees may consider qualifying jurisdictions with extreme need for additional funding. SSA Committees wishing to provide additional funding to qualifying jurisdictions **must** submit a waiver request to the National Board.

The National Board recommends that SSA Committees consider current state and/or local data in their decision making; however, the National Board does not mandate any particular formula.

These committees are free to act independently in developing their funding formula and in selecting jurisdictions for funding; however, each SSA Committee funding formula is subject to review by the National Board. SSA Committees must provide the National Board

with selection criteria and the formula used to determine jurisdictions to receive funds on the required (original) forms provided.

The minimum SSA award that may be made to a jurisdiction is \$2,000.

Composition

The National Board will notify the chair or contact of the previous SSA Committee of the award amount available. In a state where there are state-level affiliates of the voluntary organizations represented on the National Board, they **must** be invited to serve on the SSA Committee. If no single state affiliate exists, appropriate representatives should be invited. The Governor or his/her representative will replace the FEMA member.

SSA Committees are encouraged to expand participation by inviting or notifying other private nonprofit organizations on the state level. The National Board encourages SSA Committees to include Native Americans, minorities, and other appropriate representatives on the committee. Members of the SSA Committee shall elect a chair each phase.

Participation of special emphasis groups

Additionally, SSA Committees should involve and include the needs of the special emphasis groups identified in the legislation (e.g., elderly, families with children, Native Americans, veterans, and mentally and physically disabled) in convening their committees and selecting areas for funding.

SSA Committee function

SSA Committees must develop a formula that considers needs and resource gaps in services, to select high-need jurisdictions to determine award amounts (minimum \$2,000) within the state. When selecting jurisdictions with demonstrated need, the National Board encourages the consideration of jurisdictions incorporating or adjoining Native American reservations. The SSA Committee will notify the National Board, on the required (original) forms provided, of its selections and the appropriate contact person for any selected jurisdiction without a previously established Local Board or contact. The National Board will then notify these jurisdictions directly of their awards.

If the selected jurisdictions do not claim awards, SSA Committees may recommend other jurisdictions to receive the unclaimed funds.

Administrative allowance

The SSA Committee may use an administrative allowance of one-half of one percent ($\frac{1}{2}\%$) of the total SSA award for its administrative costs.

LOCAL BOARD'S RESPONSIBILITIES

Each award phase is new; therefore the Local Board is a new entity in every phase. The convener of the Local Board must ask each National Board agency to designate or re-designate a representative every program year. Other invited agencies must also designate or re-designate a representative each year. Each agency represented on the Local Board should have an alternate from their agency to attend meetings when the designated board member is unable to attend. If there is more than one representative from an agency/organization present, only one vote is allowed for the agency/organization. To ensure funding, the Local Board chair or staff must complete and return all required (original) forms to the National Board by the specified deadline (Local Board Plan, including LRO pages with designation of dollar amounts [whole dollars only of \$500 or more] awarded, Local Board Certification Form, Local Board Roster, and Certification Regarding Lobbying Forms as needed).

The National Board assigns each jurisdiction an ID number (#) under this program as well as numbers for each LRO either new in this phase or previously funded. **When contacting the National Board for assistance regarding this program, please reference your Local Board's ID # and LRO #.**

Composition/ Roster

Each jurisdiction designated by the National Board to receive funds will constitute a Local Board. Local representatives of the National Board member agencies (see page iv for those organizations) must be invited to serve on the Local Board. **An agency's own governing board cannot replace or act as the Local Board.**

The highest ranking county government official or his/her designee will replace the National Board's FEMA member.

National Board affiliates

Each Local Board will provide a roster of members with their plan. The roster must reflect the status of National Board member agencies. If a National Board member agency does not serve the jurisdiction, this must be noted on the Local Board roster. Required information for all Local Board members consists of the name of the agency, Board member's name, address including zip + 4, telephone number, fax number and a valid email address for the Board member. If an agency is invited but chooses not to participate, the same information must be provided noting that they were "invited but did not participate" on the Local Board roster. The name of the individual invited must be included along with all of the agency information.

If the convener of the Local Board is unsure of the appropriate National Board affiliate to invite, they should check the National

Board members' agency web site. In jurisdictions where affiliates of National Board agencies do not exist, other appropriate groups and individuals **must** be invited to sit on the Local Board. For example, if there is no Catholic Charities, a comparable Roman Catholic group or a priest could serve. In the case of The Jewish Federations of North America (JFNA), if no local Jewish Federations exists in a given jurisdiction, each Local Board must first check with JFNA to identify local JFNA-affiliated Jewish organizations to serve. You may call The JFNA at (202) 785-5900. If none are available, then a comparable group or synagogue representative may be asked to serve. National Council of Churches (NCCC) is a Protestant and Christian Orthodox group and could be represented by a member communion of the NCCC or a local ecumenical or interfaith organization including community ministries.

It is not a requirement for either a mandated National Board member agency or other agencies to have a physical site in a jurisdiction in order to be on the Local Board. Any agency providing services to a jurisdiction may be invited to participate on the Local Board and National Board member agencies serving a jurisdiction **must** be invited even if their primary physical location is in an adjoining jurisdiction.

**Local Board
Membership & Voting**

Agencies are represented on Local Boards and each agency is entitled to one vote. Each agency must name a representative to the Local Board although other individuals may also attend meetings. When voting, only the official representative (or designated alternate) may vote on behalf of the organization.

In jurisdictions where multiple organizations exist, the organization still only gets one vote and the agencies must work together and vote as one. For example, United Way of County - North and United Way of County - South are considered to be one organization - United Way. United Way gets one vote. Additionally, no United Way may vote on any United Way award. The same would be true for multiple units of The Salvation Army, Community Action Agency, local government, etc.

**Participation by
homeless, formerly
homeless, or
homeless advocate**

Legislation requires all Local Boards to include in their membership a homeless or formerly homeless person. Local Boards **must** seek recommendations from LROs for an appropriate representative.

Local Boards who are unable to secure a homeless or formerly

homeless representative **must** have a past recipient of food or shelter services or a homeless advocate on their Local Board. A homeless advocacy group may be invited to serve this roll **only if** none of those noted previously are unavailable to serve.

Native American participation

Legislation requires that if a jurisdiction is located within or encompasses a Federally recognized Native American reservation, the Local Board **must** invite a Native American representative to serve on the Board. In addition, legislation requires that if there is a Native American population in a jurisdiction, they must be invited to serve.

Local Board expansion

The designated members of the Local Board are encouraged to expand their membership by inviting participation from minority populations and other private nonprofit organizations and government organizations. In addition, all geographic areas within the jurisdiction should be represented. Local Boards may want to expand to broaden community input from other national nonprofit organizations (e.g., Community Action, Feeding America, Volunteers of America) as well as those providing emergency food and shelter services (e.g., food pantries, soup kitchens, domestic violence shelters). In designing the EFSP, Congress created a unique public-private partnership that brings the voluntary sector and the government together to address critical human needs in the areas of hunger and homelessness. When expanding, Local Boards should carefully cultivate this public-private partnership

Participation of special emphasis groups

In expanding, Local Boards **must** involve organizations that advocate for or provide services to the special emphasis groups identified in the legislation (e.g., elderly, families with children, veterans, and mentally and physically disabled).

Election of Chair

The members of the Local Board **must** elect a chair each award phase. The Local Board chair is not an honorary position. Local Boards may also designate staff and/or a contact person for their jurisdiction. Care **must** be taken to select individuals who are reliable, accessible and knowledgeable about the program.

Notification of changes in contacts/ addresses

Local Boards **must** notify the National Board **in writing** of changes in Local Board chair, staff contact, or LRO contacts, including complete addresses, phone number, fax numbers and valid email addresses. This information may be submitted via the EFSP web site www.efsp.unitedway.org. (Board and LRO changes should be updated as they occur throughout the phase.)

Local Board participation

Local Board membership is not honorary. If a member cannot regularly attend meetings, that member must be replaced by the member's designated agency. If a member must be absent from a meeting, the member's organization should designate an alternate.

Convening the Board

If a locality has not previously received funding and is now designated as being in high need, the National Board has designated the local United Way to constitute and convene a Local Board.

In the event there is no local United Way, or the United Way does not convene the Board, a representative from one of the National Board organizations will convene the initial meeting of the Local Board.

Reconvening the Board

If a jurisdiction has previously received funds, the National Board will contact the Local Board chair or contact from the previous phase regarding funding. If the previous Local Board chair/contact fails to convene the Local Board for the new award, the process noted above will be followed.

If the previous phase's Local Board has failed to comply with National Board guidelines, the National Board will work to find another Local Board convener.

Local Board meetings

The National Board requires Local Boards to select one of the following options for meetings:

A. Quarterly meetings

We encourage Local Boards to meet quarterly to monitor the program and ensure LROs are implementing the program according to guidelines.

B. Semiannual meetings

Local Boards meeting twice a year must also monitor the program and ensure that LROs are implementing the program according to guidelines.

Local Boards electing to hold meetings semiannually must submit copies of their meeting minutes with the jurisdiction's final report. Failure to return this information may result in the delay of any future funding to the jurisdiction.

Meetings may be conducted via conference calls.

Quorum requirement A quorum of members must be present for meetings to be official and to take any action. (Quorum: According to Webster's New Collegiate Dictionary, the majority of officers or members of a body that when duly assembled is legally competent to transact business.) If there is more than one representative from an agency/organization present, only one vote is allowed for the agency/organization. Meeting minutes must be voted on and approved by the Local Board at the next meeting. Meeting minutes must also be available to the National Board, Federal authorities, and the public upon request.

Meeting minutes Meeting minutes must include but not limited to the following: names of members attending; members absent; notation of participation of homeless or formerly homeless member; the date, time and location of the meeting; approval of previous Local Board meeting minutes; agenda action items (decision making items, votes taken [i.e., election of chair, allocation of funds, reallocation]); date, time and location of next meeting; and meeting adjournment. Minutes should also include sufficient documentation of the Board's decisions.

Board Plan Deadline The National Board will provide Local Boards with a specific deadline for the submission of the board plan with award materials. (The board plan may be submitted via the "LB and LRO Information" section of the EFSP web site [www.efsp.unitedway.org] using the instructions provided.) The deadline is approximately 25 working days after award notification. **Local Boards not meeting the specified deadline risk the loss of these funds.**

Advertising Local Boards must publicly advertise in the print media and promote the program to give any agency capable of providing emergency food and shelter services an opportunity to apply for funds. **Advertising must take place prior to the Local Board's allocation of funds.** Failure to advertise properly will delay processing of the jurisdiction's board plan and subsequent payment of funds. Local Boards must allow **at least five business days after publication of the advertisement** for interested agencies to apply for funding. The Local Board should retain a copy of the public advertisement in their records. **It is important that the Local Board places the advertisement in the most widely available local print media forum for a jurisdiction since any agency providing or capable of providing emergency food and shelter services must have the opportunity to apply for funding.** Failure to advertise according to the National Board's requirements will result in a delay

in processing the Local Board plan.

See Annex 5 (page 63-64) for advertising requirements and a sample advertisement. See Annex 6 (page 65-66) for application elements.

Local Boards do not have to re-advertise fund availability for additional allocations within the same phase unless specifically required by the National Board.

**Disaster Recovery
Plan**

Local Boards should have a disaster recovery plan that ensures continuity of services under EFSP and records retention. Each Local Board is required to retain EFSP records for a period of three years. Records that should be retained include copies of decision-making minutes, Local Board Plans, Local Board and LRO Final Reports with documentation as appropriate, second payment request forms, reallocation forms, LRO funding applications, and administrative expense documentation (canceled checks and vendor invoices). Local Boards must also retain documentation regarding all compliance problems including those outside the retention period. Additionally, Local Boards should retain other pertinent information for their jurisdiction that provides background and history of their operations. Local Boards are encouraged to visit the U. S. Department of Homeland Security's website for business continuity at www.ready.gov/business/index.html.

Reference Item 5 (page 29) and Annex 2 (pages 53-54).

Selection of LROs

Any agency regardless of services offered or populations served must be given equal opportunity to apply for funding. All applicant agencies must meet the requirements on the LRO Certification Form in order to receive funds

Local Boards must have a written application process and consider all private voluntary and public agency applicants. In selecting an agency to receive funds, the Local Board must consider the demonstrated ability of that agency to provide food and/or shelter assistance. Local Boards must also consider needs, resources, and gaps in services in the selection of LROs. **Local Boards may not discriminate in the selection of LROs. Local Board members must strive to use consistent criteria, sound judgment, and fairness in their approach. Local Board membership must have no relationship to funding and is not a guarantee of funding. Local Board members must abstain from**

voting on award applications for their own agency.

The Local Board must select agencies that have the staff and capacity to take on the added responsibility of this program. Local Boards must select fully operational agencies to receive funds to supplement and expand eligible on-going services and must not fund agencies in anticipation of a needed service (i.e., fire victims, floods, tornadoes, etc.) nor for singular or special celebratory/holiday events. Local Boards should not select agencies for funding due to budget shortfalls or for cuts in other funding sources. Agencies must have a program in the category for which they are seeking funding. Local Boards need to look annually at the resources available in the community, the emergency food and shelter needs of the community, and focus the dollars to address these needs. Prior years' funding decisions must have no bearing on the selection of agencies. (If an agency has been previously funded it does not guarantee future funding.)

See Annex 6 (pages 65-66) for Standard Application Elements and a Sample Application.

Funding of LROs serving special emphasis groups

Any agency, including those on Native American reservations, is eligible to receive EFSP funding if they meet LRO requirements. Additionally, Local Boards must consider the needs of agencies serving the special emphasis groups (e.g., elderly, families with children, Native Americans, veterans, and mentally and physically disabled) in their selection of LROs.

The minimum grant per LRO is \$500, unless only receiving administrative funding. Only whole dollar amounts may be allocated. **Local Boards should be prepared to justify an allocation of one-third or more of their total allocation to a single LRO.**

Any LRO that will receive \$100,000 or more in EFSP funds is required to submit: 1) a certification that EFSP funds will not be used for lobbying activities and 2) a disclosure of lobbying activities (if applicable). LROs must submit these items prior to award payment. See Annex 11 (page 73) for Lobbying Certification Form.

The Local Board Chair or staff must secure and retain signed LRO certification forms from each LRO certifying that program guidelines have been read and understood, and that the LROs will comply with cost eligibility and reporting requirements. Refer to Annex 8 (page 69). If after reading the LRO Certification Form, the agency determines that

it cannot abide by the EFSP guidelines, they must notify the Local Board immediately and not incur any costs or charge any expenses against this grant.

Coordination of service

The Local Board **must** establish a system to ensure that no duplication of payment occurs within the expenditure categories of rent/mortgage assistance or utility assistance.

Client eligibility

The EFSP is a needs based program, for which clients must qualify.

Local Boards may determine client eligibility for EFSP or use established LRO eligibility. Any criteria used must provide for assistance to needy individuals without discrimination (age, race, sex, religion, national origin, disability, economic status or sexual orientation), sensitivity to the transition from temporary shelter to permanent homes and attention to the specialized needs of homeless individuals with mental and physical disabilities and illness and to facilitate access for homeless individuals to other sources of services and benefits. In providing assistance under the EFSP, verification of proof of citizenship or qualified alien status of any applicant for assistance is not required.

A separate needs test for assistance under EFSP may be developed and used by LROs, but must first be approved by the Local Board. The Local Board must inform LROs of eligibility criteria.

Notification of changes in LRO contacts/ addresses

Local Boards must notify the National Board in writing of changes in LRO contacts, including complete addresses, phone number, fax numbers and valid email addresses. This information may also be submitted via the EFSP web site: www.efsp.unitedway.org. (Changes for the EFSP data base should be updated throughout the phase as they occur.) When there is a change in the name of an LRO or a change with an LRO's FEIN number, the legal document supporting those changes must be forward to the National Board before those changes can be made.

Combining Local Boards

If a Local Board determines that they can better utilize their resources by merging with neighboring Local Boards, they may do so. The head of government or his/her designee for each jurisdiction must sit on the merged board, along with agency representatives from each jurisdiction. Voting and decision-making must be limited to only those Local Board members either providing services to the jurisdiction under consideration or representing the jurisdiction. The merged Local Board

must ensure that the award amount designated for each civil jurisdiction is used to provide assistance to individuals within that jurisdiction.

Technical assistance

Local Boards must read, understand and be familiar with guidelines and provide technical assistance to LROs. Local Boards are responsible for the training of all LROs and should ensure new LROs are trained before incurring expenses. The Local Board should be familiar with any personnel changes within an agency to ensure that new staff are trained. Questions that cannot be answered by Local Boards must be referred to the National Board staff. Any matter of interpretation must be referred to the National Board staff. When contacting the National Board, please reference your Local Board ID # and LRO #.

Appeals process

Local Boards **must** establish a written appeals process to address participation or funding and to hear and resolve appeals made by funded LROs or non-funded agencies. **Local Boards must handle appeals promptly.**

Local decision-making is an operating principle of this emergency effort. If the Local Board cannot handle an appeal locally, the case should be referred in writing to the National Board, including details on action that has been taken. Only when there is significant question of misapplication of guidelines, fraud or other abuse on the part of the Local Board will the National Board consider action. **Report cases involving fraud or other misuse of Federal funds to the U.S. Department of Homeland Security Office of Inspector General, Washington, DC 20528 in writing or by telephone at (800) 323-8603. For more details, see page 17.**

Local resource coordination

The chair of the Local Board or his/her designated staff will be the central coordination point of contact between the National Board and the LROs selected to receive EFSP funds. Additionally, the Local Board, if requested by the National Board, should nominate an appropriate feeding organization to receive surplus food from U. S. Department of Defense commissaries.

Monitoring of LROs

Local Boards are responsible for monitoring LROs throughout the phase in their use of EFSP funds. Each Local Board must establish a process for monitoring LROs including ensuring that LROs have read and understand the manual. Local Boards must review required reports and documentation for completeness, and compliance with program guidelines.

Local Boards must ensure that LROs expending \$500,000 or more in Federal funds, comply with the Office of Management and Budget Circular A-133 Item 7 (page 30).

Local Boards **cannot** change National Board cost eligibility, approve expenditures outside of the National Board's guidelines, or approve changes in documentation requirements without National Board permission.

As part of LRO monitoring, Local Boards must investigate complaints made by individuals seeking services under this program. At times, the National Board may request Local Board assistance in investigating client complaints. Local Boards must investigate and report to the National Board, if required.

Interim report

The interim report of expenditures is due to the National Board as part of each LRO's second payment request. The deadline for LROs to submit the interim report/second payment request form to their Local Board is July 31, 2010. Local Boards must submit the interim report/second payment request to the National Board by August 15, 2010. This form will be sent to each LRO along with the first payment notice or check to a new LRO. This form may also be accessed from the "LB and LRO Information" section of the EFSP web site (www.efsp.unitedway.org) after the first payment has been made.

Final report

Local Boards must submit a final report (accompanied by financial documentation for specified LROs) approximately within 45 days after the end of the jurisdiction's spending period. The National Board will provide forms and instructions for all required reports. Local Boards may request other reports from LROs (e.g., monthly or quarterly updates).

Reallocation of funds

The Local Board must reallocate funds during the spending period whenever it determines that the original allocation plan does not reflect the actual need for services or if an LRO cannot effectively utilize the full award. Local Boards must reallocate funds if an LRO makes ineligible expenditures or uses funds for items that have clearly not been approved by the Local Board. Local Boards must also reallocate funds as a result of gross negligence, inadequate use of funds, failure to use funds for purposes intended and any other violation of National Board guidelines or the Local Board plan. LROs must comply with Local Boards' reallocation decisions.

Local Boards must reallocate funds held for LROs with unresolved compliance exceptions by August 31, 2010 or the National Board may reclaim the funds. **If an LRO has not previously been funded in the current phase, it may not be funded after May 31, 2010.**

The Local Board may approve the reallocation of funds between LROs and must inform the National Board in writing (on the appropriate forms). The Local Board may also return funds to the National Board for issuance to another LRO or request reallocation of funds held by the National Board (e.g., second payments). All reallocation of funds should be completed by August 15, 2010. See Annex 10 (page 72) for the reallocation form.

Reallocation to new agencies

If the Local Board wishes to reallocate funds to an agency that was not approved on the original board plan, the Local Board must make a written request for approval to the National Board. The National Board must approve an agency prior to receipt of funds. **If an LRO has not previously been funded in the current phase, it may not be funded after May 31, 2010.**

Local Boards may not reallocate funds to any LRO with a known compliance problem from any phase of funding.

Local Boards may reallocate funds from one service to another (e.g., from food to shelter) without National Board approval if the transfer is within an individual LRO.

Reporting fraud, theft and criminal activity

Should anyone have reason to suspect that EFSP funds are being used for purposes contrary to the law and guidelines governing this program, the National Board staff must be notified immediately. A detailed follow-up letter of actions taken should be forwarded as soon as possible to Emergency Food & Shelter Program, 701 N. Fairfax Street, Suite 310, Alexandria, VA, 22314. When reports have been made to the OIG office, the case number they provide must be included with all correspondence to the National Board.

The National Board requires that the OIG be contacted immediately when fraud, theft, or other criminal activity is suspected in connection with the use of EFSP funds, or the operation of a facility receiving EFSP funds. This notification can be made by calling the OIG at (800) 323-8603, or in writing to: DHS/Office of Inspector General, Attention Hotline, Office of Investigation, 245 Murray Drive, SW, Building 410 Stop 2600, Washington, DC, 20528. Email: dhs.oighotline@dhs.gov.

Persons contacting the OIG should include as much information as possible to support the allegation and preferably furnish his/her name and telephone number so that the Special Agents assigned to that office may follow-up. Federal Law protects the confidentiality of any communication made with the OIG.

A person wishing to remain totally anonymous should make a follow-up phone call to the OIG within 30 days from the date of the original contact so that any follow-up questions may be asked. Follow-up calls should be made to (800) 323-8603 during normal business hours, Eastern Standard Time (charges may be reversed). The caller should advise that he/she is making a follow-up call regarding a prior anonymous complaint.

The OIG will appropriately notify both local law enforcement authorities and the National Board concerning the substance of the allegations and the results of the investigation. The person reporting the allegation should also contact local law enforcement authorities.

End-of-program

After close of program, Local Boards **must** review the accuracy of **all** LRO reports and documentation (page 50-51 Required Documentation). The Local Board then sends reports for all LROs and documentation for specified LROs to the National Board as requested by the due date indicated on the final reports. In the event expenditures violate the eligible costs under this program, the Local Board must require reimbursement from the LROs to the National Board.

Record retention

Local Boards must remain in operation until all program and compliance requirements of the National Board have been satisfied. Local Boards (and LROs) must retain their records related to the program for three years from the end-of-program date. Local Boards must also retain documentation regarding all compliance problems until the problem is resolved. See Annex 2 (page 53).

Spending period extension

Each jurisdiction will be granted the option to extend its spending period by one, two or three months. This extension applies to the entire jurisdiction. Should the jurisdiction receive a grant in the next phase, that phase's spending period will begin the day after the chosen end date. If a Local Board does not request an extension, the spending period will end September 30, 2010. The other options for the spending period to end are October 31, 2010; November 30, 2010; or December 31, 2010. **The spending period must be selected at the beginning of the**

phase when submitting the Local Board Plan. The spending period is then noted on each Local Board and LRO payment letter.

Waivers and changes

Local Boards may receive requests from applicant agencies or for changes in the plans they approved for LROs. Local Boards may fund such requests or may allow such changes if the requested items are eligible costs under this program. Requests that do not adhere to the approved cost eligibility section of this manual may not be approved by the Local Board. If there is any doubt on the part of the Local Board as to cost eligibility, contact the National Board staff for clarification.

The National Board will consider requests submitted **in writing** for waivers to the approved cost eligibility that meets the intent of the EFSP. The request for any waivers from the Local Board must be made **before** any LRO makes the expenditure and must clearly state the need for the waiver, approximate costs, timelines, or any other pertinent information necessary for the National Board to make their decision.

Local Boards may also receive requests from LROs for waivers of the agency responsibility or documentation requirements outlined in this manual. Local Boards **may not approve** such requests or alter the program or documentation requirements in any way. LROs are required to comply with all agency responsibility and documentation requirements as stated in this manual and agencies that cannot comply with the requirements should not be selected for funding by the Local Board, including those agencies funded through a fiscal agent or fiscal conduit. In rare circumstances, the National Board will hear waivers from Local Boards on behalf of LROs who have not complied with agency responsibility and documentation requirements.

The National Board will only accept waivers for consideration from Local Boards in support of an agency's request. Waivers will not be accepted from individual agencies.

The National Board does not consider waivers for cash payments or EFT enrollment.

Local Boards may not grant waivers to the National Board's guidelines including cost eligibility.

Local Boards may not change the National Board's documentation requirements. Only the National Board may grant waivers.

**Administrative
allowance**

The Local Board may elect to use, for its own administrative cost, all or any portion of the 2% allowance. Like all EFSP expenditures, the administrative expenses must be documented with appropriate costs for the administration of the EFSP.

The Local Board may elect to apply the administrative allowance toward advertising expense if necessary. Any of the administrative allowance not spent must be put back into program funds for additional services.

LOCAL RECIPIENT ORGANIZATION'S RESPONSIBILITIES (LRO)

See Financial Terms and Conditions, pages 28-31 for additional requirements.

The National Board assigns each jurisdiction an ID # this program as well as numbers for each LRO whether new or previously funded. When contacting the National Board for assistance regarding this program, please reference your LRO ID # which is your Local Board's ID # plus your LRO # (example: 1234-56-789).

Criteria for LROs For a local agency to be eligible for funding it must:

- Be nonprofit or an agency of government;
- Not be debarred or suspended from receiving Federal funding;
- Have a checking account. (Cash payments are not allowed.);
- Have an accounting system or fiscal agent approved by the Local Board;
- Have a Federal Employer Identification Number (FEIN), (Note: contact local IRS office for more information on securing FEIN and the necessary form [SS-4] or go to the web site: www.irs.gov);
- Have a Dun & Bradstreet (D&B) number (DUNS number) (Local Boards can provide information on how to obtain.)
- Conduct an independent annual audit if receiving \$50,000 or more in EFSP funds; conduct an annual review if receiving \$25,000 to \$49,999 in EFSP funds. See Annex 2 pages 53-54.
- Be providing services and using other agency resources in the area in which they are seeking funding;
- Practice nondiscrimination (those agencies with a religious affiliation wishing to participate in the program must not refuse services to an applicant based on religion or require attendance at religious services as a condition of assistance, nor will such groups engage in any religious proselytizing in any program receiving EFSP funds;
- Have a voluntary board if private, not-for-profit; and,
- To the extent practicable, involve homeless individuals and families, through employment, volunteer programs, etc., in

providing emergency food and shelter services.

Each LRO must certify in writing to the Local Board that it has read, understands, and agrees to abide by the EFSP Responsibilities Manual including the LRO Responsibilities section, Financial Terms and Conditions, Program Costs (eligible and ineligible), and Required Documentation. See Annexes 8 and 9 (pages 69 and 70).

If after reading the LRO Certification Form, the agency determines that it cannot abide by the EFSP guidelines, they must notify their Local Board immediately and not incur any costs or charge any expenses against this grant and return any funds received.

***LRO Disaster
Recovery Plan***

LROs should have a disaster recovery plan that ensures continuity of eligible services under EFSP and records retention. Each LRO is required to retain EFSP records for a period of three years. Records that should be retained include LRO application and approval of application from Local Board, documentation of any reallocations approved by the Local Board, waivers granted by the National Board, and all expenditure documentation for expenses charged to the EFSP. LROs need also retain documentation regarding all compliance problems including those outside the retention period until the problem is solved. Specific information on documentation is provided in the cost eligibility section of this manual. LROs are encouraged to visit the website for business continuity for the U. S. Department of Homeland Security at www.ready.gov/business/index.html.

Reference page 28 item 5 and Annex 2 (pages 53-54).

***LRO/vendor
relationships***

An LRO may not operate as a vendor for itself or other LROs. Purchases may not be made from or checks written to other LROs except for the shared maintenance fee of food banks.

Local agencies selected for funding must:

***Knowledge of
requirements***

1. Maintain records according to guidelines set forth in this manual. Consult your Local Board chair/staff on matters requiring interpretation or clarification **prior to** incurring an expense or entering into a contract. **It is important to have a thorough understanding of these guidelines to avoid ineligible expenditures and consequent repayment of funds.** Questions that LROs are unsure of may be directed first to Local Board chairs or staff. National Board staff must be contacted to answer those

questions that cannot be answered by the Local Board chair or staff.

Use of funds

2. Provide services within the intent of the program. Funds are to be used on an ongoing basis to supplement and extend food and shelter services, not as a substitute for other program funds or to start new programs. Funds are not to be held or reserved for future use but spent on an as needed basis to supplement and extend existing services. Agencies must have a program in the category for which they are seeking funding. All funds awarded an LRO must provide for services within the jurisdiction's spending period. See pages 34-49 for eligible program costs.

**Bank accounts/
documentation/
interest income**

3. Deposit EFSP funds in a checking account in a Federally insured bank. The National Board does not require funds to be placed in a separate bank account. LROs must maintain proper documentation for all expenditures under this program according to the guidelines. LROs' expenditures and documentation will be subject to review for program compliance by the Local Board, National Board and Federal authorities. Maintain records for a three-year period after phase end unless there is an outstanding compliance problem. (See page 53). Any interest income must be used for eligible program expenditures, not administrative expenses. If EFSP funds are placed in an interest-earning account with other LRO funds, interest must be prorated/calculated for the EFSP grant. **LROs that have unspent funds of \$5.00 or more must return the entire unspent amount to the National Board. (Do not send back unspent funds of less than \$4.99.)**

LROs are required to notify the National Board in writing of any changes in their bank account for EFT purposes. This includes changes such as the closure of bank accounts, opening new bank accounts, and mergers of financial institutions. The EFT authorization form must be used for initial sign-ups and any changes. This form may be printed from the web site (www.efsp.unitedway.org) "LB and LRO Information" section. You may also contact the National Board staff at (703) 706-9660 for the preprinted authorization form. Copies, faxes, or emails cannot be accepted for EFT processing. For EFT processing, an original LRO voided blank check and form are accepted by mail only no later than June 30, 2010. **EFT ENROLLMENTS CANNOT BE ACCEPTED IN ANY OTHER FORMAT.** Failure to notify the

National Board of bank account changes will delay the receipt of funds.

- Payment to vendor** 4. Pay for all eligible program expenses by LRO check payable to the vendor, LRO vendor issued credit card (i.e., Sam’s Club, other store/vendor issued credit card), LRO debit card, or electronic payment from LRO’s bank account. This program does not allow the reimbursement of staff/volunteers, other LROs or any party other than the vendor of services. Cash payments are ineligible. The National Board will not consider waivers of this program requirement. (Credit cards not issued by the vendor, [i.e., American Express, Master Card, Visa] are not allowed as they are not vendor issued.)

Note: A fiscal agent/fiscal conduit must pay the vendor directly with an approved form of payment and may not reimburse other agencies for which they are serving as the fiscal agent/fiscal conduit.

- LRO reporting** 5. Submit reports to the Local Board by their due date. The National Board includes interim report/second payment request forms with each LRO's first payment. When the LRO is ready to request its second payment it must complete and sign this form and forward to the Local Board chair for review and approval by July 31, 2010. The Local Board chair must sign the report and forward it to the National Board no later than August 15, 2010. This form may be printed from the “LB and LRO Information” section of the EFSP web site: www.efsp.unitedway.org.

Final report All LROs must complete the final report form provided to them by the Local Board, return the original and **two** copies to the Local Board, including **one** copy of documentation, if requested. A copy of the LRO report and documentation must be retained by the LRO for their records. The final LRO report is due to the Local Board 30 days after the jurisdiction’s end-of-program date. LROs receiving Phase 28 awards from more than one jurisdiction must keep and submit documentation for each **separately when requested.**

LROs receiving Phase 28 SSA awards in addition to a regular award in a single jurisdiction must consider the two awards as though they were one and combine the documentation.

**Program
compliance
resolution**

6. Work with the Local Board to quickly clear up any problems related to compliance exception(s) at the end of the program.

Failure of an LRO to comply with the National Board's reporting requirements will result in funds being withheld. The National Board will hold funds until all reporting requirements have been satisfied. If an LRO does not comply in a timely manner to compliance issues, the Local Board or National Board may reclaim and reallocate the funds being withheld. The deadline for reallocation of funds is.

Note: Any LRO receiving funds from multiple jurisdictions with a compliance exception in any single jurisdiction from any prior phase will be subject to all funds being withheld. That is, all funds allocated to that LRO from all jurisdictions will be withheld until all problems have been resolved.

**Lobbying
prohibition and
reporting
requirements**

7. Comply with lobbying requirements. Lobbying is not permitted with EFSP funds. Any LRO receiving more than \$100,000 in EFSP funds is required to submit: 1) a certification that EFSP funds will not be used for lobbying activities; and 2) a disclosure of lobbying activities (if applicable). See Annex 11 (page 73) for the certification and disclosure form. This form may be printed from the EFSP manual or web site (www.efsp.unitedway.org) "LB and LRO Information" section. These forms must be submitted prior to payment of funds.

**Annual audit
requirements**

8. Comply with audit requirements. For LROs receiving \$50,000 or more in EFSP funding, the National Board requires an independent annual audit in accordance with Government Auditing Standards. For LROs receiving from \$25,000 to \$49,999, the National Board requires an annual review. For newly funded LROs or LROs funded above the amount requiring an audit or review for the first time, the LRO will be eligible to receive funds if it arranges for the audit or review of funds to coincide with the next scheduled annual audit or annual review of its financial affairs. See Annex 2 (page 53-54).

The National Board will accept an LRO's national/regional annual audit if the following conditions are met:

- LRO is truly a subsidiary of the national organization (i.e., shares a single Federal tax exemption).

- The LRO is audited by the national/regional office internal auditors or other person designated by the national/regional office AND the national/regional office is audited by an independent certified public accountant or public accountant or accounting firm, which includes the national/regional organization's review of the LRO in a larger audit review.
- A copy of the local audit review along with a copy of the independent audit of the national/regional office will be made available to the National Board upon request.

A-133 audits

Any agency expending \$500,000 or more in Federal funds must comply with Circular A-133 of the U.S. Office of Management and Budget Item 7 (page 30). **Note: A copy of this report must be forwarded to the National Board annually along with the regular audit.**

Audits of units of government shall be made annually unless state or local government had, by January 1, 1987, a constitutional or statutory requirement for less frequent audits. EFSP funds must be clearly identified by ID # in the audit/review and Schedule of Federal Awards.

Technical assistance

9. Contact the Local Board regarding technical assistance, interpretation of guidelines and resources from other Federal programs as Local Boards are responsible for training and technical assistance to LROs. (See page 15).

Reallocation of funds

10. Cooperate and comply with Local Board reallocation decisions. Local Boards may reallocate funds at their discretion during the current phase. Annex 10 (page 71).

**Fiscal agent/
fiscal conduit**

For National Board purposes, a fiscal agent is an LRO that maintains all EFSP financial records for another agency. A fiscal conduit is an LRO that maintains all EFSP financial records on behalf of two or more other agencies under a single grant.

If any one LRO in a jurisdiction is making bulk purchases for other agencies not funded directly, it must serve as a fiscal conduit and follow all rules noted in this section.

The fiscal agent/fiscal conduit is the LRO responsible for the receipt of funds, disbursement of funds to vendors, documentation of funds received and maintenance of documentation. The fiscal agent/fiscal

conduit must meet all of the requirements of an LRO. Only the fiscal agent/fiscal conduit may pay the vendors, not reimburse other agencies for which they are serving as their fiscal agent/fiscal conduit.

Local Boards may wish to use a fiscal agent/fiscal conduit when they desire to fund an agency that does not have an adequate accounting system but still meets all other criteria. The Local Board may authorize funds to be channeled through another agency that has been designated as the fiscal agent/fiscal conduit. Fiscal agents/fiscal conduits will be held accountable for compliance with program requirements. Any agency being supported through a fiscal agent/fiscal conduit must have its own Federal Employee Identification Number (FEIN). (IRS form [SS-4]) on web site www.IRS.gov. Agencies funded under a fiscal agent/fiscal conduit must also have or obtain a Dun & Bradstreet number (DUNS). This number is obtained from www.grants.gov.

***May fiscal agents/
fiscal conduits
issue payments***

Fiscal agents/fiscal conduits **must issue their payments for LRO expenditures to vendors only by an approved method of payment.** They may not issue payments to the agencies on whose behalf they are acting or to agencies/sites under their “umbrella”. The exception to this is when an LRO is using the per diem allowance for mass shelter or the per meal allowance for served meals. **Only fiscal agents/fiscal conduits may pay the vendors, not reimburse other agencies for which they are serving as their fiscal agent/fiscal conduit.**

***What criteria must
the agency
benefiting meet***

Any agency benefiting from funds received by a fiscal agent/fiscal conduit must meet all of the criteria to be an LRO except the accounting system and annual audit requirements and must sign the Fiscal Agent/Fiscal Conduit Relationship Certification Form see Annex 9 (page 70). **For tracking purposes, all agencies funded through fiscal agents or fiscal conduits must provide an FEIN number and a DUNS number.**

FINANCIAL TERMS AND CONDITIONS

Provisions Applicable To Local Recipient Organizations

The National Board requires all EFSP-funded LROs to meet the requirements stated in this manual regarding program compliance, reporting, documentation and submission of documentation.

1) Definitions

- a) "Jurisdiction" refers to the city, county or combination receiving funds through EFSP.
- b) "Local Recipient Organization" or "LRO" refers to the local private or public agency that will receive any award of funds from the National Board.
- c) "Award" refers to the award of funds made by the National Board to a local private or public agency on the recommendation of a Local Board.
- d) "End-of-program" refers to the jurisdiction's end date, as agreed by Local and National Board, by which all monies must be spent or returned to the National Board.
- e) "Begin Date" is the date LROs may begin expending funds.
- f) "End date" is the date by which all funds must be expended or returned to the National Board.

2) Amendments

An award may be amended at any time by a written modification. Amendments, which reflect the rights and obligations of either party, shall be executed by both the National Board and the LRO. Administrative amendments such as changes in accounting data may be issued unilaterally by the National Board.

3) Local Board Authority Related to Local Recipient Organizations

The Local Board is responsible for monitoring expenditures of LROs receiving EFSP funds; authorizing the adjustment of funds between EFSP funded programs; and, reallocating funds from one LRO to another.

Local Boards may not alter or change National Board cost eligibility or approve expenditures outside of the National Board's criteria without National Board permission.

A Local Board can recall an award to an LRO and reallocate to another LRO in the case of gross negligence, inadequate use of funds, failure to use funds, failure to use funds for purposes intended, for any other violation of the National Board guidelines, or in cases of critical need in the community. The Local Board must advise, in writing, all concerned LROs of any reallocation of their original award.

In the event the Local Board discovers ineligible expenditures by an LRO, the Local Board must send to the LRO a written request for reimbursement of the amount. The National Board must also be notified. If the LRO is unwilling or unable to reimburse the National Board for the ineligible expenditure, the Local Board must refer the matter to the National Board. The National Board may ask the Local Board to take further action to see that reimbursement of **ineligible** expenditures is made to the National Board, or the National Board may refer the matter to FEMA.

If the Local Board suspects fraud has been committed by an LRO, the Local Board must contact the DHS/Office of Inspector General, Attention Hotline, Office of Investigation, 245 Murray Drive, SW, Washington, DC 20528 in writing or by telephone at (800) 323-8603 with details of suspected fraud or misuse of Federal funds. See page 17 for more details.

If an LRO received an award under previous phases (Public Laws 98-8, 98-151 and 98-181, 98-396, 99-88 and 99-160, 99-500 and 100-6, 100-71 and 100-120, 100-404 and 101-45, and 101-100, 101-467, 102-139, 102-389, 103-124, 103-327, 104-91 and 104-134, 104-204, 105-65, 105-276, 106-74, 106-377, 107-73, 107-294, 108-7, 108-90, 108-334, 109-90, 109-295, 110-161, 110-329 or 111-5), it must not include those funds in any reporting for the current awards. Reports should be confined to the amount granted by the National Board under the new appropriations legislation.

4) Cash Depositories

- a) Any money advanced to the LRO under the terms of this award must be deposited in a checking account in a bank with Federal Deposit Insurance Corporation (FDIC) or Federal Savings & Loan Insurance Corporation (FSLIC) insurance coverage (whose responsibility has been taken over by FDIC), and the balance exceeding the FDIC or FSLIC coverage must be collaterally secured. Interest income earned on these funds must be put back into eligible program costs, not administration.
- b) LROs are encouraged to use minority banks (a bank that is owned at least 50 percent by minority group members). This is consistent with the national goal of expanding the opportunities for minority business enterprises. A list of minority owned banks can be obtained from the Office of Minority Business Enterprises, Department of Commerce, Washington, DC 20203.

5) Retention and Custodial Requirements for Records

- a) Financial records, supporting documentation, statistical records, and all other records pertinent to the award shall be retained by the LRO for a period of three years from the end-of-program date with the following exceptions: See Annex 2 (pages 53-54).
 - i) If any litigation, claim, program compliance review, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims, program compliance problems, or audit findings involving the records have been resolved.
 - ii) Records for non-expendable property, if any, acquired in part with EFSP funds shall be retained for three years after submission of a final financial report. Non-expendable property is defined as tangible property having a useful life of more than one year and an acquisition cost of more than \$300 per unit.
- b) The retention period starts from the date of the submission by the LRO of the final expenditure report.
- c) The National Board may request transfer of certain records to its custody from the LRO when it determines that the records possess long-term retention value. The LRO shall make such transfers as requested.
- d) The Director of FEMA, the Comptroller General of the United States, and the National Board, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records of the LRO, and its sub grantees, to make audits, examinations, excerpts, and transcripts.

6) Financial Management Systems

The LRO/fiscal agent or fiscal conduit shall maintain a financial management system that provides for the following:

- a) Accurate, current and complete disclosures of the financial results of this program.
- b) Records that identify adequately the source and application of funds for federally supported activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, non-obligated balances, assets, outlays, and incomes.

- c) Effective control over and accountability for all funds, property, and other assets.
- d) Procedures for determining eligibility of costs in accordance with this manual.
- e) Accounting records that are supported by source documentation. The LRO must maintain and retain a register of cash receipts and disbursements and original supporting documentation such as purchase orders, invoices, canceled checks, sign-in logs and any other documentation that is necessary to support their costs under the program.
- f) A systematic method to assure timely and appropriate resolution of audit findings and recommendations.
- g) In cases where more than one civil jurisdiction (e.g., a city and a balance of county, or several counties) recommends awards to the same LRO, the LRO can combine these funds in a single account. However, separate program records for each civil jurisdiction award must be kept.

7) Audit Requirements

If receiving \$50,000 or more in EFSP funds, the LRO will be eligible to receive funds if it arranges for an audit of funds to coincide with the next scheduled annual audit of its financial affairs. If receiving \$25,000 to \$49,999 in EFSP funds, the LRO will be eligible to receive funds if it arranges for an annual review of funds to coincide with the next scheduled annual review of its financial affairs. An original copy of this audit or review will be provided to the National Board on request. **It is not necessary to have a separate, independent audit/review for this award so long as program funds are treated as a separate element in the LRO's regular annual audit/review.** If the LRO does not have a certified annual audit/review, that audit/review must be provided by a Local Board designated fiscal agent for the LRO willing to account for the funds. The audit submitted must be from the current year or one year prior. See Annex 2 (pages 53-54).

All EFSP funded LROs (both governmental and not-for-profit) that expend \$500,000 or more in Federal funds must comply with the OMB Circular A-133, Audits of States, Local Government, and Nonprofit Organizations, which requires a single organization-wide audit. This \$500,000 could be exclusively EFSP funds or a combination of EFSP and other Federal funds that an agency might be receiving. **Note: A copy of this report must be forwarded to the National Board annually along with the regular audit. EFSP funds must be clearly identified by ID # in the audit/review and Schedule of Federal Awards.**

8) Payment

A first payment shall be made to the LRO upon recommendation of the Local Board and approval by the National Board. Second payment requests include an interim report to be completed and signed by each LRO. The request is also signed by the Local Board chair, and submitted to the National Board. For LROs funded in the previous phase, second installments will be held until the jurisdiction's final Local Board report and documentation for the previous year has been reviewed and found to be compliant.

9) Financial Reporting Requirements

The National Board shall provide the LRO, through the Local Board, with the necessary report forms well in advance of report deadlines.

LROs shall submit their final report to the Local Board that will then be forwarded to the National Board approximately 45 days after the jurisdiction's program ending date.

10) Closeout

The following definitions shall apply:

- a) "Closeout" is the process by which the National Board determines that all applicable administrative actions and all required work of the award have been completed.

- b) “Disallowed costs” are those charges that the National Board determined to be unallowable in accordance with the legislation, National Board requirements and applicable Federal cost principles or other conditions contained in the award. The applicable cost principles for Private Voluntary Organizations are contained in OMB Circular A-122, “Cost Principles Applicable for Nonprofit Agencies,” and OMB Circular A-110, “Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations”. The applicable cost principles for Public Organizations are contained in OMB Circular A-87, “Cost Principles for State Agencies and Units of Local Governments”. If you are unsure of where to find these circulars check with your local Congressional Representative, contact the National Board staff, or visit the Office of Management and Budget’s web site: www.omb.gov.

11) Suspension and Termination Procedures

The following definitions shall apply:

- a) Termination – termination of this award means the cancellation of EFSP assistance, in whole or in part, under the award at any time prior to the date of completion.
- b) Suspension – the suspension of this award is an action by the Local Board or National Board that temporarily suspends EFSP assistance under the award pending corrective action by the LRO or pending a decision by the National Board to terminate the award.
- c) Local Board Authority – authority to suspend/reallocate all or a portion of an LRO’s award at its discretion for any cause (i.e., inability to deliver services, suspected fraud, violation of eligible costs, changing need in the community, etc.).

12) Lobbying

Pursuant to 31 U.S.C. §1352, an LRO is prohibited from using Federally appropriated grant funds for lobbying activities. This condition bars the use of Federal money for political activities, but does not in any way restrict lobbying or political activities paid for with non-Federal funds. This condition prohibits the use of Federal grant funds for the following activities:

- Federal, state or local electioneering and support of such entities as campaign organizations and political action committees;
- Direct lobbying of the Congress and State Legislatures to influence legislation;
- Grassroots lobbying concerning either Federal or state legislation;
- Lobbying of the Executive Branch in connection with decisions to sign or veto enrolled legislation; and,
- Efforts to utilize state or local officials to lobby the Congressional or State Legislatures.

Any LRO that will receive more than \$100,000 in EFSP funds is required to submit: 1) a certification form that EFSP funds will not be used for lobbying activities; and, 2) a disclosure of lobbying activities (if applicable). This certification and disclosure must be submitted prior to grant payment. See Annex 11 (page 73) for certification and disclosure forms.

13) Debarment and Suspension Regarding Funding

Pursuant to Executive Order 12549, Debarment and Suspension, all LROs, including Fiscal Agents, Fiscal Conduits, and agencies benefiting from EFSP funding under the Fiscal Conduit, must certify that they have not been debarred or suspended from receiving funds from or doing business with the Federal government. Each LRO will make this certification by signing the LRO certification form which states the requirement. Each Local Board must certify they have received this certification from which states the requirements.

PROGRAM COSTS

Intent of program **The intent of this program is for the purchase of food and shelter, to supplement and expand current available resources and not to substitute or reimburse ongoing programs and services or to start new programs.**

The intent regarding the use of funds is that goods and services purchased with EFSP funds should be used as necessary on a daily basis to help meet community need during the spending period. Large purchases made at the end of the spending period do not meet the intent of the program.

Questions LROs with questions regarding interpretation of the program's guidelines **must** direct them to the **Local Board** prior to action. Local Boards unsure of the meaning of these guidelines must contact the National Board at (703) 706-9660 for clarification prior to advising the LRO.

Client eligibility The EFSP is a needs based program for which clients must qualify.

The National Board does not set client eligibility criteria. Local Boards may choose to set such criteria. If the Local Board does not set eligibility criteria, the LRO may use its existing criteria or set criteria for assistance under this award. Any criteria used must provide for assistance to needy individuals without discrimination (age, race, sex, religion, national origin, disability, economic status or sexual orientation), sensitivity to the transition from temporary shelter to permanent homes, attention to the specialized needs of homeless individuals with mental and physical disabilities and illness and to facilitate access for homeless individuals to other sources of services and benefits. In providing assistance under the EFSP, verification of proof of citizenship or qualified alien status of any applicant for assistance is not required.

Note: Funds allocated to a jurisdiction may only be used for residents and transients within that jurisdiction.

No fee requirement for service No individual, family or household may be charged a fee for service or be required to attend religious/counseling services with relation to assistance received under EFSP.

Payment to vendors All payments for eligible activities under EFSP must be made directly to vendors by **LRO check, LRO vendor issued credit cards (i.e., Sam's Club, other store/vendor issued credit card, LRO debit card, or electronic payment to vendors providing services.** No LRO checks may be made payable to clients, volunteers or staff. **A fiscal agent/fiscal conduit may not reimburse the agencies on whose behalf**

they are acting or agencies/sites under their “umbrella”. Cash payments are not allowed, including petty cash payments, internal transfers, or journal entries. Payments to staff/volunteers or to other LROs as reimbursement are not allowed. Payments made with a credit card not issued by vendor (i.e., American Express, Master Card, Visa) are not allowed.

***Client
confidentiality***

While the National Board respects the need for confidentiality, required documentation must be maintained.

When client confidentiality is protected by statute, LROs may use a unique identifier in providing and documenting services to clients. When submitting documentation where a unique identifier has been used, the LRO is responsible for providing documentation of the statute that applies to the clients served and services provided by their agency that are protected.

ELIGIBLE PROGRAM COSTS include, but are not limited to:

***Food purchases
for food banks/
pantries and other
food providers***

For food banks/pantries and other food providers, eligible costs include:

Food, food vouchers, seeds, gift certificates for food (gift certificates must be marked "Food Only" or "Food & Diapers Only"). **Note: Gift Cards are eligible only if they can be marked/encoded "Food Only" or "Food & Diapers Only". The same applies for food vouchers and gift certificates. There must be an agreement with the vendor that food or food and diapers only will be allowed and no cash will be returned to clients.**

An allowance for maintenance fees charged by food banks may be granted by a Local Board at the prevailing rate. EFSP funds cannot be used to pay such a maintenance fee twice: by a food bank and by the food pantry/LRO it is serving.

Food banks only may operate under EFSP as both vendor and LRO.

Note: EFSP funding is intended to provide for basic, nutritional meals on an ongoing basis not non-nutritive items. The funding is not intended to be used for a singular event, special celebratory events, holiday baskets, etc. Also, limited amounts of dessert items (i.e., cookies, snack food, candy, etc.) used as part of a daily meal plan may be purchased.

(Documentation required: dated receipts/invoices/completed vouchers for food purchased and canceled checks. Vouchers and gift certificates/gift cards must state "food items only" not "groceries or merchandise". Invoices and evidence of payment for the purchase of food gift certificates/gift cards are required. Additionally, a single copy of the gift certificate/gift card indicating restrictions [i.e., food items only, diapers, if approved by the Local Board, no cash back] must be supplied along with the invoice. When using a food voucher, if all three signatures and dates are included, no itemized receipts will be necessary, however if one or more signatures or the dates are missing, the itemized receipts must be submitted. See Annex 4 [page 59] for sample of food voucher.)

**Transportation for
food banks/
pantries and other
food providers**

Transportation expenses related to the delivery and distribution of purchased and donated food. A dated mileage log at the Federal rate (\$.55 cents per mile. The begin date applies as of October 1, 2009), contracted services or public transportation (e.g., taxi, local bus, subway). Note: The reimbursement rate is the rate in existence at the time of publication of this manual and is to be used throughout the entire Phase.

(Documentation required: [1] dated mileage log, with departure, destination and trip purpose noted or [2] receipts/invoices from contracted services or public transportation, and canceled checks. See Annex 4 [page 62] for sample of mileage log.)

**Equipment and
consumable
supplies for food
banks/food
pantries**

Purchase of small equipment **not exceeding \$300 per item** and essential to the operation of food bank or pantry (e.g., shelving and storage containers)

Purchase of consumable supplies essential to the distribution of food (e.g., bags, boxes).

(Documentation required: dated, itemized receipts/invoices for equipment/supplies purchased and canceled checks.

**Food purchases for
mass feeding**

For mass feeding sites, eligible expenditures include:

Food (hot meals, groceries). Limited amounts of dessert items (i.e., cookies, snack food, candy, etc.) used as a part of a daily meal plan may be purchased. Also allowable are vegetable seeds and vegetable plants cultivated in an LRO's garden on-site and canning supplies.

(Documentation required: dated receipts/invoices for food/seeds/plants purchased and canceled checks.)

**Transportation
for mass shelter/
mass feeding**

Local transportation expenses for picking up/delivery of food, transporting clients to a mass shelter (five or more beds in one location), or feeding site. (Note: The reimbursement rate is the rate in existence at the time of publication of this manual. (The begin date applies as of October 1, 2009, and is to be used throughout the entire Phase.) Limited to, a dated mileage log at the Federal rate (\$.55 cents per mile), contracted services or public transportation. .

(Documentation required: [1] dated mileage log, with departure, destination and trip purpose noted or [2] receipts/invoices from contracted services or public transportation, and canceled checks. See Annex 4 [page 62] for sample of mileage log.)

**Consumable
supplies for mass
shelter/mass
feeding**

Purchase of consumable supplies essential to mass feeding (i.e., plastic cups, utensils, detergent, etc.) and/or mass shelters of five or more beds (e.g., soap, toothbrushes, toothpaste, cleaning supplies, etc.). (Note: May not be claimed in addition to per diem or per meal allowance.)

(Documentation required: dated receipts/invoices for supplies purchased and canceled checks.)

**Equipment
purchases for
mass shelters/
mass feeding**

Purchase of small equipment **not exceeding \$300 per item** and essential to mass feeding (e.g., pots, pans, plates, utensils, microwave oven, dining table and chairs, toasters, blenders, etc.) and/or mass shelters (e.g., beds, mattresses, cots, blankets, linens, etc.). (Note: May not be claimed in addition to per diem or per meal allowance.)

(Documentation required: dated receipts/invoices for equipment purchased and canceled checks.)

**Minor emergency
equipment repairs
for mass
shelters/mass
feeding**

With prior Local Board approval, minor emergency repair of small equipment essential to mass feeding or sheltering not exceeding \$300.00 in repair costs per item. Equipment eligible for repairs under the EFSP is any that if not repaired would force the mass feeding or mass sheltering site to terminate or curtail services (e.g., stove, refrigerator, and hot water heater). (Note: May not be claimed in addition to per diem or per meal allowance.)

Routine maintenance and service contracts are not eligible.

(Documentation required: dated letter from Local Board indicating approval and dated receipts or bills for equipment repair and canceled checks.)

Note: Good judgment must be exercised in determining the most cost effective use of EFSP funds when deciding an equipment purchase against a repair.

Limited first aid supplies for mass shelter/mass feeding

Limited amounts of basic first aid supplies (e.g., aspirin, Band-Aids, cough syrup, etc.) for mass shelter providers and mass feeding sites only. (Note: May not be claimed in addition to per diem or per meal allowance.)

(Documentation required: dated receipts/invoices for first-aid supplies and canceled checks.)

Building code repairs to mass shelter or mass feeding facility

Emergency repairs to comply with building code citations for a mass feeding facility or mass shelter only, provided:

- a. The facility is owned by a not-for-profit LRO (profit-making facilities, leased facilities, government facilities and individual residences are not eligible); and
- b. The building code plan and the contract detailing work to be done and material and equipment to be used or purchased is **approved in writing by the Local Board prior to the start of the emergency repair/building code project;** and
- c. The repair is limited to bringing facility into compliance with local building codes; maximum expenditure: **\$2,500.00;** and
- d. All emergency repair work is completed and paid for by the end of the jurisdiction's spending period; and
- e. Facility must be used primarily for mass feeding or sheltering programs; and
- f. No award funds are used for **decorative** or **non-essential** purposes or **routine maintenance/repairs.**

(Documentation required: dated letter from Local Board indicating approval and amount approved, copy of contract including cost or invoices for supplies and contract labor, document citing building code violation requiring the repair and canceled checks.)

Facility improvements for the disabled for mass shelter/mass feeding

Expenses incurred from accessibility improvements for the disabled are eligible for mass feeding or mass shelter facilities up to a limit of \$2,500.00. These improvements may include those required by the Americans With Disabilities Act of 1990. A building code citation is not necessary for accessibility improvements. The Local Board must approve in advance any accessibility improvements.

Note: All social service providers are mandated to comply with the Americans With Disabilities Act of 1990 (ADA).

Note: Building code repairs and facility improvements are allowable for mass feeding and mass sheltering sites only. These costs must have prior Local Board approval even if using the per meal or per diem rate.

(Documentation required: dated copy of contract describing work to be done including cost, letter dated from Local Board indicating approval and amount approved, and canceled checks.)

Mass shelter expenses

For mass shelter providers, there are two options for eligible costs. One option must be selected at the beginning of the program year and continued throughout the entire year. Note the documentation requirements for each option.

Mass shelter/direct costs

1. Reimbursement of actual direct eligible costs; in which case canceled checks and vendor invoices for supplies/equipment essential to the operation of the mass shelter (e.g., cots, mattresses, soap, linens, blankets, cleaning supplies, etc.) must be maintained. Refer to previous sections for description of direct eligible expenditures.

(Documentation required: dated receipts/invoices from vendor relating to operation of facility and canceled checks.)

Per diem allowance

2. Per diem allowance of **exactly \$7.50 or \$12.50 per person** per night for mass shelter providers (five beds or more in one location), only if:
 - a. Approved in advance by the Local Board; and,
 - b. LRO's total mass shelter award is expended in this manner.

Note: It is the decision of the Local Board to choose between the \$7.50/\$12.50 rates. This rate may vary from agency to agency depending on the level of services provided to the clients. The \$7.50 or \$12.50 rates if elected, may be expended by the LRO for any cost related to the operation of the mass shelter; it is not limited to otherwise eligible items. The per diem allowance may be used to cover costs such as shelter rent, utilities, and staff salaries. **The per diem allowance does not include the additional costs associated with food or the food per meal allowance.**

(Documentation required: schedules showing daily rate of \$7.50 or \$12.50 and number of persons sheltered by date with totals. Supporting documentation must be retained on-site, e.g., checks/invoices, service records and sign-in logs. See Annex 4 [page 60] for sample.)

Mass feeding expenses

For mass feeding programs, there are two options for eligible costs. One option must be selected at the beginning of the program year and continued throughout the entire year. Note the documentation requirements for each option.

Mass feeding direct cost

1. Reimbursement of actual direct eligible costs; in which case canceled checks and vendor invoices for supplies/equipment essential to the operation of the mass feeding programs (e.g., food, paper products, cleaning products, pots and pans, etc.) must be maintained. Refer to previous sections for description of direct eligible expenditures. **Note: EFSP funding is intended to provide for daily, basic, nutritional meal costs on an ongoing basis. The funding is not intended to be used for a singular event, special events/celebratory events/holiday meals, etc. Basic non-excessive meal costs may be applied towards special/celebratory/holiday meals served only as part of an ongoing program. Also, only limited amounts of dessert items (i.e., cookies, snack food, candy, etc.) used as part of a daily meal plan may be purchased.**

(Documentation required: dated receipts/invoices from vendor relating to operation of facility and canceled checks.

Per meal allowance

2. Per meal allowance of **exactly \$2 per meal served** if:
 - a. Approved in advance by the Local Board; and,
 - b. LRO's total mass feeding award is expended in this manner.

The \$2 per meal allowance, if elected, may be expended by the LRO for any related cost; it is not limited to otherwise eligible items. The per meal allowance may be used to cover costs such as rent, utilities, and staff salaries. **The per meal allowance does not include the additional costs associated with shelter or the per diem shelter allowance.**

Note: EFSP funding is intended to provide for daily, basic, nutritional meal costs on an ongoing basis. The funding is not intended to be used for a singular event, special events/celebratory events/holiday meals, etc. Basic non-excessive meal costs may be applied towards special/celebratory/holiday meals served only as part of an ongoing program. Also, only limited amounts of dessert items (i.e., cookies, snack food, candy, etc.) used as part of a daily meal plan may be purchased.

(Documentation required: daily schedule showing meal rate of \$2 and number of meals served by date with totals. Supporting documentation must be retained on-site, e.g., checks/invoices and service records. See Annex 4 [page 619] for sample).

**Off-site lodging
(hotel/motel)**

For other shelter assistance, eligible program costs include off-site emergency lodging (room and tax only) in a hotel/motel or other off-site shelter facility provided conditions 1 and 2 below are met.

1. No appropriate on-site shelter is available; and
2. It is limited to 30-days assistance per individual or household during the current program period. **(Note: Assistance may be extended in extreme cases with prior Local Board written approval.** A copy of this approval must accompany LRO's documentation.)

Note: LROs may not operate as vendors for themselves or other LROs, except for shared maintenance fee for food banks.

(Documentation required: dated receipts/invoices from off-site shelter [hotel/motel/etc. on their stationery] and canceled checks. Receipts/invoices must include client's name, length of stay and charge per night. Note: pre-payment for nights of stay is not allowed. If using a unique identifier when submitting documentation for clients served, the LRO is required to provide documentation of the statute which applies to the clients served and services provided that are protected.

**Rent/mortgage
assistance/
eviction prevention**

For rent/mortgage assistance, eligible program costs include:

1. Limited emergency rent or mortgage assistance principal and interest only (P&I), for individuals or households provided conditions "a" through "f" below are met:

- a. Payment is in arrears or due within 5 calendar days;
- b. All other resources have been exhausted;
- c. The client is 1) a resident of the home or apartment and 2) responsible for the rent/mortgage on the home or apartment where the rent/mortgage assistance is to be paid;
- d. Payment is limited to a maximum of one month's assistance for each individual or household; assistance can be provided 1) for a full month's rent/mortgage (P&I) all at one time, or 2) in separate payments over a period of up to 90 consecutive days so long as the total amount paid does not exceed one month's cost and is paid by a single LRO;
- e. Assistance is provided only once by a single LRO in a jurisdiction in each award phase for each individual/household (with exception of item d [2] above), and;
- f. Payment must guarantee an additional 30 days service.

Note: Late fees, legal fees, deposits, and condo fees are ineligible.

Note: If a client has two mortgages, assistance may only be given on the principal or first mortgage for the client's residence.

Note: Payments for mobile homes and lots are eligible and can be paid to a mortgage company or to a private landlord.

(Documentation required: dated and signed letters from landlords [must include amount of one month's rent and due date] mortgage letters and/or copy of loan coupon showing monthly mortgage amount and date due and canceled checks Note: Checks must be made payable to landlord ONLY, not to both client and landlord. Documentation must support the payment made and is limited to a maximum of one month's assistance. A copy of the client's lease is only accepted when paying the first month's rent.

**First month's
rent payment**

- 2. First month's rent may be paid when an individual or household:
 - a. Is transient and plans to stay in the area for an extended period of time; or

- b. Is moving from a temporary shelter to a more permanent living arrangement; or
- c. Is being evicted because one-month's payment will **not** forestall eviction in current housing.

First month's rent:

- a. **Cannot** be provided in addition to emergency rent/mortgage payment under item 1 above; and
- b. **Can** be provided in addition to assistance provided for off-site or mass shelter.
- c. **Can** only be provided by a single LRO in a jurisdiction each award phase for an individual/household,

(Documentation required: dated and signed letters from landlords or current lease [must include amount of first month's rent and due date] and canceled checks. Documentation must support the payment made and is limited to a maximum of one month's assistance.) Note: First month's rent is the only situation in which the lease is acceptable documentation.

Utility assistance

For utility assistance, eligible program costs include:

- 1. Limited metered utility assistance (includes gas, electricity, water, and sewer service) for individuals or households. The client is 1) a resident of the home or apartment and 2) is responsible for the utility on the home or apartment where utility assistance is to be paid provided conditions "a" through "f" below are met:
 - a. Payment is in arrears or due within 5 calendar days;
 - b. All other resources have been exhausted (e.g., State's Low Income Home Energy Assistance Program);
 - c. Payment is limited to a **maximum of one month's usage** cost for each utility (e.g., gas, electric and water) for each individual or household;
 - d. The month paid is current amount, budget amount **or** part of the arrears that is still owed at the time of payment and that is either from current award phase or for continuous service prior to award phase that remains past due; and

- e. Each utility can be paid only once in each award phase for any individual or household; and
- f. Payment must guarantee an additional 30 days service.

Note: If paying from a past due notice, you **must** get a breakdown of the monthly usage charges (a copy of current client **billing and payment history** by month from the utility provider). The highest one month amount from the phase/year may not be paid unless it is part of **the amount currently owed at the time of payment**. Where clients have made a partial payment, the payment is generally applied to the oldest past due amount. The entire amount paid by your agency must be a maximum one month amount that is **all** still past due. Documentation must clearly indicate which month is being paid from the breakdown of monthly charges and must be part of the past due amount still owed. Reconnect fees are eligible. Level billing or budget payments are eligible. **Late fees and deposits are ineligible.** Repayment agreements beyond the one month billing are not eligible.

- 2. Limited non-metered utility assistance (includes oil, firewood, coal, propane) for individuals or households provided conditions “a” through “c” below are met:
 - a. All other resources have been exhausted (e.g., State’s Low Income Home Energy Assistance Program).
 - b. Payment is limited to a **one-time delivery** (e.g., the **minimum** amount of delivery for firewood, minimum gallons of fuel oil, propane).
 - c. Each utility can be paid only once in each award phase for any individual or household.

The intent of non-metered utility assistance, like metered utility, is to provide 30 days of service.

Note: **A maximum of one month's utility usage bill may be paid** for a client/household by a single LRO in a jurisdiction. Multiple LROs **may not** join together and each pay a portion of a single utility bill.

(Documentation required: (1) Metered utilities [e.g., electricity, water], the most recent copy of past due or current utility bill with a breakdown which clearly identifies the one month's charges being paid including due date and canceled checks; (2) Non-metered utilities [e.g., propane, firewood], receipts/invoices for fuel including due date or delivery date and canceled checks. (Estimated delivery quotes are not acceptable.)

**Utility assistance
documentation
special note**

Note: Utility disconnects and termination notices often do not show the amount owed by month. The monthly information must be verified with the utility company (a copy of current client billing and payment history by month from the utility provider) and written onto the notice or metered utility verification form. If one month's service cannot be verified from the bill or with the utility company, the LRO may pay up to \$100 per individual or household provided at least \$100 is owed on the bill. This \$100 is not a cap. If an LRO wishes to pay more than \$100, one month's service **must** be verified as stated above.

(Documentation required: dated copy of utility bill, disconnect, termination, final or shut-off notices with one month verification, if necessary, and canceled checks. Documentation must state which month's usage is being paid from the breakdown of monthly charges.)

(For additional information on utility assistance guidelines, see Annex 3 [page 55]).

**Metered utility
verification form**

The National Board encourages the use of the metered utility verification form (along with a copy of the current utility bill or the client's billing and payment history from the utility company) as the preferred method for verifying eligible utility assistance. The bill must be attached to the metered utility verification form and the information on the bill must support the information completed on the form. Documentation must state which month' usage is being paid from the breakdown of monthly charges. See Annex 4 (page 56) for sample metered utility verification form.

Diapers

For all service providers, the purchase of diapers is eligible as described below:

- a. For direct distribution to individuals;
- b. For residents of mass shelters;
- c. Vouchers to grocery stores may include diapers.

Note: Local Boards must use discretion in selecting LROs to provide this service, taking into consideration the cost effectiveness of bulk purchasing.

(Documentation required: dated receipts/invoices for diapers purchased and canceled checks.)

INELIGIBLE PROGRAM COSTS: Purposes for which funds **cannot be used** include, but are not limited to:

1. **CASH PAYMENTS** of any kind including checks made out to cash, or petty cash expenditures.
2. Payments made in any form other than LRO check, LRO vendor issued credit card, or LRO debit card to vendor, never a client. Payments to Visa, Master Card, and American Express etc. are not allowed.
3. Reimbursements to staff, volunteers, or clients for program purchases. Cash back to client from gift certificates/vouchers.
4. Reimbursement to other LROs or agencies including those agencies under LROs serving as a fiscal agent or fiscal conduit.
5. Fees: No bank fees for check replacements, membership fees to food banks, shopping clubs, etc.
6. Deposits of any kind.
7. Administrative cost reimbursement to state or regional offices of governmental or voluntary organizations.
8. Use of administrative funds for purposes other than administering EFSP.
9. Lobbying efforts.
10. Expenditures made outside jurisdiction's spending period. All award funds must be expended during the current phase begin and end dates.
11. No pre-payment for expenses or services not yet rendered or incurred (i.e., where no goods or services have been provided prior to payment during program period).
12. Telephone costs, salaries, or office equipment by LRO, except as administrative allowance authorized by the Local Board, and limited to the total allowance (2%) of the LRO's award.
13. Rental security deposit or revolving loan accounts.
14. Payments of more than one month's mortgage, first month's mortgage, or down payment on mortgage.
15. Purchase/lease of real property (land or buildings) of any kind.
16. Property taxes of any kind, escrow accounts, insurance, legal fees, or condo fees.
17. Late fees for rent, mortgage, or utility assistance.
18. Payment of more than one month's rent.

19. Payment of more than one month's portion of a utility bill.
20. Payment of more than \$300 per item of essential equipment.
21. Lease-purchase agreement or equipment leases.
22. Emergency building code repairs or rehabilitation to government owned, profit-making facilities or leased facilities or any facility not owned by the LRO.
23. Routine maintenance of LRO facilities, routine maintenance or service contracts on equipment.
24. Construction, rehabilitation or remodeling for expansion of service.
25. Repairs of any kind to an individual's home or apartment. (Repairs can only be made to LRO owned facilities.)
26. Supplies or equipment purchases for an individual's home or private use.
27. Transportation of people **not** related to the direct provision of food or shelter (e.g., to another agency, another city, etc.). Also transportation to a relative's or friend's home.
28. Gas or repairs for client-owned vehicles, maintenance or repairs to LRO-owned vehicles (e.g., oil, tires, etc.). Also, insurance for LRO-owned or client-owned vehicles.
29. Emergency assistance for disaster victims, supplies bought for or in anticipation of a disaster (i.e., fires of any kind, floods, tornadoes, etc.).
30. Prescription medication, medical supplies, or vitamins.
31. Clothing (except underwear/diapers for clients of mass shelters, if necessary).
32. An LRO may not operate as a vendor for itself or other LROs, except for the shared maintenance fee for food banks. LROs may not charge fees for services provided with EFSP funds.
33. Direct expenses associated with new or expanded services or to prevent closing.
34. Encumbrance of funds; that is, no pre-payments for goods or services not received or not rendered which are paid for prior to the end of the jurisdiction's program.
35. No payments on account.
36. Meal costs in excess of the normal daily basic meal cost.
37. Reserving or withholding funds in anticipation of a future need (e.g., holiday events, holiday baskets, special programs, celebratory events).
38. Staff events/functions/meals of any kind.
39. Supplementing foster care costs, where an LRO has already received payment for basic boarding and feeding of a client. Comprehensive foster care costs beyond food and shelter are not allowed.

ADMINISTRATIVE ALLOWANCE

By law, there is an administrative allowance limitation of two percent (2%) of total funds received by the Local Board excluding any interest earned. **This allowance is a part of the total award – not in addition to the award.**

The local administrative allowance is intended for use by Local Boards and/or LROs and not for reimbursement of program or administrative costs to an LRO's national organization (its state or regional offices) which might be incurred as a result of this additional funding. LROs wishing to use part of their grant for administration must include this request in their application for funding.

Distribution of the allowance among LROs is decided by the Local Board. No LRO may receive an allowance greater than 2% of that LRO's award amount unless the LRO is providing the administrative support for the Local Board and is approved by the National Board. The administrative allowance may only be allocated in whole dollar amounts.

The Local Board may elect to use, for its own administrative costs, all or any portion of the 2% allowance. The Local Board may apply the administrative allowance toward advertising, expenses if necessary. Any of the administrative allowance not spent must be put back into program funds for additional services.

The administrative allowance for the Local Board and the other LROs cannot exceed 2% of the jurisdiction's total allocation, rounded to the nearest whole dollar. Any amount less than fifty cents is rounded down and fifty or more cents is rounded up. The maximum administrative allowance is noted on the Local Board plan.

(Documentation required: None with the final report; LROs receiving funds for administration must retain supportive documentation that the funds were spent on the direct administration of EFSP.)

SAMPLE ELIGIBLE AND INELIGIBLE EXPENDITURES; NOT LIMITED TO THESE ITEMS

FOR A MORE COMPREHENSIVE LIST AND FURTHER EXPLANATION OF THESE CATEGORIES, **SEE PAGES 33-48**

CATEGORY	SAMPLE ELIGIBLE ITEMS	SAMPLE INELIGIBLE ITEMS
SERVED MEALS	Any food used in served meals (cold or hot); costs of transporting food to site or client; daily per meal schedule (\$2/meal).	Any items not related to actual feeding of a client. Excessive meal costs. Excessive snack food items. Staff events/functions.
OTHER FOOD	Food vouchers, food boxes, grocery orders, restaurant vouchers, etc., food purchased for food banks and/or food pantries, vouchers, gift certificates (limited), transportation costs.	Tobacco, alcohol, paper products. Any non food item. Excessive snack food items. events/functions.
MASS SHELTER	Direct expenses associated with housing a client (e.g., supplies, linens, etc.); transportation costs; daily per diem schedule (\$7.50 or \$12.50).	Staff Year-round ongoing operational costs (rent, pest-control, garbage pick-up, utilities); salaries of employees.
OTHER SHELTER	Any <u>reasonable</u> hotel/motel or non-profit facility acting as a vendor; SRO; actual charge by vendor, per night; 30 day limit	An LRO receiving funds <u>may not</u> act as a vendor for themselves or another funded LRO. Stay beyond 30 days per phase. Prepayments for hotel/motel..
SUPPLIES/ EQUIPMENT	<u>\$300 per item maximum</u> <u>Mass feeding:</u> pots, pans, toasters, blenders, microwave, utensils, paper products, any item essential to the preparation of food, shelving. Diapers. <u>Mass shelter:</u> cots, blankets, pillows, toilet paper, soap, toothpaste, toothbrushes, cleaning materials, limited first-aid supplies, underwear/diapers. Emergency repair of essential small equipment (\$300 limit for both mass feeding and mass shelter.)	Decorative curtains, carpet, clothing, TVs, computer systems, office equipment, bedroom furniture other than beds (nightstand, lamps, etc.).
REHABILITATION/ EMERGENCY REPAIRS	Building code violations, handicap ramp (\$2,500 limit), with Local Board approval.	Rehabilitation for expansion, routine maintenance, or to prepare facility to open.
RENT/MORTGAGE	Past due rent or mortgage payment (P&I only); current rent or mortgage due within 5 calendar days; first month's rent; lot fee for mobile homes. Limited to one month's cost for an individual/family.	Payment for rent/mortgage exceeding one month's cost; deposits; down-payment for purchase of home; late fees; legal fees; taxes, insurance & escrow accounts.
UTILITIES	Past due bills, or current bills due within 5 calendar days, for gas, electricity, oil, water; reconnect fees. May pay budget or actual. Limited to one month's amount that is part of the arrearage at the time of payment or current one month amount. One-time delivery of firewood, coal, propane.	Payments for utilities exceeding one month's cost; deposits; cable TV bills; phone bills; internet service; late fees.
ADMINISTRATIVE ALLOWANCE	Limited to 2% of total funds received by jurisdiction; any expenses associated with administering this program (telephone costs, stamps, etc.).	Administrative expenses <u>not</u> related to this program.

REQUIRED DOCUMENTATION

Documentation refers to those accounting records that support payments for EFSP expenditures. Each payment requires two basic accounting records.

First, a copy of the LRO's proof of payment is required. Proof of payment would include as necessary: **LRO's canceled check returned from the bank** payable to the vendor; **LRO's bank statement showing electronic payment or debit card payment to vendor**; or **LRO's canceled check payable to vendor issued credit card**. Do not copy either side of a check that has **not** been canceled by the bank. **Note:** When a check goes through the bank, it is generally encoded on the bottom of the check. These numbers represent the amount for which the check was processed. The front of the check shows the date of payment and the payee. The bank statement verifies that the check was debited to the LROs account.

When checks are converted electronically at the time of purchase, it is similar to the use of a debit card. The money is immediately placed on hold in the account by the bank. EFSP requires copies of the bank statement to support expenditures paid with agency's electronically converted check and debit card payments. Electronically converted checks should be treated the same as far as documentation is required to support these expenditures. If an LRO cannot provide copies of both sides of the canceled check because the LRO's bank does not return checks, the following items are acceptable alternatives:

- Facsimile copies/images of canceled checks (front) from the LRO's checking account statements. **If submitting facsimile copies/images of checks, the copies must be large enough to read and clearly legible.**
- Substitute bank generated checks from the LRO's checking account statements. Copies of checks may be available via your bank's web site. **Copies of bank generated checks must be large enough to read the check date and to whom the check is written.** If the bank generated checks do not show a cancellation on the front, then the bank statement must also be submitted.
- LRO's checking account statements along with a copy of the front of the check when it was issued by the LRO.

Second, a copy of a **vendor's itemized invoice**. **All copies of documentation must be clearly legible.** An acceptable invoice has the following characteristics:

1. It must be vendor originated and have name of vendor.
2. It must have name of purchaser and have date of purchase.
3. It must be itemized (description of each item, number of each item and cost of each item).
4. It must have total cost of purchase.

Documentation may also include:

- Vendor issued credit card statement showing purchase and payment along with itemized receipt of purchase.
- Vouchers with detailed description of goods or services provided,
- Daily per diem shelter allowance schedule. (See Annex 4, page 60),
- Daily per meal allowance schedule. (See Annex 4, page 61).
- Per trip mileage logs at the rate printed in the manual. (See Annex 4, page 62)

Client Confidentiality in Documentation Submitted:

- In submitting documentation to the National Board with their Final Report, LROs providing services to clients where confidentiality is protected by statute may use a unique identifier.

- If using a unique identifier when submitting documentation for clients served, the LRO is required to provide documentation of the statute which applies to the clients served and services provided that are protected.
- Note: The National Board reserves the right to request additional documentation as deemed necessary to support expenditures under the EFSP (e.g., landlord letters, sign-in logs).

All documentation submitted for review must be complete, clear and completely legible.

All LROs must:

1. Have records audited by an independent certified or public accountant if receiving \$50,000 or more in EFSP funds; have an annual review if receiving from \$25,000 to \$49,999;
2. Keep their documentation records for three years after each end of program year;
3. Be subject to review and/or audit by the National Board, FEMA and/or the Inspector General's office during those three years;
4. Complete and return to the National Board the interim and final LRO reports; and,
5. Return any unused award funds to the National Board at the end of the spending period (\$5.00 or more). **Checks must be made payable to United Way Worldwide/Emergency Food and Shelter National Board Program and include Local Board ID # and LRO ID # on the face of the check; and,**
6. All award funds must be expended during the current phase begin and end dates.

The ending date for the spending period in each jurisdiction for all award types is selected by each Local Board. The jurisdiction's spending period start and end dates are noted on the final report.

WHO MUST SUBMIT DOCUMENTATION

All LROs will be required periodically to submit documentation to the National Board to ensure continued program compliance.

Any LRO not funded in the previous phase will be considered new for compliance purposes and will be required to submit documentation. LROs having major compliance exceptions or those not clearing in a timely fashion will be required to submit documentation for the next phase. Any LRO having ineligible costs will be required to submit documentation.

LROs whose audits have reported findings will, at the discretion of the National Board, submit documentation.

Copies of all documentation (from LROs required to submit) must be submitted to the Local Board no later than one month after the end of the jurisdiction's spending period. The Local Board is then **required to review and submit all documentation** to the National Board no later than 45 days after the end of the jurisdiction's spending period.

Each LRO is responsible for ensuring that the copies of documentation submitted are **legible and organized** as indicated in the Final Report instructions.

Poorly copied or unorganized documentation may be returned to the Local Board for correction, and may result in a delay in receiving additional funding for the LRO and/or the jurisdiction.

Note: In certain instances the National Board may request submission of documentation to comply with outside audit requests.

- The audit firm selected to review National Board records will review a statistically valid random sample of agencies which were NOT required to submit documentation under normal procedures.
- National Board staff will conduct periodic site audits in funded jurisdictions. In each jurisdiction selected, several LROs will be chosen.
- FEMA staff will conduct site audits in several randomly selected jurisdictions.
- The DHS/FEMA OIG's office will continue its practice of random site audits.

EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM (EFSP)

Audit/Review and Audit/Documentation Retention Responsibilities

Audit/Review Requirements

The EFSP annual audit requirement allows for two different levels of review depending on the LRO's level of funding. This change took place in Phase 23 (FY2005) and is noted on pages 25 and 29 of this manual. The EFSP audit requirements are:

For LROs receiving \$50,000 or more in EFSP funding, the National Board requires an independent annual audit in accordance with Government Auditing Standards. For LROs receiving from \$25,000 to \$49,999, the National Board requires an annual review. For newly funded LROs or LROs funded above the amount requiring an audit or review for the first time, the LRO must arrange for the audit or review of funds to coincide with the next scheduled annual audit or annual review of its financial affairs.

The National Board will accept an LRO's national/regional annual audit if the following conditions are met:

- LRO is truly a subsidiary of the national organization (i.e., shares a single federal tax exemption).
- The LRO is audited by the national/regional office internal auditors or other person designated by the national/regional office AND the national/regional office is audited by an independent certified public accountant or public accountant or accounting firm, which includes the national/regional organization's review of the LRO in a larger audit review.
- A copy of the local audit review along with a copy of the independent audit of the national/regional office will be made available to the National Board upon request.

Any agency expending \$500,000 or more in Federal funds must comply with Circular A-133 of the U.S. Office of Management and Budget. Note: A copy of this report must be forwarded to the National Board annually along with the regular audit.

Audits of units of government shall be made annually unless state or local government had, by January 1, 1987, a constitutional or statutory requirement for less frequent audits.

All audits/reviews must clearly identify EFSP funding by ID number included in the Schedule of Federal Awards.

The changes in these requirements are specific to the EFSP and meeting any other local, state, or federal audit requirements or those required by any other funding source are the responsibility of the LRO.

Audit/Review Terminology

Audit – A formal examination of financial statements intended to assess the accuracy and thoroughness of financial records. An independent auditor performs this procedure on a set of financial statements in order to render an opinion based on the accounting records provided. An unqualified audit opinion states that the financial statements are in conformity with accounting principles generally accepted in the United States (GAAP). Audits are performed according to audit standards generally accepted in the United States (GAAS). An audit is more expensive than a review or compilation because an opinion on the accuracy of financial statements requires significantly more work than that involved in either a review or a compilation. *Under EFSP, an audit is required for any LRO receiving \$50,000 or more in funding.*

Review – Accountants perform limited procedures as a basis for expressing limited assurance on financial statements. Although not as comprehensive as an audit, a review provides more assurance than a compilation. A review report states that: 1) the accountants do not express an opinion on the financial statements and, 2) based on their review, they are not aware of any material modifications that should be made to the financial statements. A review is less expensive than an audit but more expensive than a compilation. *Under EFSP, a review is required for any LRO receiving from \$25,000 to \$49,999.*

Documentation Retention Responsibilities and Other Audit Responsibilities

EFSP requires all LROs to maintain documentation for three years from the end-of program date as noted on page 18 of this manual. The documentation to be retained includes financial records, supporting documentation, statistical records, and all other records pertinent to the award. The exceptions to the three-year rule are noted on page 28 and include litigation, claim, program compliance issues, or audit started before the three-year period and records for non-expendable property acquired either wholly or partially with EFSP funds.

The documentation must be accessible should there be reason for your agency to produce the documentation for review. This review might include the audit of these expenditures after you have reported to the National Board for the spending period. Please reference pages 12 and 22 guidelines for documentation disaster recovery plans.

Site Audits: The National Board staff frequently conducts site audits of LROs funded through the EFSP. These site audits are conducted at the LRO's offices and original documentation supporting expenditures of EFSP funds are reviewed. The original documentation would include all canceled checks and vendor invoices for expenditures charged to EFSP. If an LRO is using the per meal allowance or per diem allowance, the documentation would include sign-in sheets, case records, as well as the supportive documentation for actual expenditures (i.e., canceled checks, vendor invoices). Very often, multiple phases are reviewed during the site audit of the LRO.

Independent Audit: Annually EFSP undergoes an independent annual audit as required by the federal government. During this audit, EFSP's independent auditors review documentation submitted by LROs that has already been reviewed by EFSP staff. Additionally, they request documentation from a sample of LROs that were not required to submit documentation with their Final Report. LROs must comply with the request from EFSP's independent auditors including compliance problems noted by the independent auditors in their review.

Other Audits: Staff from the Federal Emergency Management Agency (FEMA) may also conduct site audits of funded LROs. Additionally, as EFSP funding is federal funding, the U. S. Department of Homeland Security Office of Inspector General may also conduct site audits.

How are the site audits determined: The National Board has given the staff guidance for conducting site audits which includes, but is not limited to, reviewing LROs in jurisdictions where there are ongoing compliance problems, reviewing LROs who have failed to submit documentation to the National Board or the Board's independent auditors, findings in the independent audits submitted by LROs, concerns regarding operations from the Local Board or others, reviewing LROs funded in certain categories or areas of the country, alleged or suspected fraud, and at the request of the DHS Inspector General.

Generally, when site audits are conducted, several LROs in a jurisdiction or in surrounding jurisdictions are reviewed and multiple phases of each LRO's EFSP funding is reviewed.

Please note that since documentation must be retained for three years, all of those years are subject to audit at any time. Even if an LRO has filed Final Reports and received clearing letters, they are still subject to any of the audits noted above.

SPECIAL NOTE: DOES MY LRO HAVE TO HAVE AN AUDIT OR A REVIEW?

To determine what type of review is required for an LRO, the LRO must know the total amount of funding it is receiving from EFSP in all jurisdictions in which it is funded. The TOTAL EFSP funding is used to determine the type of review. For example, LRO ABC is funded in only one jurisdiction and receives \$31,000 – a review would be required since LRO ABC is receiving more than \$25,000 but less than \$50,000. And, LRO XYZ is funded in three jurisdictions, in jurisdiction #1 \$30,000 is received, in jurisdiction #2 \$17,000 is received, and in jurisdiction #3 \$26,000 is received. LRO XYZ would be required to have an audit. They are receiving a total of \$73,000, which is greater than the \$50,000 threshold for requiring an audit even though in each jurisdiction they are receiving less than \$50,000.

UTILITY DOCUMENTATION GUIDELINES

This gives you a general overview of using and documenting utility assistance provided to clients. Please refer to pages 42-44 of this manual for complete guidelines on using EFSP funds for utility assistance.

When using EFSP funds to provide utility assistance remember that only one month, approximately thirty days of service may be paid of each bill for an individual or household per award cycle. Billing cycles of more than one month must be divided by the number of months in the cycle to get the one month amount that may be paid. *For example, if the cycle consists of two months, divide the total cost of the bill by two to get the amount that may be paid.* If the client is on a budget plan and has the option of paying the actual usage cost or the budgeted amount, your agency may select either amount. Only one can be paid, not both. *The minimum amount required by the vendor to keep service on cannot be paid, if it is more than one month's bill.* When a utility payment is made, it must guarantee an additional thirty days of service for the client. If the vendor does not grant the additional thirty days of service for the payment, then EFSP funds cannot be used to assist the client. A reconnect fee to restore service may be paid with EFSP funds. However, late fees, deposits and other service charges are not eligible as part of the utility payment. If these charges are required to maintain service for the client, your agency will need to use another funding source to cover the cost of the items.

Documentation of utility payments must always include a copy of the canceled check dated no more than five calendar days before the bill's due date, made payable to the vendor along with the utility bill from the vendor for metered utility services (gas, electric, water) that clearly verifies the one month amount paid. The utility bill from the vendor must include the client's information (name, address, account number, etc.) A copy of the receipt from the vendor showing the date of delivery and cost of service for the minimum delivery, fill-up or one month's estimated use is required for non-metered utility payments (propane, coal, firewood). The most current utility bill available must be provided. Old bills will not be accepted. The **Metered Utility Verification Form** found in the manual on page 56 may be useful in documenting the one month amount paid, *if completed correctly.* The form must be completed to show the dates of service covered with the payment made. The dates of service covered on the Metered Utility Verification Form must correspond to the bill provided. The Metered Utility Verification Form cannot be submitted along with the canceled check in lieu of the utility bill. Also, an agency's internal paperwork cannot be submitted in place of the utility bill. A utility bill from the vendor must be submitted to support each payment made.

The following are the most common types of bills that are submitted with documentation for review from agencies. They are current utility bills that may include a budget amount and past due or disconnect notices covering multiple months. Your clients may also present similar bills from the utility vendors serving your community. Please read the following carefully for paying and documenting your utility expenditures.

- **Current Utility Bill** - This bill is not yet past due. Your agency may pay the current one month's bill no more than five calendar days before it is due. The one month amount and service dates are verified. If the bill is paid more than five calendar days prior to the due date, the payment is considered ineligible under EFSP guidelines.
- **Current Utility Bill with Budget Amount** - This bill should include the amount of the actual usage for the month in addition to the budget amount the client is required to pay. Your agency may pay either the actual usage or budget amount of the bill no more than five calendar days before it is due. The one month amount and service dates are verified. If the bill is paid more than five calendar days prior to the due date, the payment is considered ineligible under EFSP guidelines.
- **Past Due Bill or Disconnect Notice** - These bills are overdue and often will include other service fees. Your agency has two options in paying these bills. The options are 1) verify and pay one month's portion of the past due balance or 2) pay up to \$100 dollars of the past due balance, if at least that amount is owed, without one month verification.

If the past due bill has a balance that is more than \$100 and your agency wishes to pay as much as possible to assist the client, as long as it does not exceed one month's assistance, you will need to contact the utility company to get a billing and payment history of the client's utility usage that may be covered in the past due or disconnect notice. Once the detail has been received from the utility company, you may pay up to the highest one month bill that is still owed (part of the past due balance on the notice) at the time your agency is making payment. *For example, if the client's May and June bills are still past due when the July bill is received and May is the highest one month of the three, your agency can pay the services for that month. If a portion of May has been paid, only the balance remaining can be paid or one of the other two months that are due on the bill (June or July).*

SAMPLE FORMS AND LETTERS

The following sample forms and letters are included for your convenience. The samples are all approved documentation which may be duplicated on your agency's letterhead. The use of these forms is strongly recommended, but not mandated. However, whatever documentation used, **must** contain all appropriate elements of EFSP requirements. As further proof of amount owed, the LRO should obtain from the vendor, the billing and payment history of the client. This will help verify which month's bill has not been paid and is still part of the total amount owed. Any payments made to landlords or utility companies must guarantee an additional 30 days of service/residence. Direct any questions regarding the forms to the National Board staff. National Board staff should be consulted prior to any modification of the forms.

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### *METERED UTILITY VERIFICATION FORM*

Please complete this form for each utility payment made with Emergency Food and Shelter Program funds. **(The individual utility bill which shows the one month past due amount must be attached along with a copy of the canceled check to this form to verify eligibility of expenditures.)**

**Metered utility assistance includes gas, electric and water for individuals or households.**

The **attached utility bill or client's billing and payment history from the vendor** charged to the Emergency Food and Shelter Program covers the dates of:

\_\_\_\_\_ to \_\_\_\_\_ and was due on \_\_\_\_\_.

The one month amount charges being paid from this bill are \$\_\_\_\_\_ for the month of \_\_\_\_\_, which was due on \_\_\_\_\_ (month/day) and does not exceed one month's billing, is noted on the attached bill, and is part of the total amount owed at the time this agency is providing payment.

LRO Check # \_\_\_\_\_ Date: \_\_\_\_\_

\* Because this information was not clearly stated on the **attached bill**, I have verified the above information with the utility company and **noted it by service dates and one month amounts on the attached bill/history.** \_\_\_\_\_ (caseworker initials).

SAMPLE PAST DUE RENT LETTER  
*(Insert LRO name and address here)*  
(to be completed and signed by landlord)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
\_\_\_\_\_  
(Client's name and address)

Dear \_\_\_\_\_:  
(Client)

You are behind in your rent which is due on the \_\_\_\_\_ **day of each month**, for the month/months of \_\_\_\_\_ at the rate of \$ \_\_\_\_\_ /per month for a total of \$ \_\_\_\_\_ past due not including deposits, late fees or other fees.

To avoid further action, please pay this amount immediately.

I agree to accept Emergency Food and Shelter Program funds for one month's rent which was due on \_\_\_\_\_ (date). Payment will guarantee residency for an additional 30 days.

Sincerely,

\_\_\_\_\_  
Landlord signature/address/phone number) (Verified by case-worker)

SAMPLE FIRST MONTH'S RENT LETTER  
*(Insert LRO name and address here)*  
(to be completed and signed by landlord)

\_\_\_\_\_  
(Date)

This is to confirm that \_\_\_\_\_ (name of family or individual) has/have arranged to rent an apartment/house from me at \_\_\_\_\_ (address of apartment/house), effective \_\_\_\_\_ (date). The amount of one month's rent is \$ \_\_\_\_\_ which does not include deposits or other fees and will be due on \_\_\_\_\_ (day/month/year). I agree to accept Emergency Food and Shelter Program funds for the payment of first month's rent.

Sincerely,

\_\_\_\_\_  
(Landlord signature/address/phone number) (Verified by case-worker)

SAMPLE CURRENT MONTH'S RENT LETTER

*(Insert LRO name and address here)*

*(to be completed and signed by landlord)*

\_\_\_\_\_  
(Date)

This letter confirms that \_\_\_\_\_ (name of family or individual) rents property from me at \_\_\_\_\_ (address of apartment/house). The rent is due on \_\_\_\_\_ (day) of each month. The amount of one month's rent is \$\_\_\_\_\_ which does not include deposits, late fees or other fees. I agree to accept Emergency Food and Shelter Program funds for the payment of this rent. Payment will guarantee residency for 30 days.

Sincerely,

\_\_\_\_\_  
(Landlord signature/address/phone number)

\_\_\_\_\_  
(Verified by case-worker)

### SAMPLE FOOD VOUCHER

LRO's Name and Address

\_\_\_\_\_, please allow  
(Store Name) (Address)

\_\_\_\_\_ to purchase up to \$\_\_\_\_\_ of food items only.  
(Client's/Purchaser's Name) (Dollar Amount)

The \_\_\_\_\_ will reimburse you upon receipt of a voucher signed by  
(LRO's name)

client/purchaser and store representative with an itemized register tape attached.

No alcohol. No lottery tickets. No cigarettes.  
No non-food items (except diapers if marked below). No cash back.

|                                                                   |
|-------------------------------------------------------------------|
| Diapers: Yes <input type="checkbox"/> No <input type="checkbox"/> |
|-------------------------------------------------------------------|

\$\_\_\_\_\_  
(Actual Amount Purchased)

\_\_\_\_\_  
(Signature, Purchaser/Client)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature, Store Representative)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature, LRO Representative)

\_\_\_\_\_  
(Date)

*(Note: When submitting documentation to the National Board, if the voucher is filled out completely and all 3 signatures are present and dated, you do not need to submit the itemized food receipts. If not filled out completely or all signatures are not present, then the itemized food receipts must be included with the voucher.)*







## **PUBLICIZING/ADVERTISING ELEMENTS**

Local Boards **must** publicize/advertise in the local print media the availability of funds to inform and solicit applications from **all** agencies (including those on Native American reservations) providing or capable of providing emergency food and/or shelter assistance. Advertisements must include:

- Area funded/Local EFSP Board  
(Note: National Board selects only jurisdictions for funding and advertisement must not state that a specific agency has been awarded the grant);
- Source of funding;
- Award amount;
- Purpose of funding;
- Priorities/needs that Local Board will address;
- Criteria for eligible agencies;
- Contact name, address and/or phone number for application; and
- Deadline for applying (Local Boards must allow at least **five business days after publication** for interested agencies to apply.)

**Advertisement must appear in paper at least 5 business days prior to Local Board allocation of EFSP funds. See page 64 for sample advertisement.**

**Failure to advertise according to the National Board's requirements will result in a delay in processing the Local Board plan.**

Note: All Local Boards must publicly advertise in the most broadly distributed local newspaper covering the jurisdiction. Failure to advertise properly will delay processing of the jurisdiction's board plan and subsequent payment of funds. (A press release is not sufficient unless publication can be verified.) When a news article cannot be obtained, a legal advertisement is acceptable.

In addition to the news article or legal advertisement, Local Boards may also directly notify agencies. Cable access television and radio may only be used to supplement the printed advertisement.

## **SAMPLE ADVERTISEMENT**

(Name of jurisdiction) HAS BEEN AWARDED FEDERAL FUNDS UNDER THE EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM.

(Name of jurisdiction) has been chosen to receive \$(award amount) to supplement emergency food and shelter programs in the county.

The selection was made by a National Board that is chaired by the U. S. Department of Homeland Security's Federal Emergency Management Agency and consists of representatives from American Red Cross; Catholic Charities, USA; National Council of the Churches of Christ in the U.S.A; The Jewish Federations of North America, The Salvation Army; and, United Way Worldwide. The Local Board was charged to distribute funds appropriated by Congress to help expand the capacity of food and shelter programs in high-need areas around the country.

A Local Board made up of (the Mayor, United Way, et al.) will determine how the funds awarded to (name of jurisdiction) are to be distributed among the emergency food and shelter programs run by local service agencies in the area. The Local Board is responsible for recommending agencies to receive these funds and any additional funds available under this phase of the program.

Under the terms of the grant from the National Board, local agencies chosen to receive funds must: 1) be private voluntary non-profits or units of government, 2) be eligible to receive federal funds, 3) have an accounting system, 4) practice nondiscrimination, 5) have demonstrated the capability to deliver emergency food and/or shelter programs, and 6) if they are a private voluntary organization, they must have a voluntary board. Qualifying agencies are urged to apply.

(Name of jurisdiction) has distributed Emergency Food and Shelter funds previously with (Names of LROs) participating. These agencies were responsible for providing (number) meals and (number) nights of lodging.

Public or private voluntary agencies interested in applying for Emergency Food and Shelter Program funds must contact (Local Board chair or staff name, address and/or phone number) **for an application**. The deadline for applications to be received is (application deadline date).

## Application Elements

Local Boards must have a written application process but EFSP does not mandate a standard application to be used by all Local Boards. However, the National Board believes there is key information that Local Boards should obtain from all applicant agencies. The information gleaned from agency applications should provide the Local Board with the information necessary to make the best funding decisions possible.

Noted below are sample questions that Local Boards might ask of applicant agencies to aid them in their funding decisions. Each Local Board will create their own application form to include information the Local Board deems necessary to evaluate the agency's services and ability to administer the EFSP as a supplemental program.

Local Boards must ensure that their application provides every agency that meets the requirements on the LRO Certification Form the opportunity to apply for funding.

### **Sample Questions:**

\*\*Agency's Legal Name

\*\*Agency Principal

\*\*Agency Contact for Application Questions

\*\*Agency Contact for EFSP, if funded

\*\*Agency physical address

\*\*Agency mailing address

\*\*Agency address for Place of Performance (where the services are provided)

\*\*Agency phone/fax/email (for individuals above)

Agency web site

\*\*Agency Federal Employer Identification Number (FEIN)

\*\* Agency's DUNS number

\*\*Amount of EFSP funding requested by program area (food, rent, utilities, etc.)

Agency operating budget (total)

\*\*Agency budget for the service area requested (food, rent, utilities, etc.)

\*\*Copy of agency's most recent annual audit

\*\*Deadline (date and time) for applications to be received (including contact, mailing address, location for delivery)

\*\*Is agency non-profit or unit of government?

If non-profit, a roster of the agency's volunteer board should be requested

\*\*Is agency debarred or suspended from receiving funds or doing business with the federal government?

\*\*Denotes required questions. Most of the required questions provide information that is necessary for the Local Board to submit to the National Board on their Local Board Plan or that comes directly from the LRO Certification Form.

Note: Local Boards should discuss their application and funding process. They should strive to ensure the process is open and that all agencies are provided the same opportunity in the application process. Local Board member agencies must follow the same process as other applicant agencies.

## SAMPLE APPLICATION

|                                                                                                     |  |
|-----------------------------------------------------------------------------------------------------|--|
| Agency's Legal Name                                                                                 |  |
| Agency Principal                                                                                    |  |
| Agency Contact for Application Questions                                                            |  |
| Agency Contact for EFSP, if funded                                                                  |  |
| Agency physical address                                                                             |  |
| Agency mailing address                                                                              |  |
| Agency address for services                                                                         |  |
| Agency phone number                                                                                 |  |
| Agency fax number                                                                                   |  |
| Agency email (for Principal above)                                                                  |  |
| Agency email (for Contact above)                                                                    |  |
| Agency web site                                                                                     |  |
| Agency Federal Employee Identification Number (FEIN)                                                |  |
| Agency DUNS Number (9 digits)                                                                       |  |
| Amount of EFSP funding requested by program area (food, rent, utilities, etc.)                      |  |
| Agency operating budget (total)                                                                     |  |
| Agency budget for the program area requested (food, rent, utilities, etc.)                          |  |
| Provide copy of agency's most recent annual audit                                                   |  |
| Is agency non-profit or unit of government?                                                         |  |
| If non-profit - provide a roster of the agency's volunteer board                                    |  |
| Is agency debarred or suspended from receiving funds or doing business with the Federal government? |  |

|                                                                                                                      |  |
|----------------------------------------------------------------------------------------------------------------------|--|
| Deadline (date and time) for applications to be received (including contact, mailing address, location for delivery) |  |
|----------------------------------------------------------------------------------------------------------------------|--|

## **LOCAL BOARD CERTIFICATION FORM**

This certifies that the local private or governmental agencies selected as LROs reflected on the attached plan, have certified they meet the following criteria to receive funds for emergency food and shelter programs:

- Is not debarred or suspended from receiving Federal funds,
- Has the capability to provide emergency food and/or shelter services,
- Proposes to use funds to supplement or expand existing programs and services,
- Is nonprofit or an agency of government,
- Has an accounting system or fiscal agent/fiscal conduit approved by the Local Board, and will pay all vendors by LRO check, LRO vendor issued credit card or LRO debit card,
- Conducts an independent annual review/audit if receiving \$25,000/\$50,000 or more in EFSP funds, OMB Circular A-133 if receiving \$500,000 or more,
- Practices nondiscrimination (those agencies with a religious affiliation must agree not to refuse service to an applicant based on religion, nor engage in religious proselytizing or religious counseling with Federal funds).
- Does not charge any client a fee for services funded by EFSP,
- Has a private, not-for-profit voluntary board,
- Will provide all required reports and documentation, as requested, to the Local Board in a timely manner,
- Will expend monies only on EFSP eligible costs,
- Will spend all funds and close out the program by jurisdiction's selected end-of-program deadline,
- Has no known EFSP compliance exceptions in this, or any other jurisdiction,
- Has read, understands, and agrees to abide by the EFSP Responsibilities and Requirements Manual.

This also certifies that the Local Board agrees to or has complied with the following roles and responsibilities:

1. Invited National Board agencies and/or their local affiliates to participate on the Local Board. **Has included a homeless or formerly homeless person as a member of the Local Board.** Has included a Native American organization to participate on the Local Board where a federally recognized reservation lies in or encompasses the jurisdiction. Has considered adding additional board members to broaden community representation including special emphasis groups (e.g., elderly, families with children, Native American, veterans, and mentally and physically disabled).
2. Has elected a chair.
3. Has advertised locally via print media, the availability of funds and has waited 5 business days before allocating funds. Has promoted the program to all agencies with the capacity to provide emergency food and/or shelter assistance, not just those represented on the Local Board, including those on Native American reservations.
4. Has held meetings to determine which local private or public agencies should receive grants and the amount of grants, will monitor expenditures of funds and eligible cost compliance at the local level, and will ensure all funds are properly spent before the jurisdiction's spending end date.
5. Has secured and retained all signed LRO certification forms.
6. Has established a written appeals process for participation or funding by funded or non-funded agencies.
7. Has submitted Local Board Certification Form with Local Board Plan (including LRO pages) and Board Roster to the National Board by the specified deadline.
8. Has ensured that each LRO is not debarred or suspended from receiving Federal funds.

Phase 28  
Annex 7

9. Will provide technical assistance on EFSP guidelines and requirements.
10. Will ensure that each LRO has read, understands, and agrees to abide by the EFSP Responsibilities and Requirements Manual.
11. Will coordinate with state agencies that administer food, utility, and other Federal assistance programs.
12. Will reallocate funds within a jurisdiction or LRO, as necessary, (e.g., from food to shelter). If funds are transferred from one LRO to another, will notify the National Board and affected LROs in writing as promptly as possible or before August 15, 2010.
13. Understands that if deadline dates given by the National Board to Local Board and LROs for the submission of second payments, EFT forms, reallocations, and resolution of compliance problems are not met, that the remaining unpaid funds for the jurisdiction will be reclaimed by the National Board.
14. Will submit final reports to the National Board on expenditures and LRO's programs within 45 days after jurisdiction's selected end-of-program date.
15. Will ensure that any funds unspent (\$5.00 or more) at end-of-program are promptly returned to the National Board.
16. Will retrieve and review for accuracy all final reports for LROs and documentation for specified LROs and will forward to the National Board. Will require fund reimbursements from the LROs in the event of expenditures violating the eligible costs under this award.
17. Will remain in operation until all program and compliance requirements of the National Board have been satisfied.
18. Will retain all records related to the program for three years from the end-of-program date and records on compliance issues until resolved.

The Local Board certifies that public notice of availability of these funds appeared in print in the \_\_\_\_\_ (local newspaper) and was read on \_\_\_\_\_ (local radio/TV) on \_\_\_\_\_, 2009/2010.

This Local Board will meet: \_\_\_ quarterly or \_\_\_ semiannually (select one). We understand that if meeting semiannually, copies of meeting minutes must be included with the Phase 28 final report.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chair (print name)

\_\_\_\_\_  
Local Board ID #

\_\_\_\_\_  
Chair (Signature)

**Note:** Please indicate below at least one alternate authorized signature which is acceptable for processing your jurisdiction's paperwork (i.e., Local Board Plans, Second Payment Requests, etc.) to be used in the absence of the Local Board Chair.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Position w/Local Board

\_\_\_\_\_  
Position w/Local Board

## **LOCAL RECIPIENT ORGANIZATION CERTIFICATION FORM**

(To be retained by Local Board)

As a recipient of Emergency Food and Shelter National Board Program funds made available for Phase 28 and as the duly authorized representative of \_\_\_\_\_, I certify that my public or private organization:  
(NAME OF LRO)

- Is not debarred or suspended from receiving Federal funds,
- Has the capability to provide emergency food and/or shelter services
- Will use funds to supplement /extend existing resources and not to substitute or reimburse ongoing programs and services,
- Is nonprofit or an agency of government,
- Has an accounting system, and will pay all vendors by LRO check, LRO vendor issued credit card or LRO debit card,
- Will conduct an independent annual review/audit if receiving \$25,000 or more in EFSP funds,
- Understands that **cash payments** (including petty cash) are **not eligible** under EFSP,
- Has a Federal Employer Identification Number (FEIN),
- Has a Dun & Bradstreet (DUNs) Number,
- Practices non-discrimination (LROs with a religious affiliation will not refuse service to an applicant based on religion, nor engage in religious proselytizing or religious counseling with Federal funds,
- Will not charge a fee to clients for EFSP funded services,
- Has a voluntary board if private, not-for-profit,
- Will comply with the Phase 28 Responsibilities & Requirements Manual, particularly the Eligible and Ineligible Costs section, and **will** inform appropriate staff or volunteers of EFSP requirements,
- Will provide all required reports to the Local Board in a timely manner; (e.g., Second Payment/Interim and Final Reports),
- Will expend monies only on eligible costs and keep complete documentation (copies of canceled LRO checks -- front and back, invoices, receipts, etc.) on all expenditures for a minimum of three years after end of program, and for compliance issues until resolved.
- Will spend all funds and close-out the program by my jurisdiction's selected end-of-program date and return any unused funds to the National Board (\$5.00 or more; make checks payable to United Way Worldwide/Emergency Food and Shelter National Board Program),
- Will provide complete documentation of expenses to the Local Board, if requested, no later than one month following my jurisdiction's selected end-of-program date,
- Will comply with the Office of Management and Budget Circular A-133 if expending \$500,000 or more in Federal funds,
- Will comply with lobbying prohibition certification and disclosure of lobbying activities if receiving \$100,000 or more in EFSP funds, if applicable, and
- Has no known EFSP compliance exceptions in this or any other jurisdiction.

|                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Please check <input type="checkbox"/> Have read, understand and agree to abide by the EFSP Responsibilities and Requirements Manual.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------|

Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

LRO ID#: \_\_\_\_\_ FEIN#: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

Email: \_\_\_\_\_

**FISCAL AGENT/FISCAL CONDUIT AGENCY RELATIONSHIP**  
**CERTIFICATION FORM**

(To be retained by Local Board and Fiscal Agent/Fiscal Conduit)

As a recipient (through the fiscal agent/conduit noted below) of Emergency Food and Shelter National Board Program funds made available for Phase 28 and as the duly authorized representative of \_\_\_\_\_, I certify that my public or private agency:

(NAME OF AGENCY)

- Is not debarred or suspended from receiving Federal funds,
- Has the capability to provide EFSP services,
- Will use funds to supplement and extend existing resources and not to substitute or reimburse ongoing programs and services,
- Is nonprofit or an agency of government,
- Has fiscal agent/fiscal conduit approved by the Local Board:  
\_\_\_\_\_  
(Name of Fiscal Agent/Fiscal Conduit),
- Practices non-discrimination (if an LRO with a religious affiliation, will not refuse service to an applicant based on religion, nor engage in religious proselytizing in any program receiving EFSP funds),
- Has a Federal Employer Identification Number (FEIN),
- Has a Dun & Bradstreet (DUNs) number,
- Will not charge a fee to clients for EFSP funded services,
- Has a voluntary board if private, not-for-profit,
- Will comply with the Phase 28 Responsibilities & Requirements Manual, particularly the Eligible and Ineligible Costs section, and **will** inform appropriate staff or volunteers of EFSP requirements,
- Will provide all required information to the Fiscal Agent/Fiscal Conduit,
- Will incur expenses for eligible program costs and will submit complete documentation on all expenditures to the Fiscal Agent/Fiscal Conduit for payment to the vendors,
- Will spend all funds and close-out the program by the jurisdiction's selected end-of-program date, and
- Has no known EFSP compliance exceptions in this or any other jurisdiction.

|                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Please check <input type="checkbox"/> Have read, understand, and agree to abide by the EFSP Responsibilities and Requirements Manual.</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------|

Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_  
LRO ID#: \_\_\_\_\_ FEIN#: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip \_\_\_\_\_  
Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_  
Email Address: \_\_\_\_\_

## **REALLOCATIONS**

Local Boards may decide to reallocate funds **within** their jurisdiction. Funds may be reallocated locally at any time during the program spending period. When funds are reallocated from one LRO to another, the Local Board must inform both the National Board and affected LROs in writing.

If the funds to be reallocated have already been paid to LROs in the jurisdiction, the funds must be transferred locally. This is a "Local Reallocation". In this case, the LRO whose funds are being reallocated must write a check to the LRO receiving the funds. If the National Board has not paid out the funds, payments will be issued to the appropriate LRO as requested by the Local Board. This is a "National Reallocation".

Local Boards may not reallocate funds to any LRO with an outstanding compliance problem in any jurisdiction in which they have received funds in any phase.

Local Boards may reallocate funds to new LROs, which must be approved by the National Board. Reallocations may not be made to new LROs after May 31, 2010. **This is the last date to add new LROs**. Prior to a new LRO receiving funds, the Local Board must provide the Federal Employer Identification Number (FEIN) and a Dun & Bradstreet Number (DUNS).

On the following page is the preferred format to use when informing the National Board of reallocations. When completing the form, please indicate if the funds are being transferred locally or if they are to be issued by the National Board. If a portion of the funds are being reallocated locally and another portion nationally, separate reallocation forms must be completed. The LROs involved must be listed by their LRO # and their agency name and the action being taken.

Local Boards reallocating funds late in the spending period should ensure the LRO(s) receiving the funds can document the full amount of funds received including any reallocations.

## Emergency Food and Shelter Program

### REALLOCATIONS (Phase 28)

Funds to be transferred locally \_\_\_\_\_ (These funds have already been paid to the LRO)  
Funds to be issued by National Board \_\_\_\_\_ (These funds have not yet been paid to LRO)  
Jurisdiction Name/State: \_\_\_\_\_  
Local Board ID#: \_\_\_\_\_ Date: \_\_\_\_\_  
LRO Name: \_\_\_\_\_ LRO ID#: \_\_\_\_\_

Take funds away from this LRO  
 Give funds to this LRO

#### Amount to be Reallocated

|                    |           |
|--------------------|-----------|
| Served meals       | _____     |
| Other food         | _____     |
| Mass shelter       | _____     |
| Other shelter      | _____     |
| Supplies/equipment | _____     |
| Emergency repairs  | _____     |
| Rent/Mortgage      | _____     |
| Utilities          | _____     |
| Administration     | _____     |
| <br>Total          | <br>_____ |

=====

LRO Name: \_\_\_\_\_ LRO ID#: \_\_\_\_\_  
 Take funds away from this LRO  
 Give funds to this LRO

#### Amount to be Reallocated

|                    |           |
|--------------------|-----------|
| Served meals       | _____     |
| Other food         | _____     |
| Mass shelter       | _____     |
| Other shelter      | _____     |
| Supplies/equipment | _____     |
| Emergency repairs  | _____     |
| Rent/Mortgage      | _____     |
| Utilities          | _____     |
| Administration     | _____     |
| <br>Total          | <br>_____ |

Local Board Chair's Approval: \_\_\_\_\_  
This form may **either** be faxed to (703) 706-9677 **or** mailed to the National Board. **Only one option is necessary.**

## **CERTIFICATION REGARDING LOBBYING**

### Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on the behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, contribution, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
LRO Name

\_\_\_\_\_  
LRO ID #

\_\_\_\_\_  
Name/Signature

\_\_\_\_\_  
Date

Note: Standard Form LLL and instructions are available from the National Board office.

## **GLOSSARY OF EFSP TERMS**

**Award:** the dollar amount allocated to either a jurisdiction as a whole or an individual LRO.

**Begin Date:** the date the LRO can start charging expenses to the program.

**Closeout:** the process by which the National Board determines that all applicable administrative actions and all required work of the award have been completed.

**Documentation:** canceled checks, invoices, per diem schedules, vouchers, letters, mileage logs or schedules, etc. to support expenditures.

**Eligible Costs:** charges made against EFSP funds that the National Board determines to be allowable in accordance with the legislation.

**End Date:** the date by which all funds must be expended, this date is selected annually by the Local Board.

**Final Report:** annual report filed by each Local Board and LRO of expenditures of program funds.

**Fiscal Agent:** an LRO that maintains all EFSP financial records for another agency.

**Fiscal Conduit:** an LRO that maintains all EFSP financial records for more than one other agency under a single award.

**Ineligible costs:** charges made against EFSP funds that the National Board determines to be disallowed in accordance with the legislation.

**Jurisdiction:** city, county or combination receiving funds through EFSP.

**Local Board:** decision-making body for each jurisdiction.

**Local Board ID n:** the unique number which identifies each Local Board.

**Local Board Chair:** elected head of the Local Board authorized to sign documents on behalf of the jurisdiction.

**Local Board Contact:** person in a jurisdiction serving as the primary point of contact.

**LRO (Local Recipient Organization):** refers to the local private or public agency that will receive any award of funds from the National Board.

**LRO ID #:** the unique number, which identifies each LRO within a jurisdiction.

**Manual (Responsibilities and Requirements):** the written rules and regulations for the Emergency Food and Shelter Program.

**Mass Feeding:** preparation and serving of congregate meals for clients in a program operated by an LRO.

**Mass Shelter:** a facility that has the capacity to provide accommodations for at least 5 clients per night at a single site operated by the LRO.

**National Board:** the governing body responsible for the administration of the EFSP.

**Phase:** the grant cycle.

**Phase Spending Period:** the period of time which a jurisdiction has to spend its entire EFSP award. The spending period may vary for each jurisdiction. (See Begin Date and End Date.)

**Second Payment/Interim Report:** the form necessary for the LRO to submit to the Local Board and National Board for release of their second half of an award which reflects their program spending to date.

**State Set-Aside (SSA) Committee:** the decision-making body for each state receiving funds to award to jurisdictions with a need not reflected or greater than reflected in the statistics used by the National Board.

# INDEX

## **A**

A-133 ..... 1, 16, 26, 30, 53  
 Administrative allowance ..... 6, 20, 45  
 Advertising requirements ..... 11, 63-64  
 Appeals process ..... 15  
 Application elements ..... 65-66  
 Audit requirements ..... 25, 30, 53-54

## **B**

Bank accounts ..... 23  
 Begin Date, End Date ..... 28  
 Board plan deadline ..... 11  
 Building code/repairs ..... 37

## **C**

Canceled checks ..... 32-50  
 Cash depository ..... 29  
 Cash payment ..... 19, 21, 32, 46  
 Certification Regarding Lobbying ..... 73  
 Change of address notice ..... 9, 14  
 Client confidentiality ..... 34, 51  
 Client eligibility ..... 3, 14, 32  
 Closeout ..... 30-32  
 Combining Local Boards ..... 14  
 Compliance resolution ..... 25  
 Composition of Local Board ..... 7-8  
 Consumable supplies ..... 36  
 Coordination of service ..... 14  
 Credit card payments ..... 24, 32  
 Criteria for LROs ..... 21, 27

## **D**

Debarment & Suspension ..... 31, 69-70  
 Debit cards payments ..... 24, 32  
 Diapers ..... 34, 45  
 Discrimination ..... 3, 14, 21, 32  
 Disallowed costs ..... 46-47  
 Disaster assistance ..... iv, 47  
 Disaster Recovery Plan ..... 12, 22  
 Documentation requirements ..... 28, 34-49, 54  
 Dun & Bradstreet (DUNS) Number ... 21, 27, 69, 70

## **E**

EFT processing/payments ..... 2, 23  
 Elderly ..... iv, 6, 9, 13  
 Election of chair ..... 9  
 Electronic Funds Transfer (EFT) ..... 2, 23  
 Electronic payments ..... 23  
 Eligible program costs ..... 34-49  
 End-of-program ..... 18  
 Equipment/supplies ..... 35-36

## **F**

Facility improvements ..... 37  
 Families with children ..... iv, 6, 9, 13  
 Fee for service ..... 32  
 FEMA'S responsibilities ..... 4  
 Final Report ..... 16, 23  
 Financial Management Systems ..... 29  
 Financial Reporting Requirements ..... 30  
 Financial Terms and Conditions ..... 28-31  
 First payments ..... 2  
 Fiscal agent/fiscal conduit ..... 26-27, 70  
 Fiscal Agent/Fiscal Conduit Certification Form ..... 70  
 Food purchases ..... 34-35  
 Food purchases/mass feeding ..... 35, 61  
 Fraud ..... 15, 17, 28, 31, 54  
 Funding formula ..... 1

## **G**

Gift cards/vouchers ..... 34, 59  
 Glossary of EFSP terms ..... 74  
 Grant payment process ..... 2

## **H**

History ..... iv  
 Homeless representation ..... 8

## **I**

Ineligible Program Costs ..... 46-47, 49  
 Intent of Program ..... 32  
 Interest-earning account ..... 23  
 Interim report ..... 16

## **J**

Jurisdiction ID # ..... 7, 21, 74

## **K**

Knowledge of requirements ..... 21-52

## **L**

Lobbying ..... 25, 31, 73  
 Local Board authority related to LROs ..... 28, 31  
 Local Board Certification Form ..... 67-68  
 Local Board composition ..... 7-9  
 Local Board expansion ..... 9  
 Local Board Disaster Recovery Plan ..... 12  
 Local Board meetings ..... 10  
 Local Board membership & voting ..... 8  
 Local Board Responsibilities ..... 7-20  
 Local Board roster ..... 7-8  
 LRO Certification Form ..... 69  
 LRO Disaster Recovery Plan ..... 22  
 LRO responsibilities ..... 21-31

LRO reporting .....24  
 LRO/vendor relationships.....22  
 Local resource coordination .....15

**M**

Mass feeding - direct costs .....39  
 Mass shelter - direct costs.....38  
 Mass shelter/mass feeding ..... 35-40  
 Meeting minutes .....11  
 Mentally disabled .....iv, 6, 9, 13  
 Metered Utility Verification Form.....56  
 Method of payment..... 2, 24, 32, 34-50  
 Mileage rate/log.....35, 62  
 Monitoring of LROs ..... 15-16  
 Mortgage assistance.....40, 41

**N**

National Board affiliates..... 7-8  
 National Board Members..... iii  
 National Board’s responsibilities.....1  
 Native American.....iv, 6, 8, 9, 13  
 No fee requirements for service.....32  
 Notification of changes in contacts.....9, 14

**O**

Other shelter .....40  
 Off site lodging.....40

**P**

Payments to LROs ..... 2-3  
 Payment by check to vendor..... 24, 32, 34-50  
 Per diem allowance.....38, 60  
 Per meal allowance .....39, 61  
 Physically disabled .....iv, 6, 9, 13  
 Preamble .....iv  
 Pre-payments .....40, 46  
 Program compliance resolution .....25  
 Program Costs ..... 32-49  
 Publicizing/advertising elements ..... 63-64

**Q**

Questions on guidelines..... ii, 15, 26, 32-50  
 Quorum requirements .....11

**R**

Reallocation of funds..... 16, 17, 26, 71-72  
 Reallocation form .....72  
 Records retention .....18, 29, 53  
 Rent/mortgage assistance..... 40-42, 57-58  
 Reporting fraud, theft and criminal activity...15,17,31  
 Required documentation..... 50-51  
 Returning funds .....17, 23

**S**

Sample advertisement.....64  
 Sample application .....66  
 Sample eligible and ineligible expenditures .....49  
 Sample forms and letters ..... 56-62  
 Second payments .....2  
 Selection of LROs .....12  
 Served meals.....35, 39  
 Site Audits .....54  
 Special emphasis groups.....iv, 6, 9, 13  
 Specialized needs.....iv, 3, 13  
 Spending period extension.....18  
 Standard Application Elements .....65  
 State Set-Aside committee’s responsibilities..... 5-6  
 Submitting documentation.....52  
 Suspension and Debarment..... 31, 69-70

**T**

Technical assistance .....15, 26  
 Transportation.....35, 62

**U**

Unique identifiers .....33, 40  
 Unspent funds .....24  
 Utility assistance..... 42-44, 55  
 Use of funds.....23  
 Utilities/metered .....43, 56

**V**

Veterans.....iv, 6, 9, 13  
 Voting on awards.....5, 8

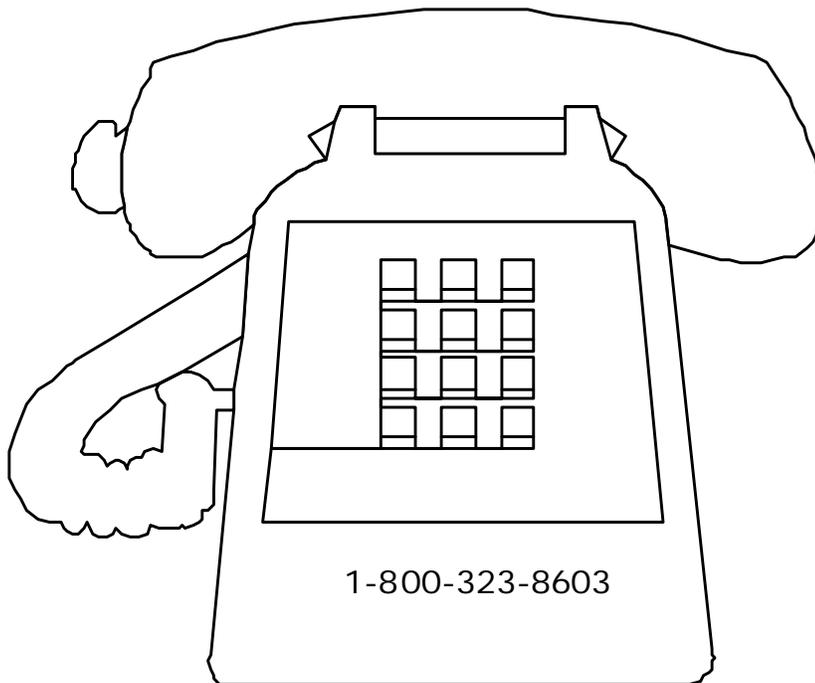
**W**

Waivers and changes .....9,19  
 Web site.....2, 3, 9, 11, 14, 16, 23, 25  
 Who Must Submit Documentation .....52

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## EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM



Public Law 98-8

APRIL 1983

With the passage of Public Law 98-8 on March 8, 1983, the Emergency Food and Shelter National Board Program was created. The agencies, whose logos from the first program manual in 1983 are shown here, have participated as committed members of this public-private partnership for the last 26 years. Giving of their agencies' time and talents, they have taken the intent of Congress in funding the program and interpreted that into a model of local decision-making by bringing together around the community table agencies, like themselves, who work tirelessly on a daily basis to help make life better for others.