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Food and Nutrition

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NEW FOOD STAMP REGULATIONS CALL FOR STATE REVIEWS

A NEW AMENDMENT to food stamp regulations requires States to develop systems for monitoring and improving their administration of the food stamp program.

The amendment is one of several steps FNS is taking to improve administration of the food stamp program. These include more emphasis on the food stamp quality control system and on increased service to recipients.

The regulation change implements amendments to the Food Stamp Act included in Public Law 93-347, approved last year.

States will annually review their State level operations and the operations of local areas that issue \$500,000 or more in bonus food stamps a month. They will review smaller local areas once every 2 years. In addition, States will continue quality control reviews currently in effect.

States will then report to FNS on deficiencies and proposed corrective actions, and FNS may cancel federal administrative funds if a State fails to take corrective action toward program improvement.

FNS received comments on the proposed regulation from 26 State agencies and 13 other interested parties. Significant changes as a result of these comments include a statement of intent not to use

quality control tolerance levels until appropriate levels are established; delaying the first personnel reports from July 1, 1975, to August 1, 1975; and defining specific time intervals for the formal warning system which precedes the withholding of funds.

STATES HAVE MORE TIME ON PUBLIC ASSISTANCE WITHHOLDING

STATE AGENCIES administering the food stamp program now have until Jan. 1 to make public assistance withholding available to food stamp recipients. Under the withholding system, a household receiving public assistance can select to have the cost of its monthly food stamp allotment deducted from the cost of its monthly welfare payment and receive its food stamps by mail.

The deadline for implementation of public assistance withholding had been July 1. However, FNS extended the effective date because several bills in Congress would make this provision optional rather than mandatory; and the withholding system is complex and expensive, and many States still have much work to do to implement it.

DEADLINE EXTENDED ON USE OF OLD SERIES FOOD STAMPS

NEW SERIES \$1, \$5, and \$10 food stamps are now in circulation, but food stamp recipients can continue to use 50-cent, \$2, and old series \$5 coupons until Aug. 31. FNS introduced the new series in March and set a deadline of June 30

for recipients to spend old series stamps at authorized retail stores and meal services. The agency extended this deadline on July 1 to allow recipients issued old coupons in March, April and May adequate time to use them. Grocers and meal services can redeem old series coupons at commercial banks through Sept. 30.

NEW FOOD STAMP BOOKLET AVAILABLE THIS FALL

FNS IS CURRENTLY working on a comprehensive booklet on the food stamp program. The booklet, entitled "The Food Stamp Program," includes information for food stamp applicants on eligibility requirements, household income deductions, work registration, food stamp allotments and purchase requirements, and recipient responsibilities.

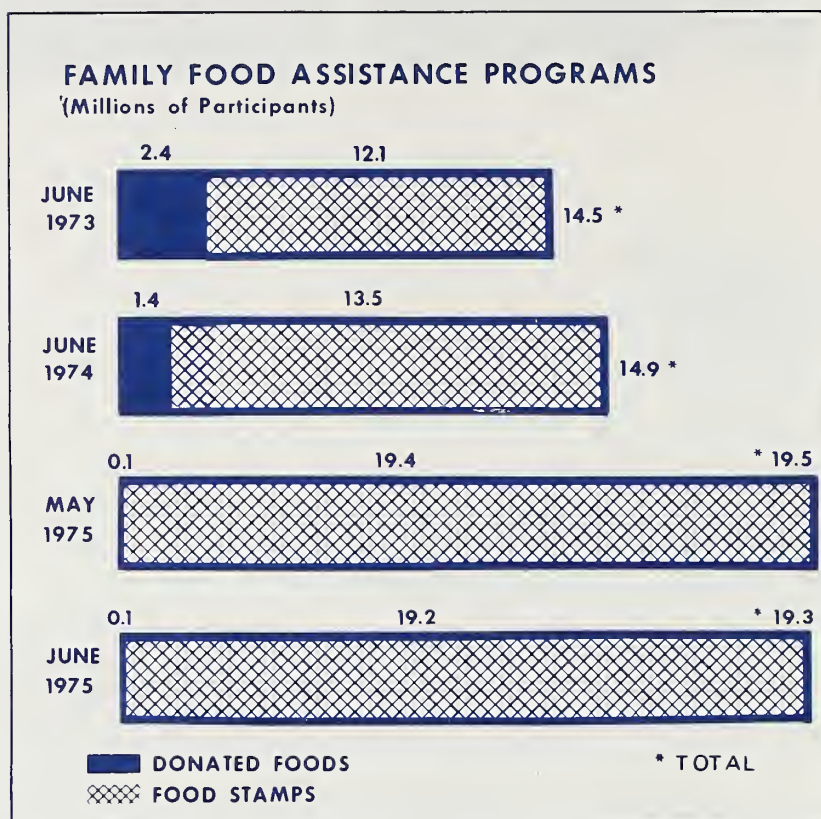
The 16-page booklet, available this October, will be distributed to State agencies that help administer the food stamp program.

STATE GOVERNORS TO COMMENT ON FOOD STAMP PLANS

IN ACCORDANCE WITH regulations finalized Aug. 7, State governors will have a period of 45 days to comment on plans and amendments submitted by States participating in the food stamp program.

The regulation provides the opportunity for each State governor or his delegated agency to review the relationship of food stamp plans and amendments to other State plans and programs. State agencies will then send the governors' comments to FNS, along with the State plans and amendments when they are submitted for approval.

The regulation change is in line with requirements of the Office of Management and Budget, and is similar to regulations that have been adopted by other Federal agencies. Details were published in the Federal Register Aug. 7.



FNS INCREASES RATES OF PAYMENT FOR CHILD NUTRITION PROGRAMS

ON JULY 1, FNS increased the rates of payment to State educational agencies for the School Lunch, School Breakfast, and Special Milk Programs. Also increased was the national minimum average value of commodities for the National School Lunch Program.

The adjustment reflects changes in the "food away from home" series of the U.S. Department of Labor Consumer Price Index for the period December 1974-May 1975. During that period, the series increased 3.97 percent, and the new rates approximate that increase.

The average payment to States for each lunch served increased one-half cent, from 11.75 cents to 12.25 cents. States may now vary a school's reimbursement up to 18.25 cents a lunch. Previously the ceiling was 17.75 cents.

The additional guaranteed average payment to States for lunches served to needy children went up 2 cents--to 44.5 cents for each reduced-price lunch, and to 54.5 cents for each free lunch.

The maximum school reimbursement States can pay for free lunches increased 2.5 cents. It can range as high as 71.75 cents for a reduced-price lunch and 81.75 cents for a free lunch.

The average State payment for each breakfast served to eligible children increased one-half cent--from 9.25 cents to 9.75 cents. The additional average payment to States for each reduced-price breakfast had been 17.50 cents; the new rate is 18.25 cents. The additional average payment to States for a free breakfast, which had been 23.25 cents, is now 24.25 cents.

For cases of severe need, maximum rates of reimbursement remain at 40 cents for reduced-price breakfasts and 45 cents for free breakfasts.

The national average minimum value of commodities--or cash in lieu of commodities--to be made available under the National School Lunch Program for fiscal year 1976 will be 11 cents per lunch. This is a 9.99 percent increase over the fiscal year 1975 value of commodities, based on the percent increase in the food away from home series of the Consumer Price Index during the period June 1974 to May 1975.

The adjusted rate of reimbursement per half pint of milk served under the Special Milk Program will be 5.50 cents for paying children in fiscal year 1976, an increase of 9.90 percent over fiscal year 1975. The payment to institutions for milk served to needy children will remain at the purchase price of the milk.

CHILD NUTRITION REGULATIONS GIVE STATES MORE AUTHORITY

STATES WILL HAVE more authority for administering child nutrition programs as a result of recent amendments to regulations which apply to the School Lunch, School Breakfast and Nonfood Assistance Programs, as well as to State adminis-

trative expenses. The changes provide that States can:

- Determine the procedure schools will use in accounting for their use of federal funds.
- Specify the data schools must submit in order to receive reimbursement.
- Maintain records either in their original form or on microfilm.
- Use their own procedures to disallow claims and recover overpayments.

The new regulations also:

- Require USDA to provide written notice and justification when a federal grant to a State agency or school is withdrawn.
- Eliminate the restriction on advancing federal funds to schools. The requirement remains that the amount of the advance is to be based on the funds needed for one month of operation.

The amendments are the result of a presidential order, Federal Management Circular 74-7 issued by the General Services Administration, which calls for simplification and standardization of federal grant machinery. The regulation changes appeared in the Federal Register July 24 and became effective immediately.

MORE FOOD FOR THE ELDERLY

On July 1, FNS increased the value of food donated to the nutrition programs for the elderly, funded under the Older Americans Act of 1965. The increase, from 10 to 11 cents per meal, reflects the change in the Consumer Price Index from May 1974 to May 1975.

The nutrition programs are administered jointly by the Department of Health, Education and Welfare in cooperation with State agencies on aging.

SCHOOL LUNCH AND THE BICENTENNIAL—A COOPERATIVE EFFORT

THE NEW "YOU Are What You Eat" television public service announcement, this year featuring a camel and a monkey, was introduced at the American School Food Service Association Convention held in Chicago July 7-10. Produced annually by FNS and ASFSA in support of National School Lunch Week, the spot will be shown on television stations throughout the country this fall.

The ASFSA Convention was also the scene for the kick-off of the Child Nutrition Bicentennial Project sponsored by FNS, State departments of education, and ASFSA in honor of the 200th anniversary of the United States and the 30th anniversary of the National School Lunch Program.

The project will run for the next 18 months and feature a broad range of activities to promote nutrition education efforts and increase school lunch participation. Participating schools will plan monthly Bicentennial menus having such themes as the first Thanksgiving, a colonial Christmas, and the Boston Tea Party. Schools and organizations which support the project will receive special recognition awards.

High points of the Bicentennial project include: this year's National School Lunch Week Oct. 12-18; the 30th birthday of the National School Lunch Act, June 4, 1976; and the 1976 National School Lunch Week, October 10-16.

Additional information concerning the project can be obtained by contacting FNS, ASFSA, or State departments of education.



FOOD PROGRAM PEOPLE

LILLIAN P. ADDERLEY of Columbia, S.C., recently began a 3-year term on the National Advisory Council on Child Nutrition. The new appointee is director of home management services in the adult services division of the South Carolina Department of Social Services. Ms. Adderley attended the meeting of the Council held in Chicago July 7-9 in conjunction with the ASFSA convention.

NEW RELEASES

● "Food Stamp Facts--Eligibility Requirements" (FNS-72) is a revised fact sheet reflecting July 1975 income eligibility standards.

● "Food Stamp Program--Tips for Cashiers" (FNS-136) is a convenient 4 by 5 inch card with do's and don't's for grocery store cashiers who handle food stamps. It can be taped or posted anywhere around the cash register.

● "FNS Facts: The Food Stamp Program" (FNS-77). The general fact sheet on food stamps has been rewritten, updated and redesigned.

● "The Food Stamp Program--A Manual for Commercial Banks" (FNS-121) outlines procedures commercial banks must follow in handling food stamps. The revised manual reflects new coupon denominations.