

Puerto Rico and U.S. territories will receive a designated percentage of the total award based on the decision of the National Board.

(b) *Grant Award Process.*

(1) United Way of America has been designated as the fiscal agent for the National Board and as such will process all Local Board plans. Payments will be made to organizations recommended by Local Boards for funding. Local Boards have the right to reallocate funds throughout the program period, as they determine necessary. When a Local Board reallocation between two or more LROs occurs, the Local Board must promptly notify the National Board in writing so that the National Board's records can be updated accordingly.

(2) The National Board offers two methods of payment to LROs. The two methods are either direct deposit (electronic funds transfer) or checks. The National Board encourages LROs to take advantage of direct deposit where possible.

(3) To ensure greater accountability and reporting, awards totaling less than \$100,000 are paid in two equal installments. Awards totaling \$100,000 or more will be paid in three equal installments.

(4) The National Board will distribute second/third payments once the jurisdiction's compliance review is completed for the previous program period. Second/third payments will be held in escrow until all compliance exceptions are satisfied by the LRO.

All payments will be mailed directly to the LRO. Second and third payments will be mailed to the LRO only upon the written request of the Local Board Chair which encloses the LROs interim report. The Local Board will authorize second/third payments once it is assured that the organization is implementing the current program as intended and according to the guidelines in the Plan.

(c) *Client Eligibility.*

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. However, the LROs criteria must provide for assistance to needy individuals without discrimination (age, race, sex, religion, national origin, or handicap). Note: Funds allocated to a jurisdiction are intended for use within that jurisdiction. Residents of or transients in a specific jurisdiction should seek service within that jurisdiction.

Citizenship is not an eligibility requirement to receive assistance from EFSP. The National Board does not

mandate nor recommend the use of any particular existing criteria (i.e., food stamp guidelines, welfare guidelines, or income guidelines).

Section 2.4 Eligibility of Costs

The intent of this appropriation is for the purchase of food and shelter to supplement and extend current available resources and not to substitute or reimburse ongoing programs and services. Questions regarding interpretation of the program's guidelines should be cleared by the LRO with the Local Board prior to action. Local Boards unsure of the meaning of these guidelines should contact the National Board at (703) 706-9660 for clarification prior to advising the LRO.

If an expenditure requested by an LRO is not listed below as eligible, the Local Board has the option of requesting a waiver from the National Board for consideration.

No individual or family may be charged a fee for service with relation to assistance under EFSP.

(a) *Eligible Program Costs.*

Eligible program costs include, but are not limited to:

For food banks/pantries, eligible costs include:

(1) Groceries, food vouchers, vegetable seeds, gift certificates for food. Documentation required: receipts/invoices for food purchased and canceled checks.

(2) An allowance for maintenance fees charged by food banks can 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/agency it is serving. Documentation required: receipts/invoices for food purchased and canceled checks.

(3) Transportation expenses related to the delivery of food purchases. Documentation required: (1) Mileage log, or (2) receipts/invoices from contracted services or public transportation, receipts for actual fuel costs, and canceled checks.

(4) Purchase of small equipment not exceeding \$300 per item and essential to operation of food bank or pantry (e.g., shelving, storage containers). Documentation required: receipts/invoices for equipment purchased and canceled checks.

(5) Purchase of consumable supplies essential to distribution of food (e.g., bags, boxes). Documentation required: receipts/invoices for supplies purchased and canceled checks.

For mass shelters (five or more beds) or mass feeding sites, eligible expenditures include:

(6) Food (hot meals, groceries, food vouchers). Limited amounts of dessert items (i.e., cookies, ice cream, candy, etc.) used as a part of a daily diet plan may be purchased. Also allowable are vegetable seeds and vegetable plants cultivated in an agency's garden on-site and canning supplies. Documentation required: receipts/invoices for food purchased and canceled checks or served meals per diem schedule).

(7) Local transportation expenses for picking up/delivery of food; transporting clients to mass shelter or feeding site. Limited to actual fuel costs, a mileage log at the current Federal rate (29 cents per mile), contracted services or public transportation. Documentation required: (1) Mileage log, or (2) receipts/invoices from contracted services or public transportation, receipts for actual fuel costs, and canceled checks.

(8) Purchase of consumable supplies essential to mass feeding (i.e., plastic cups, utensils, detergent, etc.) or mass shelters of five or more beds (i.e., soap, toothbrushes, toothpaste, cleaning supplies, etc.) Documentation required: receipts/invoices for supplies purchased and canceled checks.

(9) Purchase of small equipment not exceeding \$300 per item and essential to mass feeding (i.e., pots, pans, toasters, blenders, etc.) or mass shelters (i.e., cots, blankets, linens, etc.). Documentation required: receipts/invoices for equipment purchased and canceled checks.

(10) Leasing, only for the program period, of capital equipment associated with mass feeding or mass shelter (e.g., stoves, freezers, or vans with costs over \$300 per item) only if approved in advance by the Local Board. Documentation required: written Local Board approval, copy of lease agreement, and canceled checks.

(11) Limited amounts of basic first-aid supplies (e.g., aspirin, band-aids, cough syrup) for mass shelter providers and mass feeding sites only. Documentation required: receipts/invoices for first-aid supplies and canceled checks.

(12) Emergency repairs/building code of a mass feeding facility or mass shelter, provided: (i) The facility is owned by a not-for-profit organization (profit-making facilities, leased facilities, government facilities, and individual residences are not eligible); and,

(ii) The emergency repair/building code plan and the contract detailing work to be done and material and equipment to be used or purchased is approved by the Local Board prior to the start of the emergency repair/building code project; and,