



Food and
Nutrition
Service

Park Office
Center

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DATE: May 16, 2017

SUBJECT: Commodity Supplemental Food Program (CSFP): Final Caseload Assignments for the 2017 Caseload Cycle and Administrative Grants

TO: Regional Directors
Special Nutrition Programs
MARO, MPRO, MWRO,
NERO, SERO, SWRO, and
WRO

State Directors
CSFP State Agencies
All Current and New States

On January 3, 2017, the Food and Nutrition Service (FNS) assigned tentative caseload at 697,865 slots and allocated administrative grants accordingly. The tentative national caseload allocation was subject to change based on the amount of funding provided to CSFP in the full-year Fiscal Year (FY) 2017 appropriation. When FNS allocated tentative caseload, CSFP was funded under a Continuing Resolution through April 28, 2017 at a funding level prorated to \$236.120 million.

On May 5, 2017, President Trump signed the Consolidated Appropriations Act, 2017 (P.L. 115-31, the Appropriations Act), which provides \$236.120 million for CSFP for the full FY 2017. Based on this full-year funding level and available resources, FNS is issuing a final national caseload allocation of 697,865 for 2017, which is equivalent to the tentative 2017 level. This is a 78,865 slot increase from the 2016 national caseload level of 619,000 and includes 5,000 slots for a new State, West Virginia. FNS is allocating final caseload and administrative grants for 2017 as provided below.

Final Caseload Assignments for Currently Participating CSFP States

In accordance with CSFP regulations at 7 CFR Part 247, base caseload is assigned in part based on the number of years each State has been in the program. The 2017 base caseload calculation for those States that were participating in CSFP prior to 2016 is equal to the greater of (1) average monthly participation for the previous FY, or (2) average monthly participation for the last quarter of the previous FY. CSFP regulations also permit September-only participation data to be used in determining base caseload if (1) the full-year appropriation for the preceding FY was enacted on or after February 15; (2) the State received additional caseload equal to or greater than ten percent of its base caseload in the previous caseload cycle; and (3) October participation in the current FY was equal to or greater than 95 percent of September participation in the previous FY. Although the regulatory criteria for using September-only participation data were not met for 2017, it may apply for certain States in determining caseload assignments for 2018 due to the late release of this year's full-

year appropriation. CSFP regulations further provide that for each CSFP State, calculated base caseload for 2017 cannot be greater than total assigned caseload for 2016. The one State which began CSFP operations in 2016 – Virginia – receives base caseload equal to its 2016 caseload assignment.

Due to the increased funding provided in the Appropriations Act, lower than expected food costs, and because several States did not fully use their 2016 assigned caseload, a total of 91,102 additional caseload slots are available for allocation. This amount is sufficient to meet all of the requests by eligible, currently participating States that can be reasonably implemented in a single year.

Each requesting State which used equal to or greater than 95 percent of its assigned caseload on an average monthly basis during either FY 2016 or the last quarter of FY 2016 is receiving additional caseload for 2017, provided that the State agency did not exceed 101 percent of its assigned caseload on an average monthly basis for FY 2016. FNS determined that most additional caseload requests from eligible States were reasonable based on the State's history of caseload usage and knowledge of program operations but limited additional allocations where FNS determined the full request could not be efficiently utilized in a single year.

Final Caseload Assignments for New CSFP States

In accordance with CSFP regulations, FNS assigns caseload, to the extent resources are available, in the following order: 1) To meet base caseload for currently participating States, 2) to meet additional caseload requests of currently participating States in amounts that FNS determines is needed and can be efficiently utilized, and 3) to each State agency requesting to begin participation in the program with an approved State Plan. As the amount of additional caseload available in 2017 is sufficient to fully meet all reasonable requests from currently participating States, FNS is also allocating 5,000 caseload slots to West Virginia – the only State with an approved State Plan but not currently participating in CSFP.

Participation of Women, Infants, and Children in CSFP in 2017

Prior to enactment of the Agricultural Act of 2014 (P.L. 113-79, the Farm Bill) on February 7, 2014, State and local agencies administering CSFP were authorized to serve low-income seniors, ages 60 years and older, and women, infants, and children who met the eligibility requirements of the program. However, Section 4102 of the Farm Bill amended CSFP's eligibility requirements to phase out the participation of women, infants, and children and transition it to a seniors-only program.

Accordingly, as of February 7, 2014, no new or pending applications from women, infants, or children can be approved. Women, infants, and children who were certified and receiving CSFP benefits as of February 6, 2014 can continue to receive assistance until they are no longer eligible under the program rules in effect on February 6, 2014.

As a result of this change, the number of women, infants, and children participating in CSFP has declined steadily. In currently participating States, some eligible children may continue on the program throughout the 2017 caseload cycle but all infants and women have already phased out of the program. **Currently participating States are responsible for ensuring that no new applications are approved for women, infants, or children, and that only children eligible under Section 4102 of the Farm Bill are currently receiving CSFP benefits. No women, infants, or children are eligible for enrollment in new States added since 2015.**

Any women, infants, or children seeking to apply for CSFP benefits should be referred to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Supplemental Nutrition Assistance Program (SNAP), and other nutrition assistance programs for which they may be eligible.

Caseload Use and Food Orders in 2017

Program regulations require that States ensure that program participation levels do not exceed assigned caseload on an average monthly basis. In order to ensure sufficient resources are available to serve CSFP participants throughout the year, any States currently exceeding 2017 caseload assignments must work to reduce participation levels to reflect such assignments.

At the same time, State agencies must attempt to fully use their 2017 caseload assignments. State agencies that are receiving increases in their caseload assignments should work to increase participation levels immediately. In order to efficiently utilize caseload, States must monitor participation carefully each month. Per CSFP regulations, caseload assignments in 2018 will be in large part dependent on each State's caseload use this year.

It is crucial that States manage caseload and USDA Foods in the most efficient manner possible. States are required to accurately track and maintain appropriate inventory levels at the State level. FNS provides the CSFP Inventory Calculator as an optional tool to assist States in effectively managing inventories, and State agency staff are strongly encouraged to use this resource. Additional information on the CSFP Inventory Calculator is available on the CSFP homepage at www.fns.usda.gov/csfp. **Regulations at 7 CFR Part 250 prohibit CSFP State-level inventories from exceeding three months on-hand without approval from FNS.**

FNS Regional Offices (ROs) will very closely and constantly monitor States' year-to-date participation levels and food orders. FNS ROs will reduce food orders to ensure that States do not exceed their assigned caseloads or over-order USDA Foods, thus depriving other States of needed resources.

Administrative Grant per Assigned Caseload Slot

The Agriculture and Consumer Protection Act of 1973 (P.L. 93-86), as amended, mandates an administrative grant per assigned caseload slot to be adjusted each FY to reflect inflation. The mandatory grant per assigned caseload slot for FY 2017 is \$74.82.

West Virginia's administrative grant per assigned caseload slot is prorated to account for not having a caseload assignment for the first quarter of FY 2017. As a result, West Virginia's prorated administrative grant per caseload slot is \$56.12.

The attached chart, Attachment A, displays final caseload assignments and administrative grants for each State. Administrative funds for use over the remainder of the FY are subject to apportionment by the Office of Management and Budget. We will keep you informed regarding the availability of such funds.

CSFP State agencies should address questions or comments to their Regional Offices, which may in turn contact Carolyn Smalkowski or Polly Fairfield at (703) 305-2680.

/s/ Original Signature on File

Laura Castro

Director

Food Distribution Division

Attachment