



Oregon

Theodore R. Kulongoski, Governor

Department of Human Services

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November 8, 2010



The Honorable Peter Courtney, Co-Chair
The Honorable Dave Hunt, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Re: Retroactive Request to Apply – Competitive Grant – Non-ARRA Funded
Demonstration – Summer Electronic Benefits Transfer For Children
(SEBTC) Supplemental Nutrition Assistance Program (SNAP) Model
(DHS-CAF-13)

Dear Co-Chairpersons:

Nature of the Request

The Department of Human Services is requesting retroactive permission to apply for federal funds available through a grant from the federal United States Department of Agriculture (USDA), Food and Nutrition Services (FNS). There is no state match required and no additional FTE will be required to administer this grant. Due to the timing of the federal notice and demonstration submission due date, the department is seeking retroactive approval from the December 2010 Emergency Board. The department sent a 10-day notice to apply on September 22 informing leadership of our intent to apply for this grant in partnership with Oregon Department of Education. The grant application deadline was October 29, 2010.

The demonstration was originally opened for competitive bidding August 9, 2010, however, the department was notified of the demonstration via correspondence from Kevin Concannon, the Undersecretary of USDA on August 12, 2010. Because this grant is intended for Summer Food Programming the grant announcement was sent to Oregon Department of Education (ODE), who is the lead agency in Oregon. Oregon Department of Education contacted Children Adults and Families (CAF) on August 30, 2010 requesting a meeting on

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September 1, 2010. CAF was notified at that meeting that ODE did not have the capacity to apply for the grant and it was decided that CAF would take the lead role on the grant application. Oregon Department of Education is interested in partnering with Department of Human Services on this effort. The department has submitted a non-obligating Letter of Intent to apply as the lead agency for the demonstration project to FNS. The Letter of Intent was due to FNS on September 10, 2010.

The Summer Electronic Benefits Transfer for Children (SEBTC) demonstration would allow Oregon, through this FNS grant, to test delivering additional nutrition assistance benefits through an Electronic Benefit Card to 2,500 children certified by the school for free and reduced lunch program in a demonstration area during the summer. Eligibility for this program will be based on the same standards as the Free and Reduced Lunch Program and Supplemental Nutrition Assistance Programs. The income limit per household is set at 185% of FPL for both programs. The random sample of children would be selected out of a pool of up to 10,000 children certified to receive free and reduced lunch identified in the demonstration area. The additional benefit will be delivered to families on an Electronic Benefit Card, which can be added to the regular Supplemental Nutrition Assistance Program (SNAP) if the family is receiving SNAP benefits or the card can be mailed to the family if they are not currently receiving SNAP benefits.

The intention of this demonstration is to test the impact on food security of the additional summer benefits and provide recommendations for future operational and policy consideration. If the proof-of-concept demonstration is successful, FNS will expand funding to the State to serve more families in the demonstration area for up to two more summers contingent upon continued success.

This program will end upon completion of the grant period if FNS does not expand the funding.

Agency Action

If awarded, this demonstration would allow the Department of Human Services in conjunction with the Oregon Department of Education, and School Food Authorities to:

- Disperse food benefits to families of children in the demonstration area for a total of approximately \$375,000 to \$450,000 in 2011 (depending upon the length of the summer recess in the demonstration area). Successful 2011

demonstrations will be able to distribute about \$800,000 to \$1,000,000 per summer in food benefits to demonstration area families in 2012 and 2013.

- The department would also receive start up and operational administrative costs for all participating government organizations and private partners.

Because the treatment households must be able to begin purchasing food with the demonstration benefits as near as possible to the day after the last day of the 2010/2011 school year, the department would need to begin work immediately upon notification of award.

Action Requested

The Department of Human Services, Children, Adults and Families, Supplemental Nutrition Assistance Program is requesting retroactive permission to apply for the Summer Electronic Benefits Transfer for Children (SEBTC) demonstration project.

Legislation Affected

None.

Sincerely



Jim Scherzinger
Deputy Director of Finance

CC: Sheila Baker, Legislative Fiscal Office
Linda Ames, Legislative Fiscal Office
Blake Johnson, Department of Administrative Services