

441—66.6(234) Reimbursement for allowable costs. To the extent that funds are available for payment, the department shall pay allowable costs to contractors as reimbursement for expenses attributable to the program. TEFAP payments by the department are subject to federal regulations at 7 CFR Part 251, as published on January 1, 2005, especially 7 CFR 251.8(e).

66.6(1) Allowable costs. “Allowable costs” are the direct costs incurred for intrastate storage and transportation of federal commodities. Allowable costs shall include:

- a.* Costs to rent, lease, operate, and maintain storage facilities and transportation equipment;
- b.* Costs to load, unload, distribute, and otherwise handle, account for, and manage the distribution of federal commodities;
- c.* Salary and support expenses of employees and operations necessary in the management, coordination, and accomplishment of TEFAP food distribution to the extent that expenses are directly attributed to the storage and distribution of federal commodities;
- d.* Costs associated with determinations of eligibility, verification, and documentation;
- e.* Costs of providing information to persons receiving commodities concerning the appropriate storage and preparation of such commodities; and
- f.* Costs of other administrative procedures required for participation in the program.

66.6(2) Reimbursement request. Contractors must complete Form 470-0298, Federal Emergency Assistance Food Distribution Report/Reimbursement Request, in order to file for reimbursement.

66.6(3) Rate of reimbursement. The department shall reimburse each contractor at a per-gross-pound rate to be determined by the department and included in the agreement with the contractor. In the event the department cannot maintain this level of reimbursement throughout the term of the contract, the reimbursement shall be adjusted based on the available funds remaining from the USDA grant.

66.6(4) No reimbursement for bonus items. The department shall not reimburse a contractor for bonus items received. The department cannot project the amount and items received as bonus items throughout the year. Each contractor or subcontractor shall have the option to refuse bonus items.