

**FDPIR Funding Work Group
March 21, 2007 Conference Call Notes**

Attending	Not Attending
Nancy Egan (Shoshone-Paiute Tribes), representing the NAFDPIR Regional Vice President for the Western Region	
Gale Dills (North Carolina Department of Agriculture and Consumer Services/Cherokee Tribe of North Carolina), representing the Southeast Region	
Linday Rayon (Muscogee (Creek) Nation), representing the NAFDPIR Regional Vice President for the Southwest Region	
Tony Nertoli (Sault Ste. Marie Tribe of Chippewa Indians), NAFDPIR President	
Red Gates, NAFDPIR Regional Vice President for the Mountain Plains Region	
Thomas Yellowhair (Navajo Nation), representing WAFDPIR	
Mary Trottier (Spirit Lake), representing the Mountain Plains Region	
Susie Roy (Leech Lake Chippewa), NAFDPIR Regional Vice President for the Midwest Region	
Melinda Newport (Chickasaw Nation), representing ONFACT	
Betty Jo Graveen (Lac Du Flambeau), representing the Midwest Region	
Elvira Jarka, FNS-MWRO	
Chris Hennelly, FNS-SWRO	
Madeline Viens, FNS-WRO	
Don DeBoer, FNS-MPRO	
Cindy Wheeler, FNS-SERO	
Laura Castro, FNS-HQ, FDD	
Nancy Theodore, FNS-HQ (staff support) Melanie Casey, Facilitator	

Review of draft notes from March 8, 2007 conference call - Nancy Theodore asked if any of the work group members wanted changes made to the draft notes. No changes were offered during the conference call. Nancy asked the work group members to send her (by email) any changes they had.

General comments from work group members on the March 8th conference call – Nancy Theodore asked if any of the work group members had any comments they wanted to make about issues discussed in the March 8, 2007 conference call. No comments were offered during the conference call.

Follow-up discussion on concerns about impact of upcoming elections on work group membership - Nancy Theodore reported that, based on comments from work group members, the letter to WAFDPIR

requested by the work group was issued on March 19, 2007. A copy was sent to all work group members. She asked if anyone had changes to suggest on the letters to Joe Bluehorse, President of the Mountain Plains Regional Association Executive Board, and Tony Nertoli, President, NAFDPIR. No changes were offered during the conference call. Nancy asked the work group members to send her (by email) any changes they had.

Follow-up discussion on Roberto Salazar's input to the work group – Laura Castro and Nancy Theodore provided additional clarification on Mr. Salazar's input to the work group. Laura and Nancy explained that Mr. Salazar is not putting any restrictions on the work group in the development of a final recommendation. He wants a final recommendation that provides for an objective, equitable, and easy to understand funding methodology that has the greatest level of acceptability among the ITOs/State agencies. He is committed to the development of a new funding methodology and is willing to be flexible in order to achieve that goal. Given the opposition to the preliminary proposal, he is open to other ideas the work group may want to present.

- Red Gates asked when the letter from Roberto Salazar would be available. Laura responded that it is expected before the April meeting.
- Nancy Egan asked what Mr. Salazar's role would be at the meeting. Laura responded that he wanted to thank the members for their efforts and may discuss his expectations for the final recommendation. Depending on his schedule, he may be able to address some questions. If work group members have questions they would like to ask, it would be helpful to send those to Nancy Theodore in advance of the meeting.
- Thomas Yellowhair commented that Mr. Salazar "jumped the gun" by responding to objections to the preliminary proposal at the Rapid City meeting before all the comments were in.
- Nancy Theodore pointed out that Mr. Salazar attended both the Oklahoma City meeting where the preliminary proposal received general support and the Rapid City meeting where the proposal was universally opposed.
- Mary Trotter commented that Mr. Bost also "jumped the gun" when he formed the work group after a meeting with one Tribal delegation, despite the fact that the NAFDPIR membership had voted down the previous proposed methodology.
- Nancy Theodore pointed out that the allocation inequities had been an issue since 1994, and had surfaced repeatedly.

NAFDPIR Resolution 2006-03

- Tony Nertoli introduced the issue of the implementation of NAFDPIR Resolution 2006-03. He expressed concern that adjusting funding in FY 2007 would not resolve the inequities. Tony also expressed concern that the additional FY 2007 funding distributed in accordance with the Resolution should not be used for equipment or infrastructure needs. Susie Roy supported Tony's comments.
- Chris Hennelly commented that the funding was needed for vehicles to ensure that tailgate operations could continue.
- Linday Rayon also commented that her program operations would suffer if she was not able to replace aging trucks this year.
- Thomas Yellowhair commented that expenditures must comply with federal regulations and policies.
- Nancy Theodore confirmed that only allowable costs could be claimed with the funding.
- Thomas asked if FY 2007 budgets could be revised to reflect additional allowable costs since additional funds were now available (e.g., could an ITO request funding for equipment, even though a funding request for equipment was not in the original FY 2007 budget). Nancy Theodore responded that she expected that the Regional Offices would be looking at this. Chris Hennelly

responded that SWRO has already contacted most of their ITOs to see what additional funds they would need in FY 2007. Madeline Viens responded that the WRO intends to use the funds primarily as a set-aside for capital expenditure needs, but the funds could also be used for other operational needs.

- Nancy Egan expressed concern about the impact of the additional funding on the preliminary proposal (Component 2) if the additional funding is used this fiscal year on capital expenditures.
- Elvira Jarka suggested that Component 2 may need to be reevaluated if many ITOs make capital expenditures this fiscal year.
- Tony Nertoli reported that he needed to leave the conference call.

Preparation for April meeting –

- Nancy Theodore reminded the work group members that the goal is to develop a recommendation for an objective, equitable, and easy to understand funding methodology. She asked the work group members if they were committed to accomplishing that goal.
 - Red Gates commented that he needed to see the letter from Roberto Salazar before making a commitment.
 - Nancy Egan suggested that the work group review the letter from Mr. Salazar so that the work group is clear on its goal.
 - One of the work group members asked about the purpose of the meeting. Nancy Theodore explained that the general action plan that the work group established had not changed: the work group issued the preliminary proposal in November 2006; set a comment period; and planned to meet after the comment period to review the comments and make changes to the preliminary proposal based on the comments received. The April meeting is that last step.
- Nancy Theodore asked the work group members to provide input for the agenda. The following draft agenda was developed. Time frames need to be added. Breaks and lunch times will be added at appropriate times. A final agenda will be provided following input from work group members.

Tuesday, April 17

- 9:00am Meeting begins
- Roberto Salazar, Food and Nutrition Service Administrator will meet with the work group. (The goal for the work group is expected to be clarified to everyone's satisfaction at this time.)
 - Introductions and opportunity for individual work group members to provide comments to the group
 - Work group will review Ground Rules for the meeting (Ground Rules to be developed based on input from the work group)
 - Work group will review the Guidelines developed by the work group on 7/13/06 and make changes as appropriate
 - Definitions: (additional terms will be added to the list below based on input from the work group)
 - "full budget negotiations"
 - "negotiation"
 - "under funded"

- Work group will begin review of comments on the preliminary proposal

5:00pm Meeting ends

Wednesday, April 18

9:00am Meeting begins

- Work group will continue review of comments on the preliminary proposal
- Work group will identify major issues to be considered
- Work group will begin addressing issues raised in comments

5:00pm Meeting ends

Thursday, April 19

9:00am Meeting begins

- Work group will continue to develop a final recommendation

5:00pm Meeting ends

- Nancy Theodore asked the work group members what information/materials they wanted to be made available at the meeting. Below is a list of suggested items:
 - Comment analysis of written comments with text of comments
 - Comment analysis of the transcripts with copies of the four transcripts
 - Program and financial management resource documents:
 - OMB Circular A-87
 - 7 CFR Part 3016
 - 7 CFR Part 277
 - FNS Handbook 501
 - 7 CFR Parts 253 and 254
 - List of FY 2006 allocations to each ITO and State agency
 - List of FY 2006 participation levels of each ITO/State agency
 - Tailgate expense data. Several work group members spoke about the previous attempt to collect this data and the difficulty in obtaining accurate and complete data.

- Linday Rayon commented that there appeared to be a lot of misunderstandings of the preliminary proposal in the comments despite efforts to try to explain it. Elvira Jarka agreed with Linday’s comment.
- Linday also commented that there were some members on the work group whose Tribal leaders had expressed opposition to the preliminary proposal. Nancy Theodore also remarked that this created a “sticky” situation for those work group members.
- Red reaffirmed his commitment to completing the task of the work group. He also commented that he still believed that indirect costs and salary structure were critical factors that should be considered.
- Linday Rayon noted that many of the commenters stated that the “Tribes are unique.” She stated her belief that operations may differ among the programs, but that they have a lot in common.
- Thomas Yellowhair noted that some of the commenters raised issues relating to “treaty obligations” and “trust responsibilities.” He asked how FNS would address those issues. Nancy Theodore responded that FNS is working with their Office of General Counsel on consultation issues. She also clarified that the work group need only consider those comments directly related to the preliminary proposal and the development of a funding methodology. The goal of the work group is to develop a final recommendation for the FNS Administrator. Other issues raised by the commenters are the responsibility of FNS, not the work group.
- Nancy Theodore asked that if anyone had questions/concerns about travel to contact her.
- Nancy Theodore asked if anyone, in addition to Marty Trottier, would be unable to attend the April meeting. No other work group member reported that they would be unable to attend the April meeting.

Work Group Assignments:

- Nancy Theodore will prepare/issue the letters to Joe Bluehorse and Tony Nertoli regarding the upcoming elections.
- Nancy Theodore will complete the comment analyses of the written comments and the transcripts and provide the analyses to the work group members as soon as possible.
- New work group members should review materials/conference call summaries at <http://www.fns.usda.gov/fdd/programs/fdpi/FundingWkGrp/default.htm>
- All work group members should provide input on the agenda. This is your meeting; you will set the agenda.
- All work group members are asked to submit to Nancy Theodore (by email) any questions they may have for Mr. Salazar at the April meeting. Nancy will compile the questions.
- All work group members should submit to Nancy Theodore (by email) terms they believe the work group should define. Nancy will compile the list.
- All work group members should submit to Nancy Theodore (by email) data and other resource materials they want to have available during the meeting. Nancy will compile the list and collect the data/materials, if available.
- Any work group member, in addition to Mary Trottier, who will be unable to attend the April meetings should advise Nancy Theodore (by email) as soon as possible.
- All work group members should submit to Nancy Theodore (by email) input on the Ground Rules to be used in the meeting. Nancy will compile the list of Ground Rules offered by the work group members and they will be discussed on Tuesday, April 17.

Attachments to the conference call agenda:

- Draft summary of March 8, 2007 conference call
- Three draft letters on upcoming elections
- 7-13-06 Guidelines