Food Distribution
National Policy Memorandum

United States Department of Agriculture

Food and Nutrition Service

3101 Park Center Drive

Alexandria, VA 22302-1500

DATE: March 31, 2003

POLICY NO.: FD-016: The Emergency Food Assistance Program (TEFAP)

SUBJECT: In-Kind Contributions

In accordance with the Emergency Food Assistance Act of 1983, as amended, and TEFAP regulations (7 CFR 251.9), TEFAP administrative funds retained by the State to pay State-level costs or made available by the State agency directly to eligible recipient agencies that are not emergency feeding organizations must be matched. The purpose of this memorandum is to provide clarification on in-kind contributions, specifically, whether a State's purchase of additional foods for distribution could be classified as an in-kind contribution.

It is intended that a State's match would provide for sharing in those costs normally associated with the allowable uses of TEFAP administrative funds. Current regulations (7 CFR 251.9(c)) define in-kind contributions as charges which are non-cash outlays for real property and non-expendable personal property and the value of goods and services specifically identifiable with allowable State administrative costs. Examples provided are the donation of office supplies, storage space, and equipment. Food purchases are not an allowable use of TEFAP administrative funds. Therefore, such purchases cannot be considered as an in-kind contribution under the matching requirement.

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