



Food and Nutrition Service

**Management Evaluation Report
of
State Agency Operations**

◆ Fiscal Year 2024 ◆

**Kansas Department for Children and
Families**

The Emergency Food Assistance Program

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EXECUTIVE SUMMARY

The Management Evaluation (ME) is the Food and Nutrition Service's (FNS) assessment of the Kansas Department for Children and Families (Kansas DCF) administration of The Emergency Food Assistance Program (TEFAP). Conducting the ME provides FNS the opportunity to observe and evaluate the State distributing agency's (SDA's) processes and procedures for complying with the requirements outlined in Federal regulations, guidance, and policy. Additionally, the ME is an opportunity for FNS reviewers to provide technical assistance regarding new regulations and policy interpretations as needed.

The ME was conducted at Kansas DCF on May 1-3, 2024. Details on the areas selected for review are explained in the *Introduction*, *Scope*, and *Methodology* sections of this report. The warehouse review portion of the module was conducted on May 3, 2024. An Exit Conference was held on May 13, 2024, to provide a summary of the work performed at the SDA and to discuss any anticipated findings and required corrective actions.

The results of the ME were generally favorable although this year's report contains four findings and two observations which are described in detail in the following report. The findings concern missing provisions in the SDA's contract with a commercial storage facility, not maintaining the required donated food account for program income, and not meeting the eligible recipient agency (ERA) and storage facility review requirements in FY 2023.

A written response to all required corrective actions and suggestions detailed in the ME report must be submitted to FNS within 60 calendar days of receipt. Responses to findings must include a description of the corrective action plan, including implementation time frames and supporting documentation. Suggestions should be considered by the SDA to correct an observation of a weakness. Responses to observations must indicate whether the SDA plans to implement the suggestion and, if the suggestion will not be implemented, the rationale for the SDA's decision.

The FNS reviewers wish to thank the Kansas DCF staff for their time and assistance prior to and during the ME. We commend the SDA for its dedication to providing nutritious USDA Foods to people in need and to supporting American agriculture.

I. DEFINITIONS

Corrective Action Response: Actions that are proposed or taken by a State agency (SA) to respond to a finding of noncompliance with Federal regulations, FNS Instructions, and/or policy memoranda. The SA Corrective Action Response must include the following specific steps to eliminate the cause of non-compliance:

- ✓ Actions to be taken to correct the identified problems in the findings; and
- ✓ Expected timeframes for the corrective actions to be implemented as well as interim milestones to reach full implementation.

Finding: Identification of non-compliance with program regulations, FNS instructions, and/or policy memoranda, and/or other authoritative documents that must be corrected by the SA. Each finding is associated with a required corrective action.

Functional Areas: Specific areas or components of program operations and administration performed by the SA that are examined and evaluated in a ME/Financial Management Review (FMR) such as certification and eligibility, program access, financial management, and recipient agency oversight.

Management Evaluation (ME) or Financial Management Review (FMR): Periodic compliance assessment of SA or local program operations and administration resulting in a report of findings, observations, and noteworthy initiatives.

ME/FMR Report: Formal, comprehensive report of the ME/FMR review that typically includes findings, required corrective actions, observations, suggestions, and noteworthy initiatives.

Observation: Identification of a weakness in program operations or management that is not in violation of program regulations, FNS instructions, and/or policy memoranda, and/or authoritative documents. Each observation is associated with a suggestion.

Required Corrective Action: A statement in the ME/FMR report that conveys the action(s) that must be taken by the SA to correct noncompliance with Federal regulations, FNS instructions, and/or policy memoranda.

II. ACRONYMS

CFR	Code of Federal Regulations
CSFP	Commodity Supplemental Food Program
EFO	Emergency Feeding Organization
ERA	Eligible Recipient Agency
FY	Fiscal Year
FMR	Financial Management Review
FNS	Food and Nutrition Service
FNSRO	Food and Nutrition Service Regional Office

FPRS	Food Programs Reporting System
ME	Management Evaluation
MPRO	Mountain Plains Regional Office
NSIP	Nutrition Services Incentive Program
RA	Recipient Agency
RO	Regional Office, short for MPRO
SA	State Agency
SDA	State Distributing Agency
TA	Technical Assistance
TEFAP	The Emergency Assistance Program
USDA	United States Department of Agriculture
WBSCM	Web-Based Supply Chain Management System

III. INTRODUCTION

The ME was conducted at the office of the Kansas DCF in Topeka, Kansas. The entrance conference was held on May 1, 2024. An ERA facility review was conducted on Friday May 3, 2024, at the Harvesters Community Food Network food bank in Kansas City, Missouri. This report is based on discussions held with members of the SDA and ERA staff and the review of documents provided by Kansas DCF and Harvesters. An exit conference was held on May 13, 2024, to provide a summary of the work performed and the findings of the ME.

Harvesters Community Food Network Staff

- Jerry Parrish, Director

Kansas Department for Children and Families Staff

- Carla Whiteside-Hicks, Director of Economic and Employment Services
- Heidi Widmer, Community Collaboration Assistant Director
- Nataly Montufar, Commodity Manager
- William McGuire, Program Consultant
- Jenny Surey, Program Consultant
- Sarah Morris, Federal Compliance Coordinator
- Melissa Vo, Program Integrity Assistant Director
- Chris Johnson, Deputy Director of Budget
- Mary Burke, Management System Analyst

FNS Mountain Plains Regional Office (MPRO) Review Team

- Michael Medina, Senior Program Specialist
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IV. OBJECTIVE

The main objective of this review was to determine SDA compliance with Federal regulations, policies, laws, contracts, grant agreements, and other requirements applicable to the federally funded nutrition assistance programs. Additionally, the review is intended to provide technical assistance to SDA staff, and to identify best practices and innovation through noteworthy initiatives.

V. SCOPE

The review covered the following functional and sub-functional areas, as outlined in the Fiscal Year (FY) 2024 TEFAP Management Evaluation Module:

- SA Operations
 - SDA Issues
 - SDA Delegation
 - Eligibility – Organizations
 - Eligibility – Households
- Agreements/Contracts
 - SDA/Storage Facility or Carrier Contract
 - SDA/ERA Agreement
 - ERA/ERA
- Financial Management
 - Staffing
 - Financial Recordkeeping and Reporting
 - Administrative Funding
 - Donated Food Account
 - Procurement
 - Property Management
 - State Match
 - Pass-Through Funds
- Audits
- Claims
 - USDA Foods Losses/Claims
- Program Management Information
 - ERA Information
 - State Plan
 - SDA Website
- Distribution Procedures for USDA Foods
 - Food Ordering
 - USDA Foods Distribution and Allocation
 - USDA Foods Delivery
- Inventory Control

- Accountability Procedures
- Transfers/Redonations
- Holds and Recalls
- Food Safety and Food Defense
- Disasters
- Records and Reports
 - Recordkeeping/Retention
 - Reporting – FNS-155 Inventory Management Register
- Monitoring and Reviews
 - ERA Reviews
 - Storage Facility Review
 - Corrective Action
- Civil Rights
 - Sub-Functional Area: Civil Rights Assurances
 - Public Notification
 - Limited English Proficiency (LEP)
 - Disability Compliance
 - Training
 - Compliance Reviews
 - Civil Rights Complaint Procedures
- Farm to Food Bank Projects

VI. METHODOLOGY

The review was conducted in accordance with the FY 2024 FNS National ME/FMR Guidance and utilized procedures and requirements set forth in that document, as well as the FY 2024 TEFAP ME Module. A copy of the FY 2024 TEFAP ME Module was provided to the SDA to help them prepare for the ME. The reviewers also requested these documents in advance of the ME:

- Copies of the agreements between the SDA and ERAs
- Copies of contracts between the SDA and storage facilities/carriers
- Management review forms
- Application forms

Specific evidence gathered before and during the review was obtained through:

- A review of the Kansas TEFAP State Plan
- A review of the TEFAP Policies and Procedures documents
- Interviews with SDA staff
- Interviews with ERA staff
- Management review finding reports sent to ERAs
- Research and data collection of SDA orders placed in the Web-Based Supply Chain Management System (WBSCM)
- Review of files of past TEFAP FNS-155 Inventory Management Register reports
- Food Claims for Fiscal Year 2023 and 2024 (to date)
- Past single audit documentation

- Observations of printed materials provided by the SDA and/or available on the State and eligible recipient agency (ERA) webpages
- Capital equipment tracking documents

The following functional and sub-functional areas contained no findings:

Functional Area: State Agency Operations

Affirmative Conclusion Assessment: The review team examined the four sub-functional areas of SDA operations and all information reviewed complies with program requirements, as described below:

- 1) **SDA Issues.** There are no issues which impact State Agency administration of the program.
- 2) **SDA Delegation.** The SDA does not delegate any administration of the program.
- 3) **Eligibility – Organizations.** ERAs distribute food according to the required priority system. All applicant organizations meet the definition of ERA. Congregate feeding sites do not administer a means test to participants. The IRS Automatic Revocation list is checked annually.
- 4) **Eligibility – Households.** Uniform eligibility criteria are applied statewide. Only households that meet the criteria receive TEFAP food. Applicants must live in the state of Kansas, but there is not a length of residency requirement. Income standards are updated annually.

Functional Area: Agreements and Contracts

Affirmative Conclusion Assessment: The review team examined the three sub-functional areas of the SDA’s agreements and contracts and information reviewed for two areas complies with program requirements, as described below:

- 1) **SDA/ERA.** The review team analyzed the SDA/ERA agreements, and they contain all required provisions.
- 2) **ERA/ERA.** There are no ERA/ERA agreements in the State. All agreements are directly with the SDA.

Functional Area: Financial Management:

Affirmative Conclusion Assessment: The review team examined the eight sub-functional areas of the SDA’s Financial Management information and information for seven of the areas reviewed complies with program requirements, as described below:

- 1) **Staffing.** Staff hours correspond with the time spent working on TEFAP, as required.
- 2) **Financial Record Keeping and Reporting.** The SDA has submitted accurate and timely FNS-667 and FNS-155 reports and maintains records for at least three years plus the current year.
- 3) **Administrative Funding.** The SDA retains, distributes, and monitors ERA use of administrative funds in accordance with program requirements.
- 4) **Procurement.** The SDA has a state-level procurement procedure that complies with program requirements.
- 5) **Property Management.** The SDA maintains the required property management list for equipment bought with program funds.

- 6) **State Match.** The SDA meets all match requirements.
- 7) **Pass-Through Funds.** The SDA retains less than 10% of federal administrative funds, and therefore exceeds the required pass-through requirement. The SDA utilizes a reimbursement model for ERA expenditures.

Functional Area: Audits

Affirmative Conclusion Assessment: Interviews with SDA staff determined they were fulfilling the audit-related program responsibilities.

Functional Area: Claims

Affirmative Conclusion Assessment: The review team examined the sub-functional area of claims and all information reviewed complies with program requirements, as described below:

- 1) **USDA Foods Losses/Claims.** The reviewers examined the established procedures in the Policies and Procedures Manual and interviewed staff to determine the SDA has adequate procedures in place to identify and pursue food loss claims and improper use of administrative funds claims. Discussions with the SA and Food Bank confirmed that all food losses at ERAs are reported to the SA. In FY 2023 the SA filed several food loss claims, which were completed in a timely manner, and contained the required information.

Functional Area: Program Management Information

Affirmative Conclusion Assessment: The review team examined the three sub-functional areas of the SDA's program management information and all information reviewed complies with program requirements, as described below:

- 1) **ERA Information.** The SDA maintains a current list of all ERAs. The SDA maintains a detailed TEFAP Policies and Procedures Manual and leads training and information sharing.
- 2) **State Plan.** The TEFAP State Plan was approved by FNSRO and contains all required elements. The SA uses the income guidelines specified in the State Plan.
- 3) **SDA Website.** The information on the SDA's website is current and accurate.

Functional Area: Distribution Procedures for USDA Foods:

Affirmative Conclusion Assessment: The review team examined the three sub-functional areas of the SDA's Distribution Procedures for USDA Foods information and all information reviewed complies with program requirements, as described below:

- 1) **Food Ordering.** The SDA uses a request-driven ordering system to ensure that foods are ordered in quantities that can be utilized without waste. The SDA sends a survey to the ERAs at the beginning of the year and uses the feedback to enter orders.
- 2) **USDA Foods Distribution and Allocation.** The SDA does not have any agreements with ERAs that are not also emergency feeding organizations (EFOs). The SDA is currently using the TEFAP Reach and Resiliency Grants to address gaps in coverage in five counties.
- 3) **USDA Food Delivery.** The SDA orders food so that it is shipped either to the State-contracted storage facility or to ERAs. The SDA enters the goods receipts within two days.

Functional Area: Inventory Control:

Affirmative Conclusion Assessment: The review team examined the four sub-functional areas of the SDA's Inventory Control and information reviewed complies with program requirements, as described below:

- 1) **Inventory Control.** The SDA conducts reconciliation at least annually and requires separate book inventories for the USDA Foods in storage. The SDA lists insurance requirements on the notice of grant award for ERAs and checks for appropriate levels of insurance on program reviews.
- 2) **Transfer and Redonation.** The SDA has not had to transfer or redonate any USDA foods and is in compliance with all regulatory requirements.
- 3) **Holds and Recalls.** The SDA has five state staff listed in WBSCM for holds and recalls. The SDA provides training to ERAs on holds and recalls.
- 4) **Food Safety and Food Defense.** The SDA provides periodic food safety training to the ERAs.

Functional Area: Disasters:

Affirmative Conclusion Assessment: The SDA has the disaster manual on file and all emergency contacts and information are stored both digitally and hardcopy.

Functional Area: Records and Reports

Affirmative Conclusion Assessment: The review team examined the two sub-functional areas of the SDA's Records and Reports information and all information reviewed complies with program requirements, as described below:

- 1) **Recordkeeping/Retention.** The SDA maintains files for at least three years plus the current year and requires ERAs to do the same. The SDA makes record inspections part of their onsite reviews for the ERAs.
- 2) **Reporting – FNS-155.** The SDA has submitted all FNS-155 reports on time.

Functional Area: Monitoring and Reviews

Affirmative Conclusion Assessment: The review team examined the three sub-functional areas of Monitoring and Reviews and information for one of the areas complies with program requirements, as described below:

- 1) **Corrective Action.** The SDA submits a report of review findings to the ERA. The report addresses each deficiency found and includes recommendations for corrective action.

Functional Area: Civil Rights

Affirmative Conclusion Assessment: The review team examined the seven sub-functional areas of the SDA's civil rights activities and the information reviewed complies with program requirements, as described below:

- 1) **Civil Rights Assurances.** The appropriate assurance statements are on the SDA's written agreements and contracts.
- 2) **Limited English Proficiency.** The SDA has a language access plan.
- 3) **Disability Compliance.** The SDA inquires about disability access during their ERA reviews.

- 4) **Training.** The review team reviewed the Civil Rights Training Log and the Civil Rights Training materials used by SDA and ERA staff. All materials were in compliance with Civil Rights requirements.
- 5) **Compliance Reviews.** The SDA completes pre-approval and routine compliance reviews, as required.
- 6) **Civil Rights Complaints Procedure.** Based on interviews with SDA staff, the SDA handles Civil Rights Complaints in compliance with Civil Rights requirements.

Functional Area: Farm to Food Bank

Affirmative Conclusion Assessment: Kansas has not participated in any Farm to Food Bank Projects.

VII. FINDINGS AND REQUIRED CORRECTIVE ACTIONS

Agreements/Contracts

SDA/Storage Facility or Carrier Contract

Finding No. 1: The contract between the SDA and its contracted commercial warehouse, F&A Food Sales, is missing three provisions required by program regulations, as detailed below:

- A provision that ensures compliance with all Federal, State, or local requirements relative to food safety and health, including required health inspections, and procedures for responding to a food recall. [7 CFR 250.12(f)(2)]
- A provision that ensures storage of donated foods in a manner that distinguishes them from other foods and ensures separate inventory recordkeeping of donated foods. [7 CFR 250.12(f)(3)]
- A provision to provide for termination of the contract by either party, for cause other than noncompliance with the contract terms, after written notification of such intent at least 60 days prior to the effective date of such action. [7 CFR 250.12(f)(9)]

Background: The review team inspected the contract between Kansas DCF and F&A Food Sales and found the contract is missing provisions outlined in the regulation, which may lead to noncompliance by the commercial warehouse.

Required Corrective Action: The SDA must amend the contract with F&A Food Sales to include the missing provisions. A draft of the new contract must be reviewed and approved by the FNSRO before signatures are obtained, and a copy of the fully executed contract must be shared with the FNSRO to close the finding.

Financial Management

Donated Food Account

Finding No. 2: The SDA does not maintain a donated food account for funds obtained from sources incidental to USDA Foods distribution, as required by 7 CFR 250.17(c).

Background: The review team interviewed SDA staff, including state financial management personnel, and ERA staff. The interview with ERA staff revealed that the ERA was selling pallets, however the SDA was not aware of the practice and the funds were not deposited into a donated food account.

Required Corrective Action: The SDA must establish a donated food account and deposit all funds obtained from sources incidental to USDA Foods distribution into that account, as required by 7 CFR 250.17(c). The SDA must submit a plan to FNSRO detailing how it will separately account for funds accruing from the sale of containers, salvage of foods, insurance, and recoveries of claims for the loss or damage of USDA Foods, and ensure they are deposited into the donated food account.

Monitoring and Reviews

ERA Reviews

Finding No 3: The SDA did not complete the required number of TEFAP program reviews of ERAs that have an agreement directly with the SDA in FY 2023, as required by 7 CFR Part 251.10(e)(2)(i).

Background: Per 7 CFR 251.10(e)(2)(i), the SDA must complete an annual review of at least 25 percent of all ERAs which have signed an agreement with the SDA, ensuring that each such agency is reviewed no less frequently than once every four years. The SDA had difficulty meeting this requirement due to the large number of ERAs that have agreements directly with the SDA.

Required Corrective Action: The SDA must develop a plan and schedule to complete the required number of TEFAP reviews for ERAs under agreement with the SDA in FY 2025 and submit it to the FNSRO. Additionally, the SDA must submit proof, such as review reports, that it completed the required number of reviews in FY 2025 to the FNSRO in order to close this finding.

Storage Facility Reviews

Finding No. 4: The SDA did not conduct a storage facility review of its contracted storage facility, F&A Food Sales, in FY 2023, as required by 7 CFR 250.21(b)(2).

Background: Interviews with SDA staff and a review of documentation revealed that a review of F&A Food Sales did not take place in FY 2023.

Required Corrective Action: The SDA must complete a storage facility review of F&A Food Sales in FY 2025 and submit the completed review forms and review report to the FNSRO in order to close this finding.

VIII. OBSERVATIONS AND SUGGESTIONS

State Agency Operations

Observation No. 1: It is the opinion of the reviewers that the SDA does not have enough staff to properly administer all the FNS programs for which they are responsible. At the time of this ME, the SDA had three staff members working on three FNS programs: the Commodity Supplemental Food Program (CSFP), TEFAP, and the USDA Foods component of the Nutrition Services Incentive Program (NSIP). Interaction with staff has shown all to be competent, well qualified, and engaged, so this should not be interpreted as an indication of poor performance. However, there were many issues identified during the ME that indicate a need for more oversight over the programs and training provided by the SDA to the ERAs. Increased staff and staff time dedicated to these programs would allow the SDA to dedicate efforts towards program oversight/analysis and improvement including ensuring monitoring reports are conducted timely and thoroughly, inventory reconciliation, developing standard operating processes, and having back-up coverage if staff are unavailable.

Suggestion: The SDA should evaluate their staffing needs and take steps to increase the number of staff hours dedicated to working on TEFAP so that regular oversight as well as consistent technical assistance can be provided for ERAs to ensure compliance with Federal and State regulations, as well as ensuring there is a backup plan in case of staff changes. FNSRO staff can discuss this further with the SDA, if requested.

Observation No. 2: The SDA currently holds agreements with all 200 plus ERAs, making the administrative responsibilities of monitoring for compliance and providing technical assistance extremely difficult. Many findings in this report are due to the large number of ERAs that the SDA is directly responsible for administering.

Suggestion: The SDA should investigate reducing the number of agreements that it holds directly with ERAs and determine if there are any ERAs that are capable of maintaining agreements with sub-recipient agencies.

IX. STATE AGENCY RESPONSE REQUIREMENTS

The SDA is required to provide a written response identifying its corrective actions to findings outlined in this ME Report. The corrective action response (CAR) is due 60 calendar days from the ME report date. The CAR must address all findings and must show evidence of the

following:

- Determination of the corrective action(s) necessary to address the root cause(s) and correct the finding in a sustainable manner.
- Identification of the timeframes related to each corrective action. This includes major milestone dates and target implementation dates (or actual implementation dates if implemented prior to CAR submission).
- Identification of the SA officials responsible or the point of contact for each corrective action.
- Include how the State will monitor the corrective action and how the State will determine if the corrective action is successful in addressing the root causes.
- Documentation/evidence for any corrective action that has been implemented.

FNS will provide technical assistance in developing CARs if requested by the SDA.

Please provide the response to the ME Team, within 60 days of receipt of this report. Email your corrective action responses to Michael.Medina@usda.gov and Ashton.Tongco@usda.gov.

X: CONCLUSION

There are four instances of non-compliance with Federal rules and regulations. The reviewers found the staff at Kansas DCF and Harvesters Community Food Network to be helpful and dedicated to administering TEFAP in Kansas. The FNS reviewers want to thank them all again for their assistance and cooperation during the ME.