



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Cara M. Christ, MD, MS
Interim Director

April 17, 2020

Mr. Dwight Crudup
Regional Director
United States Department of Agriculture
Food and Nutrition Services
1100 Commerce Street, Room 522
Dallas, Texas 75242

Dear Mr. Crudup,

Attached is a waiver request from Arizona Department of Economic Security, the SNAP-Ed State Agency and Arizona Department of Health Services, the SNAP-Ed State Implementing Agency, to grant temporary approval for the implementing agencies to engage in direct food distribution activities during this time.

If you have any questions or need additional information, please let me know. Looking forward to your response.

Sincerely,

Carolyn McMahon
Administrative Services Officer
Arizona Department of Economic Security
Division of Benefits and Medical Eligibility

STATE WAIVER REQUEST

1. Waiver Serial Number (if applicable):

2. **Type of request:** Initial

3. Regulatory citation:

2 CFR §200.405(c)

2 CFR §200.405(d)

2 CFR §200.430

4. **State:** Arizona

5. **Region:** Southwest Region

6. Regulatory requirements:

2 CFR 200.405(c) – Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under the two or more Federal awards in accordance with existing Federal statutes, regulations, or terms and conditions of the Federal awards.

2 CFR §200.405(d) – Direct costs allocation principles. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the cost may be allocated or transferred to the benefited projects on any reasonable documented basis.

2 CFR §200.430 Compensation—personal services, states that services rendered by an employee should be compensated during the period of performance under the federal award. This regulation clarifies that professional activities needing special consideration, such as the allowability of compensation for activities outside of the federal award, need to be authorized by the federal awarding agency.

Under CFR §272.3(c), upon request of the State agency, the Food and Nutrition Service (FNS) may waive the requirement that SNAP-Ed staff not serve meals or perform food service duties.

7. Proposed alternative procedures:

This waiver will allow for the Arizona Department of Economic Security, the SNAP-Ed State Agency, and Arizona Department of Health Services, the SNAP-Ed State Implementing Agency, to grant temporary approval to Arizona's Local Implementing Agencies in all 15 counties to compensate salary and benefits and in-state travel to support the emergency food system. This system includes meal service duties for food banks, food pantries, schools, early childhood sites and other food assistance sites, who prepare, serve and/or deliver emergency meals/food. Arizona local agencies have expressed interest to have this as an optional job duty for their staff to assist in the local community. The staff that would support these efforts would hold food handlers cards in their local counties.

The local agencies are also looking to share supplies that would have been otherwise used for food demonstrations (i.e. gloves, antibacterial wipes, paper products, and general cleaning supplies) with the food distribution sites.

The Arizona Department of Health Services, state implementation team, works closely with the Arizona Food Bank Network and the Arizona Department of Education. Both agencies have expressed supporting SNAP-Ed staff in the communities that are in greatest need. Currently, the Arizona Food Bank Network has been coordinating the locations that the National Guard has been assigned to and will assist SNAP-Ed by assigning staff to smaller pantries and food distribution sites that have indicated that they need more assistance.

The Arizona Department of Health Services will continue to maintain mandatory time and effort, and travel cost documentation. Agencies will track all hours worked each day and allocate them according to SNAP-Ed allowable activities and emergency food assistance support for documentation purposes as all associated costs will be charged to the SNAP-Ed federal award.

8. Justification for request:

Due to COVID-19 Arizona is experiencing unique challenges due to its many rural and urban counties. As of 04/09/2020, in AZ, 3,018 individuals have tested positive for COVID-19. 7% of cases tested are positive and this number continues to increase. The Governor of Arizona has issued a stay-at-home order for all residents.

Due to this mandate and rapid progression of confirmed cases, Arizona is seeing a shortage of staff and volunteers who are able to support the emergency food system. The governor has enlisted the National Guard to help stock grocery stores and work in the larger food bank warehouses. We are still seeing a shortage of support at the smaller food pantries and food delivery organizations to the senior eligible population. Many food pantry volunteers are at the high risk age so there is a shortage of volunteers. Schools are also cutting back on meal service due to the lack of staffing available. The foods supply chain is struggling since food distribution sites have turned their attention to the grocery stores which is now impacting the resources that school districts receive for meals.

SNAP-Ed has cancelled and/or postponed in-person classes in order to be in compliance with prevention mandates. Many counties are looking into supporting their communities with virtual education. In some areas of our rural counties this option is not possible. This provides an opportunity for SNAP-Ed staff to support the emergency food system by packing, distributing and/or deliver food for food banks, and other emergency food sites.

Many partners in Arizona work closely already with their local food system and this will help build relationships and build trust in the community and with partners.

9. Caseload information, including percent of caseload and description of population expected to be affected by this waiver:

As a result of this waiver, Arizona SNAP-Ed does not predict any effect on the SNAP-Ed caseload. Arizona currently services 380,000 SNAP households as of January 2020 and this number is growing. This waiver could impact many SNAP recipients ensuring they receive healthy nutrition meals timely and daily.

10. Anticipated impact on households and State agency operations:

This waiver has a positive impact on SNAP recipients by ensuring they receive healthy nutritious meals during this time. The Arizona SNAP-Ed program already has over 1,400 sites approved (1 emergency food, SFSP, schools, senior sites, and early child care) that would be eligible to receive assistance.

11. Anticipated implementation date and time period for which waiver is needed (please indicate if the waiver approval is needed to make system adjustments):

Beginning Immediately April 2020 – Possibly end July 2020

12. Proposed quality control review procedures:

No special quality control procedures are needed. Local Implementing Agencies will maintain communication with the State Implementation Team and standard reviews will continue for time documentation.

13. Name, title, and email of requesting staff:

Name: Cristina Guterman

Title: AZ Health Zone (SNAP-Ed) Administrator

Email: Cristina.guterman@azdhs.gov

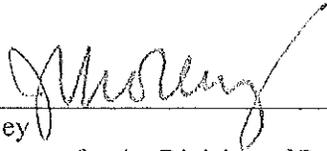
14. State agency staff contact:

Name: Carolyn McMahon

Title: Administrative Services Officer

Email: cmcmahon@azdes.gov

15. Signature and Title of State Agency Official



Jeffrey Morley

Assistant Director for the Division of Benefits and Medical Eligibility
Department of Economic Security

16. Date of request: 4/9/2020

17. Regional Office contact person (to be completed by FNS regional office):