

TEFAP & CSFP Financial Resource Frequently Asked Questions

How can I use the Pounds Distributed Method to determine the indirect cost rate?

CEs should use their perpetual inventory database (CERES, Primarius, etc.) to determine the **total**, global number of pounds distributed by the CE for a given month. Consider all pounds that leave the CE's storage facility for the given month. Subtract any allowable exclusions (see below) from the total pounds distributed. Determine the number of pounds associated with TEFAP and CSFP, respectfully. Divide the number of federal program pounds by the adjusted total number of pounds distributed, then multiply by 100 to determine the percentage of pounds distributed for each program.

Pounds Distributed Percentage Calculation

$$\text{Total Pounds Distributed (raw)} - \text{Allowable Exclusions (Total)} = \text{Total Pounds Distributed (adjusted)}$$

Calculation Example

$$\begin{array}{l} \text{Total Pounds} \\ \text{Distributed (raw)} \\ 1,096,005.87 \end{array} - \begin{array}{l} \text{Allowable} \\ \text{Exclusions (Total)} \\ 34,201.42 \end{array} = \begin{array}{l} \text{Total Pounds} \\ \text{Distributed (adjusted)} \\ 1,061,804.45^* \end{array}$$



Pet Food
2,500.65



Agency Retail Pickup
30,000.43



Paper Goods
1,700.34



*A breakdown of the **Total Pounds Distributed (adjusted)** total can be found on the next page.



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Food and Nutrition Division
Food Distribution Program

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Total Pounds Distributed (adjusted) Breakdown

Food Source	Pounds Distributed	Percentage of Total (adjusted)
TEFAP (total) <ul style="list-style-type: none"> • TEFAP • CARES • FFCRA • TM • BBB 	392,867.65 196,433.82 17,960.76 58,930.15 98,216.91 21,326.00	37%
Non-USDA Foods (used in TEFAP distributions) <ul style="list-style-type: none"> • Purchased • Donated 	333,589.88 105,451.11 228,138.77	31%
Product Not Used in TEFAP Distributions	250,402.56	24%
CSFP	84,944.36	8%
Total Pounds Distributed	1,061,804.45	100%

What pounds should be included in the TEFAP calculation?

TEFAP, Trade Mitigation (if the CE is out of admin funding), FFCRA, CARES, and COSUP pounds. Inventory must be tracked in the CE's database by individual program. If a CE has remaining TM admin funding, only TM pounds can be used to calculate indirect costs to that program.



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What can be excluded from the (adjusted) total pounds calculation?

- Non-food items such as pet food and paper goods
- Pounds that are transported and stored entirely by agencies, and never enter the CE's storage facility (Agency Retail Pickup program pounds, for example)
- Programs that are 100% funded by another source, such as NSLP, or vended children's meals



What expenses go into the Non-USDA section of the claims?

The Non-USDA section of a TEFAP claim should include costs associated with Non-USDA Foods used in a TEFAP distribution channel. This may include donated foods or beverages, and those foods procured by the food bank.

What if I have direct expenses to the program(s)?

Direct costs are expenses that can be identified specifically with a particular cost objective and used to meet a specific goal of the federal program. Direct expenses can be charged to the federal program which they benefit at a rate of 100%. The CE must maintain proper procurement documents (if applicable). An example of a direct cost would be boxes purchased and used exclusively for packaging CSFP food items- this cost should be claimed at rate of 100% to CSFP. The CE may not claim expenses utilized for multiple programs as direct expenses (i.e., a software system holding both TEFAP and CSFP client data cannot be claimed as a direct expense to CSFP).

What expenses are allowable to charge to the program?

Allowable costs must be reasonable and necessary, allocable, and consistent. See handbook for detailed guidance. Costs that do not conform to the cost principles summarized in the handbook are unallowable. Commonly charged items that are unallowable are personal cell phone reimbursements, supplies for employee appreciation events, and common space items such as coffee and water.



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How can I charge salaries to the programs?

Salaries may be charged directly or indirectly to the federal programs. The CE must maintain a documented methodology for how they will determine, and document employee time spent on federal programs to charge those salaries directly. Such methodologies may include “rolling” time studies, or other quantifiable measures of work performed. All activities which benefit the federal program may be claimed at the appropriate allocation rate of indirect costs when it is determined unreasonable to directly charge a staff salary. CEs should revisit and update time allocation percentages as often as necessary to verify that each employee’s job functions still align with their time and salary allocations being charged to the programs.

Which program(s) should I claim against?

Regular TEFAP administrative funds, FFCRA funds, CRRSA funds, and CARES Act funds are generally available for the same allowable costs. However, the funds provided under the CARES Act and the FFCRA were provided by Congress in order to address the immediate needs of the novel coronavirus public health emergency. Since CARES Act funds have a more limited purpose of coronavirus prevention, preparation, and response, these funds were expended as soon as possible to ensure that the statutory purpose was met. CEs should prioritize the spending of their administrative funds in the following order:

1. CARES Act Funds (Texas expended all allocated funds)
2. FFCRA Funds
3. CRRSA Funds
4. Regular TEFAP Funds

How do I utilize and track Build Back Better (BBB) funding?

Build Back Better funding is supplemental funding of the CARES Act (Division B, Title 1) and must be utilized for the prevention, preparation, and response to the coronavirus. BBB funding will be available to CEs in Fiscal Year 2022 and must be utilized within FY22. CEs will be able to accept their allocated administrative funds, and all remaining funds will be fair shared across all states and available for food purchases. BBB is a subprogram of TEFAP, and BBB pounds should be tracked individually. While a CE has remaining BBB admin funding, only BBB pounds can be used to calculate indirect costs to that program.



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