

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 COMMUNITY PLANNING AND DEVELOPMENT
 EMERGENCY FOOD AND SHELTER PROGRAM

PROGRAM HIGHLIGHTS

	ESTIMATE 2001	ENACTED 2002	ESTIMATE 2003	INCREASE + DECREASE - 2003 vs 2002
	(Dollars in Thousands)			
Program Level: (Obligations)	[...]	[...]	\$153,000	+\$153,000
Appropriations: (Enacted or Proposed)	[...] <u>a/</u>	[...] <u>a/</u>	\$153,000	+\$153,000
Budget Outlays	[...]	[...]	\$153,000	+\$153,000

a/ As part of FEMA, the program received \$139.7 million in appropriations in fiscal year 2001, and \$140 million in fiscal year 2002.

SUMMARY OF BUDGET ESTIMATES

HUD is requesting the transfer of the administration of the Emergency Food and Shelter program (EFSP) from FEMA. This would result in all emergency shelter assistance--both EFSP and HUD's long-standing Emergency Shelter Grants (ESG) program being under one agency, HUD. The transfer would help consolidate and streamline the Administration's efforts to effectively address homelessness. The fiscal year 2003 request is for \$153 million. The intent of the program is to help meet the needs of the hungry and homeless people throughout the United States and its territories by allocating federal funds for the provision of food and shelter.

EXPLANATION OF INCREASES AND DECREASES

In fiscal year 2003, HUD requests \$153 million for this program. Funds will be distributed in accordance with established criteria through the National Board to provide homeless and hungry people with emergency assistance as expeditiously as possible. HUD will disburse funds to the National Board within the time frames required by law.

PROGRAM DESCRIPTION AND ACTIVITY

1. Legislative Authority

The Emergency Food and Shelter Program is authorized under Title III of the Stewart B. McKinney Homeless Act.

2. Program Area Organization

The National Board awards funds to jurisdictions based on a formula involving population, poverty, and unemployment data to determine the eligibility of a civil jurisdiction. The National Board will be chaired by HUD and its non-profit partners, the American Red Cross, The Salvation Army, United Way of America, and others who will provide their expertise. Poverty data will be from the 2000 decennial Census, unemployment data is from the Bureau of Labor Statistics. Additionally, applicants may be eligible for funds from State set-aside committees that have more discretionary power to distribute funds. The program supplements the work of local agencies already providing such help at the community level. During the first 13 years of operation, the program distributed funds to over 10,500 non-profit and local government agencies in more than 2,500 jurisdictions.

a. Program Purpose. This program distributes funds rapidly and equitably to local jurisdictions to supplement community efforts to provide emergency food and shelter services to alleviate the problems associated with hunger and homelessness. Funds will continue to be obligated to a National Board. This National Board then works through similarly composed Local Boards to advertise the availability of funds, assess community needs, and make allocation choices. These community-based Local Boards also assure coordination of effort and development of systems to prevent duplication of benefits. Program funds are allocated for the purpose of providing food and shelter in the following ways: food, in the form of served meals or groceries;

Emergency Food and Shelter Grants

lodging in a mass shelter or hotel; 1 month's rent or mortgage payment; one month's utility bill; minimal repairs to allow a mass feeding or sheltering facility to function during the program year; and equipment necessary to feed or shelter people, up to \$300 limit per item.

b. Eligible Applicants/Participants. Each jurisdiction funded by the program must constitute a Local Board. The Board must be composed of the same organizations as those on the National Board, with a local government official replacing the HUD representative. The Local Board may also have additional members. Since 1993, Local Boards have been required to include a homeless or formerly homeless person as a member. Jurisdictions that do not qualify under the formula and thus do not receive funding directly from the National Board may receive funds through the state set-aside process, and jurisdictions that do qualify may receive additional funding the same way.

c. Program Allocation. Award amounts are determined by dividing the available funds by the number of unemployed persons within each jurisdiction that qualifies. Jurisdictions that do not qualify under the formula and thus do not receive funding directly from the National Board may receive funds through the state set-aside process; jurisdictions that do qualify for direct funding may receive additional funding the same way.

In 1985, the National Board created a State set-aside process to identify and fund areas of need not reflected in the national criteria. State set-aside committees, with members mirroring Local Boards, receive funds based upon the number of unemployed people in counties within their state that do not qualify under the National Board's criteria. State committees may use any criteria they wish to develop a needs-based formula to determine which jurisdictions receive funding. The committees must give priority to jurisdictions that have not qualified under the National Board formula, but they may also select, with National Board approval, jurisdictions that were funded by the National Board.

STATUS OF FUNDS

Balances Available

a. Unobligated Balances. The following table compares the program obligations with funds available by year for the Emergency Food and Shelter program:

	<u>ACTUAL</u> <u>2001</u>	<u>ESTIMATE</u> <u>2002</u>	<u>ESTIMATE</u> <u>2003</u>
	(Dollars in Thousands)		
Unobligated balance, start of year . . .	...	...	...
Appropriation:			
Emergency Food and Shelter program . .	...	...	...
Total Available . . . . .	...	...	\$153,000
Obligations incurred	<u>...</u>	<u>...</u>	<u>-153,000</u>
Unobligated balance, end of year . . . .	...	...	...

b. Obligated Balances. The status of obligated balances for the Emergency Food and Shelter program is as follows:

	<u>ACTUAL</u> <u>2001</u>	<u>ESTIMATE</u> <u>2002</u>	<u>ESTIMATE</u> <u>2003</u>
	(Dollars in Thousands)		
Obligated balance, start of year
Obligations incurred	<u>...</u>	<u>...</u>	<u>\$153,000</u>
Subtotal	153,000
Outlays	<u>...</u>	<u>...</u>	<u>-153,000</u>
Obligated Balance, end of year

Emergency Food and Shelter Program

STRATEGIC GOALS AND OBJECTIVES: RESOURCES REQUESTED (\$ AND FTE) AND RESULTS

The Emergency Food and Shelter program supports the Department's Strategic Goal 5, "effectively address the challenge of homelessness."

SELECTED PERFORMANCE MEASURES

NOTE: Targets are preliminary and may be revised with the submission of the full APP document.

STRATEGIC GOAL/OBJECTIVE	ESTIMATE 2001	ENACTED 2002	ESTIMATE 2003
Strategic Goal 5: Effectively address the challenge of homelessness.			
Discretionary BA (Dollars in Thousands)	\$153,000
FTE			
Headquarters	2
Field
Subtotal	2
Strategic Objective 5.2: Help homeless individuals and families move to permanent housing.			
Strategic Objective 5.3: Expand efforts to prevent households from becoming homeless.			
Indicator: At least 110,000 households will receive emergency rental or mortgage payment assistance through the Emergency Food and Shelter Program to prevent homelessness.	NA	NA	110,000
FTE Total	2

NA = Not Applicable