

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

PROGRAM HIGHLIGHTS

	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004	INCREASE + DECREASE - 2004 vs 2003
(Dollars in Thousands)				
<u>Program Level:</u>				
Obligations .....	... <u>a/</u>	\$153,000	\$153,000	...
Appropriations: (Enacted or				
Proposed) .....	... <u>a/</u>	153,000	153,000	...
Budget Outlays .....	... <u>a/</u>	153,000	153,000	...

a/ As part of the Federal Emergency Management Administration (FEMA), the program received \$140 million in appropriations 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 the Department of Homeland Security (DHS). This would consolidate all emergency shelter assistance—both EFSP and HUD’s long-standing Emergency Shelter Grants (ESG) program—in HUD. The transfer would consolidate and streamline the Administration’s efforts to effectively address homelessness. The fiscal year 2004 request is for \$153 million. The program’s purpose 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. Transferring the DHS EFSP program will allow for improved integration of the Federal effort in this area and follows the focus being pursued by the United States Interagency Council on Homelessness to bring overall Federal resources and efforts closer together. The transfer also recognizes that FEMA is now part of the Homeland Security effort and the homeless activity is more appropriately placed under HUD.

EXPLANATION OF INCREASES AND DECREASES

In fiscal year 2004, HUD requests \$153 million for this program the same as fiscal year 2003. 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, with all funds continuing to outlay in the budget year.

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 is a public/private partnership that includes representatives from the Salvation Army, American Red Cross, Catholic Charities USA, United Jewish Communities, United Way of America, and The National Council of Churches. 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. 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.

Emergency Food and Shelter

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 are 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 to provide food and shelter in the following ways: food, in the form of served meals or groceries; lodging in a mass shelter or hotel; 1 month's rent or mortgage payment; 1 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 a \$300 limit per item.

b. Eligible Applicants/Participants. Each year the National Board develops a formula involving population, poverty, and unemployment data to determine the eligibility of a civil jurisdiction and distribution of funds.

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>2002</u>	<u>ESTIMATE</u> <u>2003</u>	<u>ESTIMATE</u> <u>2004</u>
	(Dollars in Thousands)		
Appropriation:			
Emergency Food and Shelter program . .	...	\$153,000	\$153,000
Obligations incurred . . . . .	...	-153,000	-153,000

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

	<u>ACTUAL</u> <u>2002</u>	<u>ESTIMATE</u> <u>2003</u>	<u>ESTIMATE</u> <u>2004</u>
	(Dollars in Thousands)		
Obligations incurred . . . . .	...	\$153,000	\$153,000
Outlays . . . . .	...	-153,000	-153,000
Obligated Balance, end of year . . . . .	...	...	...

Emergency Food and Shelter Program

ADMINISTRATIVE EXPENSES

FTE/OBJECT CLASS	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
FTE			
Headquarters	...	3	3
Field	...	...	...
Total FTE	...	3	3
S&E Cost (Dollars in Thousands)			
Personal Services	...	\$417	\$426
Travel	...	3	3
Printing	...	2	2
Other Services	...	12	15
Total S&E Cost	...	\$434	\$446