



DATE: December 31, 2015

SUBJECT: Commodity Supplemental Food Program (CSFP): Final Caseload Assignments for the 2016 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 Participating States

On December 18, 2015, President Obama signed the Consolidated Appropriations Act, 2016 (P.L. 114-113, the Appropriations Act), providing \$222.198 million for CSFP in Fiscal Year (FY) 2016, which is slightly greater than the President's Budget Request and includes limited additional funding to begin CSFP in Virginia, the only State with an approved State plan but not currently participating. Based on this full-year funding level, the Food and Nutrition Service (FNS) is issuing a final national caseload allocation of 619,000 caseload slots for the 2016 caseload cycle (January 1, 2016 to December 31, 2016). This is a 15,000 slot increase from the 2015 national caseload level of 604,000. FNS is allocating final caseload and administrative grants for 2016, as provided below.

Final Caseload Assignments

In accordance with CSFP regulations, the 2016 base caseload calculation for those States that were participating in CSFP prior to 2015 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. Although CSFP regulations permit September-only participation data to be used to determine base caseload in certain limited circumstances, these regulatory criteria were not met for 2016. CSFP regulations further provide that for all CSFP States, calculated base caseload for 2016 cannot be greater than total assigned caseload for 2015. The seven States which began CSFP operations in 2015 – Connecticut, Florida, Hawaii, Idaho, Maryland, Massachusetts, and Rhode Island – receive base caseload equal to their 2015 caseload assignments.

Due to the increased funding provided in the Appropriations Act and because several States did not fully use their 2015 assigned caseload, a total of 24,253 additional caseload slots are available for allocation. This additional caseload is being allocated to those eligible State agencies which can most efficiently use it without significantly exceeding their caseload assignments, as demonstrated by past performance.

Each requesting State which used equal to or greater than 95 percent of its assigned caseload on an average monthly basis during either FY 2015 or the last quarter of FY 2015 is receiving additional caseload for 2016, provided that the State agency did not exceed 101 percent of its assigned caseload on an average monthly basis for FY 2015. Each of these States is being allocated a share of the total additional caseload slots available proportional to its base caseload, up to its total additional caseload request. Where a proportional share exceeds any State's additional caseload request, the remaining caseload is being allocated proportionally to the remaining States.

Participation of Women, Infants, and Children in CSFP in 2016

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, age 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 in the program 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 declined steadily throughout 2014 and 2015. In currently participating States, some children may continue on the program throughout the 2016 caseload cycle but no infants or women will be receiving benefits. **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 the new States added in 2015 and 2016.**

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 2016

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 2016 final caseload assignments must work to reduce participation levels to reflect such assignments.

At the same time, State agencies must attempt to fully use their 2016 caseload assignments. In order to efficiently use caseload, States must monitor participation carefully each month. Per

CSFP regulations, caseload assignments in 2017 will be in large part dependent on each State's caseload use this year.

Due to the limited resources available to support the program, it is crucial that States use 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. **Recommended CSFP State-level inventories are two to two-and-one-half months by food package category. Regulations at 7 CFR Part 250 prohibit inventories from exceeding six 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 2016 is \$74.53.

Virginia's administrative grant per assigned caseload slot is prorated to account for the fact that the State did not have a caseload assignment for the first quarter of FY 2016. As a result, Virginia's prorated administrative grant per caseload slot is \$55.90.

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 Erica Antonson or Carolyn Smalkowski at (703) 305-2680.

/s/ Original Signature on file

Laura Castro

Director

Food Distribution Division

Attachment