



Emergency Food and Shelter National Board Program

Program Specific Recovery Act Plan

May 15, 2009



Homeland
Security

Federal Emergency Management Agency

*Disaster Assistance Directorate, Individual Assistance
Division*

Message from the Component Accountable Official

I am pleased to transmit the FEMA Emergency Food and Shelter Program plan as required by the implementation guidance from the Office of Management and Budget. The plan was prepared by the Disaster Assistance Directorate, as the proponent and awarding authority for this grant program.

The American Recovery and Reinvestment Act (ARRA) of 2009 appropriated \$100 million to FEMA for its Emergency Food and Shelter Program (EFSP), a unique program designed by Congress to provide emergency food and shelter to hungry and homeless people through local private, nonprofit, and government organizations. EFSP is authorized under the McKinney-Vento Homeless Assistance Act and is separate from FEMA's disaster-related (i.e., Stafford Act) programs. Congress chose EFSP as a vehicle for delivering ARRA funding because of the program's history of providing quick response to vulnerable areas and for its ability to bring immediate relief to communities where increases in job losses have created new emergency food and shelter needs.

EFSP uses measures of unemployment and poverty to allocate the funds it receives from FEMA to city and county jurisdictions around the country. To serve areas in need that do not qualify based on this formula, the National Board established the State Set-Aside program in 1987, which awards additional funds to address areas of high need, including those with recent spikes in unemployment and isolated pockets of homelessness or poverty, among others.

EFSP funds can be used for a broad range of services, including: mass shelter; mass feeding; food distribution through food pantries and food banks; one-month assistance with rent; mortgage and utility payments to prevent evictions; and transition assistance from shelters to stable living conditions. EFSP's objectives are to allocate funds to the neediest areas; to ensure fast response; to foster public-private sector partnerships; to ensure local decision-making; and to maintain minimal but accountable reporting.

This funding will provide immediate relief to communities impacted by unemployment and poverty and will play a crucial role in helping to get our economy back on track and families back on their feet.

Sincerely,

Robert A. Farmer
Acting Director, Office of Policy and Program Analysis
Federal Emergency Management Agency

Executive Summary

The American Recovery and Reinvestment Act (ARRA) of 2009 appropriated \$100 million to the Department of Homeland Security's Federal Emergency Management Agency (FEMA) for its Emergency Food and Shelter National Board Program (EFSP), a unique program designed by Congress to provide emergency food and shelter to hungry and homeless people through approximately 12,000 local private, nonprofit, and government organizations. EFSP is authorized under the Stewart B. McKinney Homeless Assistance Act and is separate from FEMA's disaster-related (i.e., Stafford Act) programs.

Congress chose EFSP as a vehicle for delivering ARRA funding due to: 1) FEMA's ability to get the funds out quickly; 2) the funds delivery system fostered by public-private partnerships down to the local social service organizations; and, 3) the program's empowerment of local representatives, who best know their communities' needs, to make funding decisions. With the ARRA funding, more than \$3.4 billion in federal aid will have been disbursed through the EFSP, since its inception, to over 12,000 human service agencies in more than 2,500 communities across the country, and will have accounted for millions of additional meals and nights of shelter to those most vulnerable among us.



Emergency Food and Shelter National Board Program

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I. Legislative Requirement

This report is submitted per the requirements of the American Recovery and Reinvestment Act (P.L. 111-5), as follows:

Emergency Food and Shelter Program

For an additional amount to carry out the emergency food and shelter program pursuant to title III of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11331 et seq.), \$100,000,000: Provided, That total administrative costs shall not exceed 3.5 percent of the total amount made available under this heading.

This document follows the Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009 (OMB M-09-15).

II. Funding

Services Funded

EFSP funds are used to provide the following services, as determined by the Local Board in each funded jurisdiction:

- Food, in the form of served meals or groceries
- Lodging in a mass shelter or hotel
- One month's rent, mortgage, and/or utility bill payment
- Transportation costs associated with the provision of food or shelter
- Minimal repairs to mass feeding or sheltering facilities for building code violations or for handicapped accessibility
- Supplies and equipment necessary to feed or shelter people, up to a \$300 limit per item

Program Accomplishments (1983 to Present)

FISCAL YEAR	APPROPRIATION	MEALS PROVIDED	NIGHTS OF LODGING PROVIDED	RENT/MORTGAGE PAYMENTS MADE	UTILITY PAYMENTS MADE
2009 – ARRA*	\$100,000,000	35,050,505	2,700,472	104,531	113,411
2009*	\$200,000,000	70,101,010	5,400,943	209,061	226,822
2008*	\$153,000,135	57,954,748	4,131,721	159,932	173,518
2007	\$151,470,000	56,112,548	4,099,329	158,789	173,700
2006	\$151,470,000	75,791,825	3,997,417	153,162	156,837
2005	\$153,000,000	76,557,399	4,441,575	154,709	158,421
2004	\$152,097,000	83,495,460	4,144,329	117,109	152,177
2003	\$152,005,000	75,908,971	4,525,374	128,344	170,938
2002	\$140,000,000	81,923,320	4,019,222	156,712	200,073
2001	\$139,692,000	91,163,944	4,194,185	160,442	192,336
2000	\$110,000,000	75,937,430	3,538,870	105,830	132,691
1999	\$100,000,000	80,195,933	3,584,008	130,645	156,358
1998	\$100,000,000	85,337,908	3,851,965	141,761	179,503
1997	\$100,000,000	39,907,595	5,054,967	132,342	882,640
1996	\$100,000,000	82,606,049	3,864,523	432,535	177,136
1995	\$130,000,000	103,588,784	4,090,234	663,430	213,410
1994	\$130,000,000	107,562,985	4,335,762	300,975	232,883
1993	\$129,000,000	79,712,984	4,435,214	405,902	315,795
1992	\$134,000,000	112,441,772	4,370,883	191,481	250,437
1991	\$134,000,000	128,607,571	4,443,805	437,838	1,094,844
1990	\$130,100,000	129,055,475	4,412,406	438,022	1,096,011
1989	\$126,000,000	117,000,000	21,800,000	**	***
1988	\$124,000,000	121,000,000	42,500,000	**	***
1987	\$115,000,000	80,200,000	39,300,000	**	***
1986	\$90,000,000	88,000,000	30,900,000	**	***
1985	\$70,000,000	60,000,000	18,000,000	**	***
1984	\$40,000,000	33,700,000	6,300,000	**	***
1983	\$50,000,000	51,000,000	101,001,983	**	***
	\$3,404,834,135	2,244,863,711	344,738,715	4,779,021	6,336,530

*Data are projections based on actuals from 2007.

**Rent/Mortgage and Utility Payments Made were reported separately starting in 1990.

Data Source: Information management system maintained by the National Board's Secretariat, the United Way of America. Hard copy reports are submitted by Local Boards and local recipient organizations to the Secretariat, which are then manually entered into the information system.

Progress with FY 2009 ARRA Funding

The \$100 million made available to the EFSP by the ARRA was awarded to the National Board on April 9, 2009. The National Board is now in the process of notifying qualifying jurisdictions of award eligibility. See Section VI, Delivery Schedule, for further details.

III. Objectives

The goal of the Emergency Food and Shelter National Board Program (EFSP) is to deliver critical funding, entrusted through the American Recovery and Reinvestment Act (ARRA) of 2009, to human service organizations serving hungry and homeless people throughout our nation. The objectives for funding appropriated by Congress throughout the program's twenty-six year history remain the same for ARRA funding: allocation of funds to the neediest areas; expeditious and efficient funds delivery; creating and strengthening public-private sector partnerships; empowerment of local representatives to make funding decisions; and the conduct of minimal, but accountable, reporting. ARRA funding is above and beyond the funds already awarded in fiscal year 2009, and are to be used to address the great increases in unemployment and community need that are being seen by Local Boards and emergency service providers throughout the country.

The ARRA funds will bring much needed emergency relief to families, individuals, and communities suffering from increased job losses, home foreclosures, and evictions due to the current economic climate. The funds will bring immediate supplemental relief to those in need where local social service providers are struggling with increased at-need populations, increased operating expenses, and decreased donations.

IV. Activities

- The National Board selected jurisdictions of highest need for food and shelter assistance and determined the amount to be distributed to each. The National Board's formula is based upon average unemployment statistics from the U.S. Department of Labor for the most current 12-month period available and poverty statistics from the 2000 census. Poverty and unemployment were selected as the best indicators of need available nationwide at the city or county level. The National Board adopted this combined approach in order to more effectively target funds for high-need areas and to allocate these funds rapidly and fairly. EFSP ARRA funds were awarded to the National Board on April 9, 2009, and this selection process has been accomplished.
- The National Board selected United Way of America as the Secretariat and fiscal agent to perform the necessary administrative duties for the Board, and has determined an administrative allowance of one percent of the total award may be used for National Board administration. Of the total allowed administrative costs of three and one-half percent, one-half percent may be used by State Set-Aside Committees and two percent may be used by Local Boards or by LROs at the Local Board's discretion for

administrative expenses.

- As fiscal agent, United Way of America will process all Local Board plans and make payments directly to LROs recommended by Local Boards for funding.
- In jurisdictions that received previous awards, the National Board will notify the jurisdiction that new funds are available. In areas newly selected for funding, the National Board will notify the local United Way, or other National Board organization, to request that a Local Board be formed. The National Board will notify qualifying jurisdictions of award eligibility within 60 days following the award of funds by FEMA (April 9, 2009).
- All awards will be paid in two equal installments. Except for the first check to newly funded organizations, the National Board will make all payments by electronic funds transfer (EFT) only. If an organization has received funds subsequent to October 1998 (Phase 17), they are not considered new for payment purposes; therefore they must have EFT in place to receive payments.
- The National Board will issue first payments by EFT to LROs funded in the previous phase. The National Board will issue checks to newly funded LROs (those not funded prior to the EFT requirement) for the first payment only. The National Board will not issue any payments to a jurisdiction until the previous phase's final report has been received. No first payments will be issued to any LRO with any known or unresolved compliance problems in any jurisdiction in which they have previously received funds including the previous phase's final report, if reviewed.
- Second payments will be made once the jurisdiction's compliance review of the previous phase is completed and any compliance problems resolved. Compliance resolution after the end of the funded phase is no guarantee that any remaining award will be forthcoming. Notice of second payments will be mailed to Local Boards and LROs only upon the submission of each LRO's interim report/second payment request form. The Local Board chair will authorize second payments once assured the LRO is implementing the program as intended and according to the guidelines in the EFSP manual and other requirements established by the Local Board. Second payments will be held until all compliance exceptions (if any) are satisfied by the LRO.

V. Characteristics

The EFSP has been in operation for the past twenty-six years. The program was purposefully placed in FEMA to underline the "emergency" nature of the funding, and that distinction remains true today. The program has remained at FEMA, in part, so that recipient organizations such as food banks, soup kitchens, and shelters are aligned with the emergency nature of this funding and because FEMA and the EFSP National Board have become well-regarded in their ability to get the funds out rapidly.

Congress specifically chose the EFSP as a vehicle for ARRA funding because of this reputation for quick response and the program’s empowerment of Local Boards, who know their communities best, to make funding decisions on behalf of areas in greatest need. Consequently, the EFSP serves as a valuable resource for LROs faced with an immediate need to help people with emergency economic needs.

The greatest assets of this program are its local decision-making capabilities and its minimal administrative cost requirements. Local Boards do all of the work, i.e., media advertising, recruiting board members, calling meetings, reviewing proposals, and handling all administrative work with the EFSP National Board. All of this is accomplished with a total administrative budget of 2% of their award funds. In many cases, the Local Boards forgo use of their allowed administrative funds and leave those funds available for local awards.

As an ongoing program, the EFSP has a proven track record for efficient and rapid funds delivery, and its funds reach all corners of our nation. Local Boards and LROs serve communities large, small, urban, rural, and suburban, and the program’s accomplishments in providing this emergency funding is captured through the program’s well-established reporting system, which is minimal, but accountable.

VI. Delivery Schedule

FEMA will implement the program according to well-documented procedures as it has done over the program’s twenty-six year history. Effectiveness will be measured by the delivery of funds down to local jurisdictions according to the program timelines, and the quick and efficient delivery of services by LROs to those in need. The National Board sets specific program deadlines during the course of each funding phase in an effort to ensure funds are released in a timely manner. These deadlines are established based on the following:

Deliverable	Due Date
FEMA awarded the \$100 million made available by the ARRA to the National Board.	April 9, 2009
The National Board will send notifications to qualifying jurisdictions of award eligibility within 60 days from the date FEMA awards the funds to the National Board. In jurisdictions that received previous awards, the National Board will notify the jurisdiction that new funds are available. In areas newly selected for funding, the National Board will notify the local United Way, or other National Board organization, to request that a Local Board be formed.	Not later than June 8, 2009

For ARRA funding, the program deadlines have been established as follows:

Deliverable	Due Date										
Newly funded LROs must sign up for electronic funds transfer (EFT).	Not later than June 30, 2009.										
An LRO that has NOT previously been funded in Phase 27 or ARRA, may not be added for funding.	After June 30, 2009										
The Local Board Plan is due to the National Board approximately 25 working days from the date the Local Board Chair, or contact, receives the ARRA award notification. This date is specified on the front page of the Local Board Plan (Local Board Certification). Therefore, the latest day the Local Board Plan would be due is approximately 25 working days from June 8, 2009, or July 15, 2009, depending on the mail and receipt of notification.	Approximately July 15, 2009										
LROs' Interim Report/Second Payment Requests due to Local Board for ARRA funding.	No later than July 31, 2009										
LROs' Interim Report/Second Payment Requests due to National Board for ARRA funding.	No later than August 15, 2009										
Final Reports are due 45 days after the spending period end date. Jurisdiction's end date selection options are listed on the ARRA Local Board Plan. The jurisdiction's end date is also printed on the LROs' payment letter notification.)	<table border="0"> <thead> <tr> <th><u>If Spending Period</u></th> <th><u>Then Report Due</u></th> </tr> </thead> <tbody> <tr> <td>Sept. 30, 2009</td> <td>Nov. 15, 2009</td> </tr> <tr> <td>Oct. 31, 2009</td> <td>Dec. 15, 2009</td> </tr> <tr> <td>Nov. 30, 2009</td> <td>Jan. 15, 2010</td> </tr> <tr> <td>Dec. 31, 2009</td> <td>Feb. 15, 2010</td> </tr> </tbody> </table>	<u>If Spending Period</u>	<u>Then Report Due</u>	Sept. 30, 2009	Nov. 15, 2009	Oct. 31, 2009	Dec. 15, 2009	Nov. 30, 2009	Jan. 15, 2010	Dec. 31, 2009	Feb. 15, 2010
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VII. Environmental Review Compliance & Federal Infrastructure Investments

Although FEMA chairs the National Board, the Agency does not retain discretion as to the expenditure of grant funds awarded under the Program either by agreement or by statute, and therefore National Environmental Policy Act (NEPA) requirements in 42 U.S.C. §4321, et seq. pertaining to environmental review are not applicable to the Program. Similarly, although Program funds may be used for modification of existing facilities, which may include historic properties, the Agency retains no discretion and therefore this action is not considered an undertaking by FEMA as defined in 36 CFR Part 800, implementing Section 106 of the National Historic Preservation Act (NHPA).

VIII. Measures

FEMA will continue to use the same performance measures for the ARRA-EFSP as for the EFSP. The results of these measures are reported in quarterly and final financial and performance reports, and in an annual independent audit report.

ARRA – Emergency Food and Shelter National Board Program Performance Measures		
Measure #1	Measure	Time (in days) it takes the National Board to notify (all) jurisdictions qualified for funding of award allocation eligibility.
	Accomplishment	The National Board conducts notification within 60 days from award of funds by FEMA to the National Board, or no later than June 8, 2009 and reports accomplishment of this measure in the first quarterly report.
Measure #2	Measure	The number of Local Boards reporting.
	Accomplishment	The National Board submits this information in its quarterly performance reports. The information is entered and maintained in the information management system developed and maintained by the National Board’s Secretariat, United Way of America.
Measure #3	Measure	The number of Local Recipient Organizations (LROs) receiving funds.
	Accomplishment	The National Board submits this information in its quarterly performance reports. The information is entered and maintained in the information management system developed and maintained by the National Board’s Secretariat, United Way of America.
Measure #4	Measure	The actual dollars disbursed to LROs.
	Accomplishment	The National Board submits this information in its quarterly performance reports. The information is entered and maintained in the information management system developed and maintained by the National Board’s Secretariat, United Way of America.
Measure #5	Measure	The percent of subgrantee final reports received and reviewed by the National Board
	Accomplishment	All subgrantee final reports received by the National; Board not later than February 15, 2010,
Measure #6	Measure	Close-out report completed and submitted by the National Board.
	Accomplishment	Close-out report submitted not later than 90 days after the end of the period of performance (April 9, 2011).

IX. Monitoring/Evaluation

FEMA awards a grant in the full amount that Congress appropriates to the National Board (i.e., the Grantee), who qualifies local jurisdictions for funding based on a formula involving the most recent population, unemployment, and poverty statistics. Each civil jurisdiction (a county or city) funded by the program must constitute a Local Board. The Board must be composed of representatives of the same organizations as those on the National Board, with a local government official replacing the FEMA representative. In jurisdictions where affiliates of National Board agencies do not exist, other appropriate groups and individuals should be invited to sit on the Local Board. Jurisdictions that are located within or encompass a Federally-recognized Native American reservation must have a Native American representative on the Local Board. Each Local Board is required to include a homeless person, a formerly homeless person, or former recipient of program services on the Local Board. Additionally, the National Board encourages that organizations representing or serving the special emphasis groups named in the McKinney-Vento Homeless Assistance Act be included on Local Boards. These groups include the elderly, families with children, veterans, and the physically and mentally disabled. Additionally, the National Board encourages Local Boards to expand to be representative of their communities.

Local Boards decide which local non-profit community and government organizations are to receive funds in the qualifying jurisdictions, and funds are disbursed directly to these local recipient organizations (LROs) by the National Board. In addition to direct funding awards, a portion of the funds available are awarded by the National Board to State Set-Aside (SSA) Committees. SSA Committees select jurisdictions for funding with significant needs or service gaps that may not have qualified for direct funding from the National Board.

The National Board conducts compliance reviews of program expenditures for specified LROs. The National Board, FEMA, the National Board's public accounting firm, or the Inspector General's office may also conduct an audit of these funds. The National Board is responsible for monitoring LRO compliance with Circular A-133 of the Office of Management and Budget.

X. Transparency

A copy of the program guidance, the grants.gov announcement, and the signed grant document for the EFSP can be found on www.recovery.gov. The public can obtain comprehensive information on the EFSP and ARRA funding at www.efsp.unitedway.org, which is the program's official website maintained by the National Board. Allocations to local jurisdictions and State Set-Aside Committees are located on the website. Information can also be obtained in the National Board's Phase 27 Responsibilities and Requirements manual.

Every grantee is required to report on a regular basis during the performance period. These performance and financial reports are available for review. The EFSP follows these reporting requirements as outlined in 44 CFR Part 13, 2 CFR Part 215, and 2 CFR Part 230.

As every federal grant recipient that expends over \$500K per year, the National Board is required to have an A-133 audit performed according to guidelines in OMB Circular A-133.

These audits can be viewed and downloaded from the Federal Audit Clearinghouse, <https://harvester.census.gov/sac>. FEMA also prepares a report to Congress on each year's program activities, independently, and through the U.S. Interagency Council on the Homelessness Annual Report.

XI. Accountability

The Disaster Assistance Directorate will be directly responsible for the timely application and obligation of these funds.

Our specific plans to meet the following objectives are as follows:

- Funds Obligated Timely: FEMA obligated 100% of the funds to the grant recipient, the National Board, as scheduled, on April 9, 2009.
- Funds Expended Timely: FEMA will work with the grant recipient to ensure a 100% expenditure rate within the 24-month performance period of the grant.

XII. Barriers to Effective Implementation

FEMA completed a detailed analysis of the requirements outlined in the President's Memorandum "Ensuring Responsible Spending of Recovery Act Funds," (President's Memorandum), and in OMB's "Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009," (OMB Guidance) supplement to the initial guidance, dated February 18, 2009. While FEMA supports and shares in the Administration's commitment to transparency and accountability of ARRA invested dollars, it is important to note that there are definite challenges posed by these new requirements.

Specific Challenges

- *Lobbying Requirements*

The EFSP authorizing statute establishes a national board to administer the EFSP (42 U.S.C. § 11331). While a FEMA representative acts as the Chairperson, statutorily, the National Board consists of six additional members, with each of the following private organizations nominating one individual for membership: United Way of America, The Salvation Army, National Council of Churches of Christ in the U.S.A., Catholic Charities U.S.A., United Jewish Communities, and American Red Cross (42 U.S.C. § 11331). Presently, one of the six standing members from these organizations, as well as three alternate members (all of whom attend EFSP National Board meetings), are registered lobbyists pursuant to 2 U.S.C. § 1601 *et seq.* The EFSP statute in no way restricts the ability of these private organizations to appoint individuals to the National Board. Therefore, enforcement of the restrictions in Section 3 of the President's Memorandum concerning the participation of registered lobbyists in oral communications in regards to National Board matters would effectively prevent such individuals from participating in their assigned duties, and would restrict these organizations' discretion to appoint National Board members (and alternates).

- *Reporting Requirements*

The amount of information requested in these reports will require a significant increase in the amount of administrative work on the part the subgrantees. EFSP subgrantees receive up to only two percent of their award amounts in administrative funds and many, if not most, would not have the personnel to accomplish the additional reporting. With no increase in the typical management and administrative funding set aside for this program, the grantee will either need to use its own dollars or will use program dollars to meet these reporting requirements.

Despite the challenges anticipated in meeting the reporting requirements, FEMA will work to ensure that all applicable reporting requirements are implemented as necessary down to the local level. The development of web-interface capabilities are being discussed to obtain any needed information from the Local Boards and subgrantees. Should this not be feasible, FEMA will require the National Board to implement guidance requiring data to be manually compiled and submitted by Local Boards and subgrantees in order to meet these requirements. Certain requirements in the Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009 (OMB M-09-15), such as reporting of the number of jobs created or infrastructure investments made, are not applicable to the EFSP.

- *Information Management System Capabilities*

Neither FEMA nor the grantee has the capability to receive or report this information. FEMA's current systems and reporting processes are not capable of accommodating the new requirements, so the reporting for ARRA funds will need to be done manually.