



**United States
Department of
Agriculture**

Food and
Nutrition
Service

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Alexandria, VA
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TO: Regional SNAP Program Directors
All Regions

SUBJECT: Healthy, Hunger-Free Kids Act of 2010 Clarification on Section 241:
Nutrition Education and Obesity Prevention Grant Program

Attached are questions and answers in response to issues raised by States, through various discussions, concerning Section 241 of the Healthy Hunger-Free Kids Act of 2010 (Public Law 111-296), which was enacted on December 13, 2010. Please direct any questions to Jane Duffield or appropriate staff in the State Administration Branch.

A handwritten signature in cursive script that reads "David Burr".

David Burr
Director
Program Accountability and Administration Division
Supplemental Nutrition Assistance Program

Attachments

**Supplemental Nutrition Assistance Program (SNAP)
Healthy, Hunger-Free Kids Act of 2010 (CNR)**

Questions and Answers

Question 1: Is there any recourse for a State that believes its Federal fiscal year (FFY) 2009 expenditures are different than what is reflected in the allocation? Does a State have the ability to amend the financial management reporting form SF 269 with corrected FFY 2009 expenditure data? Will that change affect its FFY 2011 allocation?

Answer: The Child Nutrition Reauthorization (CNR) statute is very specific that allocations are to be based on States' SNAP-Ed expenditures for FFY 2009, reported to the Food and Nutrition Service (FNS) as of February 2010. States can continue to amend the SF 269 with allowable expenditures for Federal reimbursement; however, those expenditures cannot be applied to the allocation base.

Question 2: Are additional Federal funds available to help States through FFY 2012?

Answer: The Statute clearly establishes the funding allocations for the Nutrition Education and Obesity Prevention Grant Program, i.e., SNAP-Ed, as 100 percent Federal funds without State match. The law does not authorize additional Federal financial participation for SNAP-Ed activities from SNAP beyond the fixed grant amount. States may, and are encouraged, to seek additional public or private funding to supplement their nutrition education activities.

Question 3: What is meant by the 2 year transition period and conversion of grants to a 2 year performance period?

Answer: The 2 year transition period refers to the fact that States will continue to operate under current SNAP-Ed guidance in FFY 2011 and FFY 2012. The only changes to the current guidance will be to reflect minor updates and the CNR requirements for 100 percent Federal funding allocations. The 2 year performance period relates to the fact that States will receive an allocation each year that will be available for expenditure over a 2 year period. States can carry any unobligated balance from year one into the second year. There is no limit or fixed percentage of the allocation that a State can carry over into the second fiscal year.

Question 4: Do States need to provide documentation of State match for FFY 2011 and/or FFY 2012? How should States report this information?

Answer: Documentation of match is no longer required. Reporting of match in financial management forms (i.e. SF269) is also no longer required. Additional guidance on financial reporting will follow.

Question 5: Can a State refuse all or part of its allocation and will any funds refused by States be reallocated?

Answer: States should make every effort to use all funds. States do have the option of surrendering to the Federal government balances they do not anticipate using. However, States that do not accept the full allocation in the given 2 year performance period will negatively impact their future allocations. By statute, the amount of any funds surrendered by a State in a fiscal year will be deducted from their FFY 2009 expenditure base for the purpose of calculating the next year's grant. Conversely, States accepting additional funds will have their FFY 2009 expenditure basis increased by that amount for the purpose of calculating the next year's grant. However, we anticipate all States will utilize their full allocation limiting any opportunity for reallocation.

Question 6: Since SNAP-Ed funding allocations are retroactive back to October 1, 2010, what process should States follow if funding allocation for FFY 2011 differs from the amount previously approved for FFY 2011 plan submission?

Answer: States whose planned expenditures for FFY 2011 differ from their allocation under CNR must modify their plans to operate within the new FFY 2011 funding level, as defined in the Statute. States will need to provide informal plan amendments including budget revisions based on the allocated amount for submission to their FNS Regional Offices.

Question 7: Given the 2 year nature of the grant, how should State budgets be structured?

Answer: States must structure budgets to reflect planned expenditures for the current year. These expenditures would include funds from their current year grant as well as funds carried in from the previous year. If a State plans to leave some funds unobligated in the current year for use in the subsequent year, an estimate should be provided. FNS understands that both carry-in and carry-out funds for the budget year are inherently estimates and actual performance may differ.

Question 8: For FFY 2014 and after, a State's allocation will be based on its share of FFY 2009 expenditures and on its share of the total SNAP participants served in the 12-month period ending the prior January 31. Please provide an example to demonstrate what months are included in this formula.

Answer: As an example, for FFY 2014, 10 percent of a State's allocation will be based on its share of total SNAP participation between February 1, 2012 and January 31, 2013.

Question 9: Please clarify what is meant by the 90/10 weighting of expenditures to participants?

Answer: According to the statute, in FFY 2014, 90 percent of the funding allocation will be based on the States' share of the FFY 2009 SNAP-Ed expenditure. Ten percent of the allocation will be based on the States' share of the total SNAP participation for the nation. Each year until FFY 2018, the proportion of the allocation based on the States' share of expenditures decreases by 10 percent and the proportion based on the States' share of SNAP participation increases by 10 percent. In FFY 2018, the proportion will be 50 percent of the allocation based on the FFY 2009 expenditure and 50 percent based on the State's share of the total SNAP participation for the nation. Thereafter, the weighting proportion stays constant at this 50/50 level.

Question 10: When will States be notified of the new budget allocations for FFY 2012?

Answer: Beginning in FFY 2012, and for each successive year thereafter, funding allocations will be indexed for inflation to reflect any increases in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics of the Department of Labor for the 12-month period ending the preceding June 30. We anticipate providing an estimate for States' planning purposes in spring, and final allocations in late summer. Increases based on the CPI are typically expected to be between 1 to 2 percent.

Question 11: Who is responsible for deciding how much funding each implementing agency would receive from the allocated amount? Is this the responsibility of FNS or the State agency?

Answer: States continue to be responsible for managing SNAP-Ed funds among projects and implementing agencies. FNS has final approval authority of States' SNAP-Ed plans but would not dictate how funding is distributed among providers to deliver allowable activities according to policy.

Question 12: According to the implementation memo, does "total SNAP participants served" mean the total *SNAP-Ed participants* served in the SNAP-Ed program or does it mean *SNAP participants* receiving SNAP benefits?

Answer: Total SNAP participants refers to the total number of *SNAP participants* receiving SNAP benefits.

Question 13: Since the CNR does not change the current SNAP-Ed Guidance 2009.1, is it correct to assume that there are no changes to current policy in FFY 2011?

Answer: The law establishes a 2 year transition period, FFY 2011 – 2012, during which State SNAP-Ed Plans will remain consistent with Plan requirements prior to enactment of the

provision. FNS will revise the current SNAP-Ed Guidance (2009.1) with the funding changes from CNR and any other pertinent updates for use in developing SNAP-Ed plans for FFY 2012.

Question 14: Will States have to continue to report information into the Education and Reporting System (EARS), under the new SNAP-Ed grant structure?

Answer: Yes, States must continue to report information into EARS. Additional questions regarding EARS reporting will be handled in separate Q&A's, as needed.

Question 15: How do States document SNAP-Ed staff time for those working 100 percent on SNAP-Ed that were previously paid using both Federal and State share funding?

Answer: The principle focus is on hours worked, not on payment sources. States can now claim 100 percent Federal Financial Participation (FFP) within the limited allocation amount. If the staff spends 100 percent of time on SNAP-Ed, he/she does not need to track time via a time sheet. If the staff spends less than 100 percent of time on SNAP Ed, they must keep time sheets to document how much time is spent on SNAP-Ed. Cost documentation requirements for SNAP-Ed have not changed except that they now apply only to the federally allocated charges.

Question 16: How does USDA-FNS plan to define key programmatic provisions of paragraph (3) (A) of section 241 of the CNR, such as “evidence – based,” “comprehensive multi-level interventions,” and “community and public health approaches”?

Answer: According to the CNR, FNS will define these terms and publish rules promulgating provisions of Section 241 in the Federal Register by January 1, 2012, for program policy and operations governing FFY 2013 and beyond. FNS will consult with various partners and stakeholders including the Director of CDC, representatives of academic and research communities, nutrition education practitioners, government representatives, and community organizations. This consultation will continue as details of the policy are formulated. Those interested will also have an opportunity to provide feedback during the formal comment period of the rulemaking process.