

Topic: Impact of the 2008 Farm Bill (i.e., Food, Conservation, and Energy Act of 2008) Amendments on the FY 2009 Expanded Food and Nutrition Education Program (EFNEP) Allocations

Background: Section 7403 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246) (FCEA) amended section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)) to provide the opportunity for 1862 and 1890 land-grant institutions, including Tuskegee University and West Virginia State University, and the University of the District Columbia, to compete for and receive these funds directly from the Secretary of Agriculture. However, section 1425 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA) provides a statutory formula for the distribution of funds appropriated for the Expanded Food and Nutrition Education program (EFNEP). [Section 7116 of FCEA](#) amended NARETPA section 1425 to revise this statutory formula effective October 1, 2008.

CSREES released the [FY 2009 Formula Grant Opportunity \(FGO\) - Initial](#) for the EFNEP Program on December 11, 2008. Appendix A to this FGO provided tentative allocations for the 1862 and 1890 land-grant institutions based on the FY 2008 appropriated funding level with the application of the revised EFNEP formula allocation methodology established by FCEA. Although the overall funding amount and the individual allocation amounts to the 1890 land-grant institutions remain the same as FY 2008 amounts (for the FY 2009 Estimated EFNEP Allocations), the individual amounts to the 1862 land-grant institutions changed as a result of the FCEA amendments.

Previous Formula Methodology: Prior to FCEA, the EFNEP formula funds were distributed as follows -- the FY 1981 bases to each State (i.e., 1862 land-grant institutions) plus any increases appropriated above the FY 1981 level according to the following formula: 4 percent for administrative costs and of the remainder, 10 percent equally among the States (i.e., 1862 land-grant institutions) and 90 percent based on each State's (i.e., 1862 land-grant institution's) prorata share of the population at or below 125 percent of the poverty level.

Section 883 of the Federal Agriculture Improvement and Reform Act of 1996 amended section 3(d) of the Smith-Lever Act to provide eligibility to the 1890 land-grant institutions for any program appropriated under section 3(d) of the Smith-Lever Act, including EFNEP. However, participation was limited to those programs for which funding was appropriated in excess of the higher of the FY 1995 or any previous fiscal year appropriated level. In FY 2006, the amount initially appropriated for EFNEP exceeded the FY 1995 funding level (which also is the highest level of funding for the program). Please note that this formula provided allocations by States versus institutions. However, the Secretary of Agriculture did determine that the entire increase above the FY 1995 level for those states (with 1890 land-grant institution(s)) would be allocated to the 1890 land-grant institution(s) within the States. In FY 2007 and FY 2008, additional funds in excess of the FY 2006 level were appropriated to ensure that all institutions (both 1862 and 1890) would receive a minimum of \$100,000; thus, minimizing, to a great extent, the impact of the inclusion of additional eligible institutions in this program while providing sufficient EFNEP funds to the institutions to implement, expand, and conduct a complementary EFNEP program

with another institution within the State. Please see the FY 2006 - FY 2008 EFNEP formula allocations available at <http://www.csrees.usda.gov/business/awards/formula.html>

Current Formula Methodology: Section 7116 of FCEA amended section 1425 of NARETPA to revise the EFNEP formula allocation as follows:

- 1) The FY 1981 bases are allocated to the 1862 land-grant institutions.
- 2) Four percent of the increase in funding above the FY 1981 appropriated level is allocated for administrative costs.
- 3) \$100,000 given to each 1862 land-grant institution (including the University of the District of Columbia (UDC)) and 1890 land-grant institution (\$7.5 million).
- 4) Ten percent of the funds (appropriated in FY 2009) in excess of the amount of funds appropriated for EFNEP in FY 2007 is allocated to the 1890 land-grant institutions according to each institution's prorata share based on the population at or below 125 percent of the poverty level. These percentage amounts in FY 2010 increase to 11 percent, FY 2011 increase to 12 percent, FY 2012 increase to 13 percent, FY 2013 increase to 14 percent, and FY 2014 and thereafter to 15 percent.
- 5) The remainder is allocated to each 1862 land-grant institution according to each institution's prorata share based on the population at or below 125 percent of the poverty level.

Please see the [Calculations for the Estimated FY 2009 EFNEP Allocations](#) Based on the FY 2008 Appropriated Level and the Revised EFNEP Formula Methodology.

Analysis of the Formula Change: When applying the revised EFNEP formula methodology to the FY 2008 appropriated funding level, neither the overall amount nor the individual amounts allocated to the 1890 land-grant institutions change from the actual FY 2008 allocations; however the amounts to the individual 1862 land-grant institutions do change due to the impact of the increased "equal" amount under the revised formula methodology. For example, previously if the funds appropriated above the FY 1981 overall amount (e.g., \$10 million), 10 percent or \$1 million would be allocated equally to the 56 States (i.e., 1862 land-grant institutions excluding UDC). Under the revised formula methodology, with a \$10 million increase above the FY 1981 level, 75 percent or \$7.5 million would be allocated equally. Thus, the revised formula will initially have a negative impact on the 1862 land-grant institutions with significant populations at or below 125 percent of the poverty level. However, with additional EFNEP funding increases, this trend will reverse itself.

Contact: Additional questions regarding the estimated FY 2009 EFNEP formula allocations may be submitted to efnepformula@csrees.usda.gov.