

**2009 Innovations Awards Program
APPLICATION**

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ID # (assigned by CSG): 09-S-27TX

Please provide the following information, adding space as necessary:

State: Texas

Assign Program Category (applicant): Government Operations, Administration

- 1. Program Name**
Special Nutrition Programs Consolidation
- 2. Administering Agency**
Texas Department of Agriculture (TDA)
- 3. Contact Person (Name and Title)**
Bryan Black
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9. Please provide a two-sentence description of the program.

Before the consolidation, the Texas Department of Agriculture (TDA) administered public school-based child nutrition programs, while Texas Health and Human Services Commission (HHSC) administered child nutrition programs for private schools, daycare operations and non-profit entities, as well as commodity distribution programs. The eight federal nutrition programs previously administered by HHSC – the National School Lunch Program, School Breakfast Program, Special Milk Program, Summer Food Service Program, Child and Adult Care Food

Program, Food Distribution Program, Texas Commodity Assistance Program and Commodity Supplemental Food Program – became a part of TDA in October 2007 to enhance streamlined administration of the programs, including all support functions such as information technology and legal services. The transition also helped consolidate special nutrition program policies, procedures and rules; unify business services and logistics; and create a more seamless regulatory and reimbursement system for public schools, nonprofit private schools, residential child care institutions and sponsoring organizations.

10. How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 2, 2009 to be considered.

Since October 1, 2007 (18 months)

11. Why was the program created? What problem[s] or issue[s] was it designed to address?

Child nutrition programs in Texas were separated between two agencies. The Texas Department of Agriculture (TDA) assumed responsibility of the school-based child nutrition programs from the Texas Education Agency (TEA) in 2003. Beginning in 1953 the Texas Department of Human Services (DHS)/Health and Human Services Commission (HHSC) began administering commodity distribution programs and over time acquired the child nutrition programs for private schools, daycare operations and non-profit entities. The nutrition programs were split between two separate agencies, as TEA's focus was limited to working with public schools while HHSC emphasized the programs as part of the social services offered by their agency. Once TDA began administering the school-based programs, transfer of the programs under one agency that emphasized nutrition and well-being for Texas citizens was the optimal solution. A single agency administering the programs in Texas streamlined program operations; consolidated program policies, procedures and rules to parallel the Code of Federal Regulations; and created a more seamless regulatory system for public schools, nonprofit private schools, residential child care institutions and sponsoring organizations. Steps to implement a seamless reimbursement system are currently underway.

12. Describe the specific activities and operations of the program in chronological order.

April 2007	Developed Transition Project Team
June 2007	Consolidated and published final rules in the Texas Administrative Code
July 2007	Completed legal authority for transfer and obtained USDA approval
September 2007	Transferred Program Administration/Contracts
September 2007	Transferred fiscal functions
October 2007	Transferred HHSC staff to TDA/HR tasks
October 2007	Transferred budget functions
October 2007	Transferred Facilities/Business Services/Assets & Record Management
February 2008	Established and began maintaining employee and customer relations/communications
March 2008	Moved state office HHSC staff to the SFA Building
July 2008	Transferred information resources/IT functions
July 2008 (ongoing)	Began relocating field operations staff across the state to TDA offices.

13. Why is the program a new and creative approach or method?

Forty-two states administer their food and nutrition programs separately, with most school-based programs administered in state education agencies and other programs in alternate agencies such as state health, human services and agriculture departments. Alabama, Massachusetts, Mississippi, New Jersey, North Dakota, South Dakota and Utah, plus Guam and the Virgin Islands all have their school meals programs, child and adult care food programs, and commodity distribution programs administered from a single department – Education (in every case but New Jersey). Texas is innovative in that it sought ways to streamline the function of government and deliver the best support possible to the public-serving agencies. It identified programs with parallel operations whose contractors represented overlapping populations, and integrated the programs in a central administrative agency. By moving the administration of the nutrition programs to the Texas Department of Agriculture (TDA), whose mission statement includes to “promote healthy lifestyles,” Texas ensures the administering agency and all its contractors – be they schools, adult day homes, food banks or local charities – enjoy uniform standards of service and support in pursuit of their common goals. Realigning staff functions by program allows targeted technical assistance, thereby preserving program integrity and preventing fraud and abuse. Combining the training, monitoring, claims, policy and outreach functions of the different programs, allows TDA to improve customer service and administer federal funding more economically and efficiently.

14. What were the program’s start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.)

Project Management	\$128,000
Change Management	\$ 10,000
Team-building	\$ 4,000

15. What are the program’s annual operational costs?

See below

16. How is the program funded?

TDA Funding Source

Federal Program Administration Funds: \$265,884,770

Matching General Revenue: FY 2008, \$859,937

TEA Funding Source

Federal Program Administration Funds: \$1,411,976,708

Matching General Revenue: FY 2008, \$14,400,000

17. Did this program require the passage of legislation, executive order or regulations? If YES, please indicate the citation number.

Yes. Texas HB 4062, 80th Regular Legislative Session, June 15, 2007

18. What equipment, technology and software are used to operate and administer this program?

Specialized software for information (Child Nutrition Programs Information Management System), payments (Special Nutrition Automated Payment System), commodity distribution (Texas Commodities System), and training (Learning Management System). No other special equipment, technology or software is required, other than that commonly found in most office settings.

19. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address.

New Jersey has also combined these programs under the administration of the Department of Agriculture.

20. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?

YES. Seven other states (Alabama, Massachusetts, Michigan, New Jersey, North Dakota, South Dakota, and Utah) have centralized administration of these programs in one department. New Jersey is the only state besides Texas to have the programs under the administration of the Department of Agriculture. Todd Staples, Agriculture Commissioner, is committed to advancing the 3E's of Healthy Living – Education, Exercise and Eating Right. This level of support has provided greater opportunity to highlight the need for greater nutrition education and provide the curriculum and support to meet this need not only in public schools, but also in childcare centers, day homes, adult care, private nonprofit school systems, residential child care institutions and food distribution localities.

21. Has the program been fully implemented? If NO, what actions remain to be taken?

Administration of the program under one agency oversight is complete. Steps are still being taken to house all software systems in one agency as well as procure a claim and application system to handle all nutrition programs. The 11 field offices that operated under the Texas Health and Human Services Commission HHSC are in the process of realigning to operate within the Texas Department of Agriculture's TDA's five state regions.

22. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.

Consolidating the administration of federal nutrition program services in Texas has afforded one single agency the ability to take a holistic approach in addressing one of the nation's most

threatening problems: the obesity epidemic that is threatening the future of our children. The Child Nutrition and Commodity Distribution Programs combined provide healthy food and nutrition education for a range of Texans from children early on in child care, to students in school, to working families, to the elderly in adult day care centers. Addressing the problem with children at an early age and supporting the goals of a healthy lifestyle with all age groups throughout their lives can reverse the course obesity is taking in America.

A strong relationship already existed between the administrations of the Texas Department of Agriculture's (TDA's) and the Texas Health and Human Services Commission's (HHSC's) nutrition programs. Combining the child nutrition (CN) and commodities distribution programs resulted in efficiencies and savings in staff and resource allocations. The following are a few examples of estimated savings and efficiencies from the combined administration of the programs.

- HHSC administered the CN and commodity programs through contracts with schools and non-profit organizations, annually reviewing and renewing over 4,000 contracts. TDA administered many of the same programs through 1,200 agreements and automated renewals with school districts in its Child Nutrition Program Information Management System (CNPIMS) Integrating the program administration for such a large number of contracts minimized the need for many of the separate and duplicative contract administrative procedures resulting in operational and staff savings.
- Both agencies operated field offices to monitor and provide technical assistance for program recipients. HHSC had 46 full-time employees (FTEs) stationed in 11 field offices to process and approve applications and renewals, monitor compliance, and provide training and technical assistance. TDA performed compliance monitoring with 11 FTEs and contracts with 20 regional Educational Service Centers (ESCs) for training and technical assistance (52 FTEs). Combining the compliance monitoring, training and technical assistance functions for all school programs results in more efficient utilization of resources and staff.
- Combining administration of the public and private school programs improved their effectiveness and provided more consistent nutrition standards for the federal nutrition programs in Texas. The combination of program responsibilities results in savings for both central and field offices. TDA staff, which now includes the staff formerly in special nutrition at HHSC, performs all CN school program administration and reviews more efficiently.

23. How has the program grown and/or changed since its inception?

Prior to the consolidation, TDA had 27 FTEs:

Assistant Commissioner (1)

Deputy Assistant Commissioner (1)

Executive Assistant (1)

Operations, Nutrition and Education: (12 FTEs)

Compliance: (12 FTEs)

HHSC's nutrition programs were administered by 99 FTEs:

Director (1)

Executive Assistant (1)

Program Development: (15 FTEs)
Child Nutrition: (52 FTEs)
Commodities: (14 FTEs)
IT, Finance, and Analysis: (16 FTEs)

After the consolidation, the new Food and Nutrition Division has realigned the job functions to deliver optimum service and support to maximize the expertise of all the team members. The new division has 120 FTEs in this structure:

Assistant Commissioner (1)

Executive Assistant (1)

Lead Deputy Assistant Commissioner (1)

Director of Operations (1)

Business Operations (12 FTEs)

Nutrition, Education and Operations (11 FTEs)

Commodities (10 FTEs)

Deputy Assistant Commissioner (1)

Program Specialist (1)

Compliance (14 FTEs)

Policy (6 FTEs)

Field Operations (53 FTEs)

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?

- Integrating two divisions with different cultures, processes and procedures
- Integrating disparate systems for handling contracts and payments
- Transferring projects in process
- Transfer of debt
- Transfer of outstanding appeals
- Reconciling reporting requirements among jurisdictional agencies

**2009 Innovations Awards Program
Program Categories and Subcategories**

Use these as guidelines to determine the appropriate Program Category for your state's submission and list that program category on page one of this application. Choose only one.

Infrastructure and Economic Development

- Business/Commerce
- Economic Development
- Transportation

Government Operations

- Administration
- Elections
- Public Information
- Revenue

Health & Human Services

- Aging
- Children & Families
- Health Services
- Housing
- Human Services

Human Resources/Education

- Education
- Labor
- Management
- Personnel
- Training and Development
- Workforce Development

Natural Resources

- Agriculture
- Energy
- Environment
- Environmental Protection
- Natural Resources
- Parks & Recreation
- Water Resources

Public Safety/Corrections

- Corrections
- Courts
- Criminal Justice
- Drugs
- Emergency Management
- Public Safety

Save in .doc or rtf. Return completed application electronically to innovations@csg.org or mail to:

CSG Innovations Awards 2009
The Council of State Governments
2760 Research Park Drive, P.O. Box 11910
Lexington, KY 40578-1910

Contact:

Nancy J. Vickers, National Program Administrator
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This application is also available at www.csg.org, in the Programs section.

Deadline: March 2, 2009