

Understanding Emergency Food and Shelter Program (EFSP): An overview¹

What is EFSP?

The **Emergency Food and Shelter Program (EFSP)** is a federally funded program to supplement the work of local social service agencies to help people with economic (not disaster-related) emergencies. EFSP provides local communities support to help residents with utility, housing and food needs. Because of the downturn in the economy, Congress appropriated additional funding for Phase 27 (2009). Then in February 2009, Congress included additional funding in the **American Recovery and Reinvestment Act (ARRA)** for EFSP.

Who administers the EFSP?

The **National EFSP Board** selects jurisdictions for funding or “direct awards” based on formulas, usually using unemployment information. Each of these jurisdictions has a Local Administrator (usually a nonprofit agency such as United Way or Community Action Agency) and a Local Board (must include United Way, Red Cross, Salvation Army, faith organizations, etc.). Remaining funds are allocated by the **State Set-Aside Committee**, which selects jurisdictions and a methodology for calculating distributions. **Indiana Association of United Ways** (IaUW) oversees the **State Set-Aside Committee** for the EFSP.

How much funding is provided?

Indiana was allocated \$3,695,580 for Phase 27. Thirty-five counties and the City of Gary each received a direct award. **IaUW administered \$923,545** for the remaining 57 eligible counties. Indiana was allocated a total of **\$2,125,114 for ARRA** (American Recovery and Reinvestment Act Funding) (FY 09) for distribution to Indiana communities of which **\$1,569,313 was awarded directly** to 50 counties and the City of Gary and **\$555,801 was provided for State Set-Aside** allocations.

How is EFSP funding allocated?

At the system level: Funding for direct awards is based on highest areas of unemployment at a certain date. For **Phase 27 EFSP**, the State Set-Aside Committee met in January to determine allocation methodology for remaining counties. The Indiana SSA Committee followed a general principle of trying to reach all areas of the state with some sense of equity and transparency in creation of formula. The SSA Committee used a base rate of \$5,000 per county, plus a need-based allocation based on Unemployment and Food Stamps (weighted toward unemployment). For **ARRA-EFSP** funding of direct awards, the National EFSP board used a formula based on unemployment average for period February 2008-January 2009. For ARRA-EFSP in State Set-Aside counties, the SSA Committee used the most recent Unemployment data (March 2009) in creating the formula for SSA counties and may redistribute unclaimed funds to hardest hit counties.

At the local level: Local Boards meet to discuss and determine priorities—perhaps assigning percentages for meeting utility, shelter, housing and food needs. Local Boards solicit applications from local community organizations to provide the assistance to individual households (rent payments, utility payments, shelter nights, food, etc.). The ARRA-EFSP Guidance is clear that the Local Boards must work to address increased needs resulting from increased unemployment.

What is my responsibility as Local Board member, Local Administrator or Local Recipient Organization (LRO)?

Local Board member –Be a good steward of the funds. Know the needs of the community. Look for ways to maximize funds. Ensure no or fully disclose conflicts of interest. Follow the EFSP rules.

Local Administrator – Know and follow the EFSP rules. Establish a strong local board. Fully disclose conflicts of interest. Communicate with Local Board, LROs, National Board, and State Set-Aside Committee as appropriate. Document meetings, notice and decisions as required. Keep documents for audits.

Local Recipient Organization (LRO) – Know and follow EFSP rules. Be good stewards of funds and direct to Local Board-directed priority population. Complete and submit documentation requirements appropriately by deadlines. LROs that fall out of compliance are required to comply or to repay the funds for any future funding.

Don't know your local board or EFSP? We encourage you to get involved locally! Learn more and look up your county at the National EFSP site at www.efsp.unitedway.org . Contact Lucinda Nord, SSA chair, at lucinda.nord@iauw.org or 317-921-1394 with questions.

¹ **Disclaimer:** The information in this document is provided to stimulate further exploration if individuals or organizations might be interested in EFSP. Please consult official EFSP publications and guidelines.