



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

**CONSENT**  
**December 8, 2009**

**Honorable Mayor and  
Members of the City Council**

**Title: Summer Food Service Program**

**Location/Council District: Citywide**

**Recommendation:** Adopt a **Resolution 1)** authorizing the Parks and Recreation Department's continued year-round participation in and operation of the Summer Food Service Program (Program) throughout the Sacramento region through December 31, 2013; **2)** authorizing the City Manager to execute, subject to City Attorney approval as to form, the California Department of Education-approved Food Service Agreement and any extensions, amendments or other necessary documents with local school districts and other licensed food service providers as necessary to operate the Program through December 31, 2013; **3)** authorizing the City Manager to issue purchase orders in a total amount up to \$750,000 with local school districts and other licensed food service providers as necessary to operate the Program through December 31, 2013; and **4)** authorizing the City Manager to adjust the necessary grant and operating revenue and expenditure budgets to implement the Program.

**Contact:** David Mitchell, Operations Manager, 808-6076; Alan Tomiyama, Recreation Manager, 808-8958

**Presenters:** N/A

**Department:** Parks and Recreation

**Division:** Recreation

**Organization No:** 19001661

### **Description/Analysis**

**Issue:** On September 1, 2009, City Council authorized the continued application for and acceptance of State funding for the Summer Food Service Program. Agreements with food vendors to prepare and deliver the food for the program expire on March 31, 2010, and new agreements will be required in future years. Approval is requested to execute future agreements (see Attachment 2) and to issue purchase orders for the purchase and delivery of the food used in the program.

**Policy Considerations:** Continued participation in the Summer Food Service Program is consistent with the City's strategic plan to enhance livability.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This report concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project," as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines (Title 14 Cal. Code Reg. § 15000 et seq.) sections 15061(b)(3); 15378(b)(2)].

**Sustainability Considerations:** Approval of the agreement is not applicable to the goals, policies and targets of the Sustainability Master Plan or the 2030 General Plan.

**Commission/Committee Action:** None

**Rationale for Recommendation:** City Council previously authorized the continued application for and acceptance of State funding for the Summer Food Service Program. The program provide free nutritious lunches and snacks, and in a few cases breakfasts, to children 18 years of age and under who otherwise are likely to go hungry. The program operates primarily during the summer school vacation period at a time when similar programs run by school districts during the school year are closed.

Continued participation in the Summer Food Service Program will enable the City to continue partnering with several hundred volunteers who serve thousands of lunches each day of the summer to hungry children throughout the Sacramento region. Revenue received from the State covers all costs of the program, ensuring that no General Fund support is required. There is no other public or private agency in Sacramento County willing to take on fiscal and administrative sponsorship of the program.

**Financial Considerations:** The program is funded by the United States Department of Agriculture (USDA), through the California Department of Education (CDE), based on the number of meals served, plus a minor amount for administration. It is expected that the cost of the meals purchased, and the administration and management of the program, over the next three years will be \$750,000 per year. This amount will be fully reimbursed by CDE and no General Fund support is required.

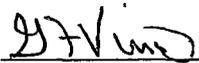
**Emerging Small Business Development (ESBD):** Purchase of supplies and equipment will be made in accordance with the City's Emerging and Small Business Development program requirements.

Respectfully submitted by:

  
for David Mitchell  
Operations Manager

Approved by:   
James L. Combs  
Director of Parks and Recreation

Recommendation Approved:

  
for Ray Kerridge, City Manager

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**Attachment 1****Background**

The Department of Parks and Recreation has administered the Summer Food Service Program throughout the Sacramento region for the past twenty-five (25) years. The purpose of the program is to provide free nutritious lunches and snacks, and in a few cases breakfasts, to children 18 years of age and under who otherwise are likely to go hungry. The program operates primarily during the summer school vacation period at a time when similar programs run by school districts during the school year are closed.

The City is the fiscal agent and administrative sponsor of the program, but relies on other agencies, organizations and volunteers to serve the food. For several years the program has contracted with the Natomas Unified, Sacramento City Unified and Twin Rivers Unified school districts and the Boys & Girls Clubs of Greater Sacramento to prepare and deliver the food to the serving locations throughout the region.

The predominant focus of the program is during the summer school vacation period, although the program operates year-round at several sites. During the summer of 2009, approximately 200,000 lunches and 250,000 snacks were served at 130 sites. According to the California Department of Education, the City's Summer Food program serves the most meals of any program in the State of California that is not operated by a school district.

Based on assumptions about what it takes to operate a serving location, it is estimated that during this past summer more than 200 people worked at the 130 sites, donating more than 25,000 hours of service to the program. While some of these people are paid for their time by their sponsoring agency, none are paid by the City for their involvement in the Summer Food program.

**How the program operates**

City staff work throughout the year to sign up agencies, organizations and volunteers who can commit to serving food to children every day at the same time for at least four weeks and preferably for much longer. At least two volunteers are needed at each location each day, and everyone who participates must go through a training session in order to comply with federal and state requirements.

Typical partners include summer recreation providers, such as the City's summer recreation programs and nearby park and recreation districts; faith-based organizations; managers of large apartment complexes; and community-based organizations, such as Boys & Girls Clubs, the Urban League and the Salvation Army.

The key to successfully serving hungry children is to find locations where children are already congregating and where a sponsoring group of volunteers is available. The

challenge is to encourage operators of these sites to commit to being trained, accept food deliveries, administer the program in compliance with all regulations, and complete and turn in daily and weekly reports. While there may be many sites throughout the region where hungry children are already congregating, some organizations are reluctant to take time out of their daily schedule to serve the free meals. Fortunately, there are many groups that see the value in running a food program at their site or in their neighborhood and readily agree to participate.

In order for a serving site to be approved, it must be located within a geographic area in which at least half of the children in the area qualify for free and reduced-price school meals. This regulation assures that the free food is most likely to go to the neediest children. Each serving location must be open to the public and cannot turn away any child through age 18.

#### Food service providers

The food that is served is prepared by the Natomas Unified, the Sacramento City Unified and the Twin Rivers Unified school districts and the Boys & Girls Clubs of Greater Sacramento. These providers were selected as a result of a request for proposals coordinated by City staff utilizing Procurement Services Division guidelines. Proposals are evaluated on the basis of the menus, costs, delivery schedule needs and prior history. During the summer Sacramento City Unified generally delivers meals to locations in the southern and central portion of the county, Natomas Unified generally delivers meals to locations in the northwest portion of the county, and Twin Rivers Unified generally delivers to the northern and some central portions of the county. The Boys & Girls Clubs serve their own sites. Meals served outside of the summer months are prepared by the Boys & Girls Clubs and are picked up and delivered by City staff.

The food service agreements with the agencies that prepare and deliver the food conform to requirements developed by the California Department of Education (CDE) (see Attachment 2). The current food service agreements expire on March 31, 2010. New agreements must generally follow the content dictated by CDE and this content is incorporated into the City agreements used with the vendors. The terms must be in compliance with the Code of Federal Regulations. Council approval is requested for City Manager authorization to sign food service agreements through December 31, 2013 that conform to the CDE agreement format and are approved by the City Attorney as to form.

For each meal that is served in compliance with federal and state requirements, in 2009 the City is reimbursed \$3.13 for lunches, \$1.78 for breakfasts and \$0.735 for snacks. Reimbursement rates are set annually by CDE. The meals are served free to the children.

Once the food service providers are paid their contractual prices, any remaining funds are used to pay up to fifteen temporary serving site monitors, two temporary office assistants, and one full-time temporary supervisor. Total expenses and revenue in a

typical year are approximately \$750,000, and no General Fund support is required.

### Partnerships

In addition to the partnership with the three school districts and Boys & Girls Clubs, the City has partnered with three community agencies for a number of years in order to provide effective outreach:

- The City/County Hunger Commission conducts outreach, advocacy, and nutrition education for parents and youth. They also solicit new serving locations and promote the program through professional posters, bookmarks, stickers, and awards.
- InfoLine Sacramento, the non-profit resource and referral service of the Community Services Planning Council, provides a single point of telephone contact for families inquiring about serving locations for their children.
- The County of Sacramento, Department of Human Assistance, inserts information about the program in a regular mailing to its clients.

### Challenges to successful operation

While the City has been relatively successful in recruiting organizations to operate serving locations, there are no other fiscal and administrative sponsors of summer food programs in Sacramento County with the exception of school districts that serve their own summer schools. Being a fiscal and administrative sponsor means that, ultimately, any negative monitoring or audit findings and any financial penalties are the sole responsibility of the City. Other agencies and organizations have been unwilling to take on this risk and the corresponding work that must be undertaken to minimize that risk and comply with all the regulations.

Although being a sponsor of a serving location presents almost no risk, and successful locations already have children congregating there or nearby, it remains a challenge to find more sponsors to allow the program to expand and additional children to be fed. Although thousands of children are served each summer, thousands more go hungry. Staff is available to discuss enrolling as a new sponsor any organization that is interested.

The school districts with which we contract for food preparation and delivery originally became involved as a way to keep their kitchen staff fully employed during summer vacations. As more schools operate year-round, and as labor and transportation costs increase, it may become more difficult to purchase food at a reasonable cost below the amount the City is reimbursed. Because the City is the fiscal and administrative sponsor, it is the City's responsibility to employ an adequate number of site monitors and office staff to enable the program to operate successfully and in compliance with all requirements. As the cost of food approaches the reimbursement rate, it becomes more difficult to fund the staff necessary to operate the program.

**Attachment 2**

**FOOD SERVICE AGREEMENT**

**CITY OF SACRAMENTO  
[INSERT VENDOR NAME HERE]  
SUMMER FOOD SERVICE AGREEMENT**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, by and between the CITY OF SACRAMENTO, a municipal corporation, hereinafter referred to as the "Agency," and \_\_\_\_\_, hereinafter referred to as the "Vendor."

**Whereas,** it is not within the capability of the Agency to prepare and transport specified meals under the Simplified Summer Food Program (SFSP); and

**Whereas,** the facilities and capabilities of the Vendor are adequate to prepare and deliver specified meals to the Agency's facility(ies); and

**Whereas,** the Vendor is willing to provide such services to the Agency on a cost reimbursement basis;

**Therefore,** both parties hereto agree as follows:

**THE VENDOR AGREES TO:**

1. Prepare and deliver unitized meals inclusive of milk or juice each day, in accordance with the number of meals requested and at the cost(s) per meal listed below Monday through Friday:

**Each Lunch - \$\_\_\_\_\_ Each Breakfast - \$\_\_\_\_\_ Each Snack - \$\_\_\_\_\_**

2. Provide the Agency, for approval, a proposed cycle menu for the operational period, at least seven (7) business days prior to the beginning of the period to which the menu applies. Any changes to the menu made after Agency approval must be agreed upon by the Agency, approved by the California Department of Education and documented on the menu records.
3. Ensure that each meal provided to the Agency under this agreement meets the minimum requirements as to the nutritional content as specified by the SFSP Meal Pattern, Schedule B (as provided in bid packet) which is excerpted from the regulations 7 CFR Part 225.16 or an approved National School Lunch Program (NSLP)/School Breakfast Program (SBP) option. NSLP/SBP Vendors may use the same menu planning option they use during the school year in lieu of using the SFSP meal pattern. Snacks will meet the SFSP meal pattern.
4. Maintain full and accurate records which document: (1) the menus were provided to the Agency during the term of this agreement, (2) a listing of all components of each meal, and (3) an itemization of the quantities of each component used to prepare said meal. The Vendor agrees to provide meal preparation documentation by using yield factors for each food item as listed in the United States Department of Agriculture (USDA) Food Buying Guide when calculating and recording the quantity of food prepared for each meal monthly.

5. Maintain such cost records as invoices, receipts and/or other documentation that exhibit the purchase or otherwise availability to the Vendor, of the meal components and quantities itemized in the meal preparation records.
6. Maintain, on a daily basis, an accurate count of the number of meals, by meal type, prepared for and delivered by the Agency. Meal count documentation must include the number of meals requested by the Agency.
7. Allow the Agency to increase or decrease the number of meal orders, as needed, when the request is made within 24 hours of the scheduled delivery time.
8. Present to the Agency an invoice accompanied by reports no later than the tenth day of each month, which itemizes the previous month's delivery. The Vendor agrees to forfeit payment for meals which are not ready within one (1) hour of the agreed upon delivery time, are spoiled or unwholesome at the time of delivery, or do not otherwise meet the meal requirements contained in this agreement. In cases of nonperformance or noncompliance on the part of the Vendor, the Vendor shall pay the Agency for any excess costs the Agency incurs by obtaining meals from another source.
9. Provide Agency with a copy of current health certifications and inspections for the food service facility in which it prepares meals for the SFSP. The Vendor shall ensure that all health and sanitation requirements of the California Uniform Retail Food Facilities Law, Chapter 4 of the California Health and Safety Code, are met at all times.
10. Operate in accordance with current SFSP regulations. Comply with all other USDA regulations regarding food service Vendors including those specified for commercial food service if applicable.
11. Retain all required records for a period of three years after the end of the fiscal year to which they pertain (or longer, if an audit is in progress). Upon request make all accounts and records pertaining to the agreement available to the certified public accountant hired by the Agency, representatives of the California Department of Education, USDA, and the Office of Inspector General (OIG) for audits or administrative reviews at a reasonable time and place.
12. Not subcontract for the total meal, with or without milk, or for the assembly of the meal.
13. Be paid by the Agency for all meals delivered in accordance with the agreement. Neither the California Department of Education nor USDA will assume any liability for payment of differences between the number of meals prepared for delivery by the Vendor and the number of meals served by the Agency that are eligible for reimbursement.
14. Accept commodities from the Agency. These commodities will be used in the preparation of meals provided for the SFSP. The Vendor will reduce the price of the meals by the fair market value of the commodities used in the meals. Price reductions will be itemized on the invoice. All commodities until used are the property of the Agency.
15. Order only those commodities that can be incorporated into its meals. The Vendor shall be responsible for transferring all unused commodities at the close of the SFSP. The Agency is responsible for the fair market value of any commodity losses that may occur.
16. Deliver meals in ice chests or other insulated containers, which will include a cooling agent such as double-bagged ice or frozen ice-substitute.

**THE AGENCY AGREES TO:**

1. Request by telephone no later than 3:00 p.m. one (1) business day prior, an accurate number of

meals to be delivered by the Agency each day. Notify the Vendor of necessary increases/decreases in the number of meals ordered within 24 hours of the scheduled delivery time. Errors in meal orders made by the Agency shall be the responsibility of the Agency.

2. Ensure that an Agency representative is available at each delivery site, at the specified time on each specified delivery day to receive and sign for the requested number of meals. This individual will verify the quantity of each meal delivery. The Agency assures the Vendor that this individual will be trained and knowledgeable in record keeping and meal requirements of the SFSP.
3. Provide personnel to serve meals, clean the serving and eating areas and assemble transport carts and auxiliary items for pick up by the Vendor (if applicable) no later than the following day.
4. Notify the Vendor within five (5) business days of receipt of the next month's proposed cycle menu, of any changes, additions or deletions.
5. Provide the Vendor with a copy of 7 CFR Part 225.16; the SFSP Meal Pattern, Schedule B; the USDA Food Buying Guide and all other technical assistance materials pertaining to the food service requirements of the SFSP. The Agency will, within 24 hours of receipt from the Nutrition Services Division, advise the Vendor of any changes in the food service requirements.
6. Pay the Vendor within 30 days from receipt of the full amount as presented on the monthly itemized invoice. Notify the Vendor within 48 hours of receipt of any discrepancy in the invoice. Pay the Vendor for all meals delivered in accordance with the agreement. Neither the California Department of Education nor USDA will assume any liability for payment of the difference between the number of meals prepared, delivered by the Vendor, and the number of meals served by the Agency that are eligible for reimbursement.

#### **INDEMNIFICATION:**

Vendor shall assume the defense of and indemnify and hold harmless Agency from and against all actions or claims against Agency, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by Agency by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the Agency, its officers, agents or employees and except for actions or claims alleging dangerous conditions of Agency property which arise out of the acts or failure to act by the Agency, its officers, agents or employees which are not created by a Vendor employee or Vendor invitee.

Agency shall assume the defense of and indemnify and hold harmless Vendor from and against all actions or claims against Vendor, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by Vendor by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the Vendor, its officers, agents or employees and except for actions or claims alleging dangerous conditions of Vendor property which arise out of the acts or failure to act by the Vendor, its officers, agents or employees which are not created by a Agency employee or Agency invitee.

The indemnification provisions contained in the Agreement include but are not limited to any violation of applicable law, ordinance, regulation or rule, including where the claim, loss, damage, charge or expense was caused by deliberate, willful, or criminal acts of either party to this Agreement, or any of their agents, officers or employees or their performance under the terms of the Agreement.

It is the intent of the parties that where negligence or responsibility for injury or damages is determined to have

been shared, principles of comparative negligence will be followed and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

Each party shall establish procedures to notify the other party, where appropriate, of any claims, administrative actions or legal actions with respect to any of the matters described in this indemnification section. The parties shall cooperate in the defense of such actions brought by others with respect to the matters covered in this agreement. Nothing set forth in this Agreement shall establish a standard of care for or create any legal rights for any person not a party to this Agreement.

The indemnity provisions of this Agreement shall survive the expiration or earlier termination of this Agreement.

### **INSURANCE:**

#### **Agency Insurance Requirements**

Agency, at its sole cost and expense and for the full term of this Agreement shall obtain and maintain at least all of the following minimum insurance requirements. All or a portion of the required insurance may be satisfied through the use of a self-insurance program or pooled insurance, if any. The Agency must provide an affidavit of self-insurance, or pooled insurance if any.

##### A. Comprehensive General Liability

A policy with a minimum limit of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage, providing at least all of the following minimum coverage:

1. Premises Operations
2. Blanket Contractual
3. Personal Injury

##### B. Worker's Compensation and Employers' Liability

A policy written in accordance with the laws of the State of California and providing coverage for any and all employees of the Agency.

1. This policy shall provide coverage for Workers' Compensation (Coverage A) with statutory limits.
2. This policy shall also provide coverage of \$100,000 Employers' Liability (Coverage B)

##### C. Comprehensive Business Auto

A policy with a minimum of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage. Coverage shall be applicable (without deductibles) to any and all leased, owned, hired, or non-owned vehicles used in pursuit of any of the activities associated with this agreement.

##### D. Special Provisions

The foregoing requirements as to the types and limits of insurance coverage to be maintained by Agency, and any approval of said insurance by the Vendor, or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Agency pursuant to this Agreement, including but not limited to, the provision concerning indemnification.

#### **Vendor Insurance Requirements**

Vendor, at its sole cost and expense and for the full term of this Agreement shall obtain and maintain at least all of the following minimum insurance requirements. All or a portion of the required insurance may be satisfied through the use of a self-insurance program. The Vendor must provide an affidavit of self-insurance, or pooled insurance, if any.

A. Comprehensive General Liability

A policy with a minimum limit of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage, providing at least all of the following minimum coverage:

- 1. Premises Operations
- 2. Blanket Contractual
- 3. Personal Injury

B. Worker's Compensation and Employers' Liability

A policy written in accordance with the laws of the State of California and providing coverage for any and all employees of the Vendor.

- 1. This policy shall provide coverage for Workers' Compensation (Coverage A) with statutory limits.
- 2. This policy shall also provide coverage of \$100,000 Employers' Liability (Coverage B)

C. Comprehensive Business Auto

A policy with a minimum of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage. Coverage shall be applicable (without deductibles) to any and all leased, owned, hired, or non-owned vehicles used in pursuit of any of the activities associated with this agreement.

D. Special Provisions

The foregoing requirements as to the types and limits of insurance coverage to be maintained by Vendor, and any approval of said insurance by the Agency, or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Vendor pursuant to this Agreement, including but not limited to, the provision concerning indemnification.

All insurance requirements shall be met by all parties prior to the commencement of any of the activities required of the parties under this Agreement

**TERMS OF THE AGREEMENT:**

This agreement will take effect commencing on \_\_\_\_\_ and ending on \_\_\_\_\_. This agreement may be terminated by notification given by either party with at least 30 days' notice prior to termination. The Agency shall have the option to cancel this contract if the federal or state government withdraws funds to support the SFSP. It is further understood that in the event of cancellation of the contract, the Agency shall be responsible for meals that have already been assembled and delivered in accordance with this agreement.

**NOTICES:**

Any notices required or authorized by this agreement shall be in writing and deemed given when sent by United States mail, postage prepaid, addressed as follows:

**IF TO THE AGENCY:**

NAME AND TITLE  
ADDRESS  
CITY STATE ZIP

**IF TO THE VENDOR:**

NAME AND TITLE  
VENDOR NAME  
ADDRESS  
CITY STATE ZIP

In witness whereof, the parties hereto have executed this agreement as of the dates indicated below.

\_\_\_\_\_  
Agency Official Signature

\_\_\_\_\_  
Vendor Official Signature

\_\_\_\_\_  
Agency Official Name

\_\_\_\_\_  
Vendor Official Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

CITY OF SACRAMENTO, a municipal corporation

VENDOR COMPANY

By \_\_\_\_\_

By \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

For: [insert name here], City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
SENIOR DEPUTY CITY ATTORNEY

**RESOLUTION NO.**  
Adopted by the Sacramento City Council

**SUMMER FOOD SERVICE PROGRAM APPROVAL**

**BACKGROUND**

- A. The Parks and Recreation Department has been a fiscal and administrative sponsor of the Summer Food Service Program for twenty-five years and has operated the program throughout the Sacramento region with no General Fund support.
- B. Each year free meals are served to thousands of children through age 18 at a time of year when most school lunch programs are not in operation, ensuring that these children do not go hungry.
- C. The program operates primarily during the summer, although several sites operate year-round. Lunches and snacks are served at most sites, although a few sites serve breakfast.
- D. On September 1, 2009, City Council authorized continued application for and acceptance of State funding for the Summer Food Service Program.
- E. Contracts with food vendors to prepare and deliver the food for the program expire on March 31, 2010, and new contracts will be required in future years. Contracts will generally follow the format dictated by the California Department of Education, terms must be in compliance with the Code of Federal Regulations and will be subject to City Attorney approval as to form.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The Department of Parks and Recreation is authorized to continue year-round participation in and operation of the Summer Food Service Program (Program) throughout the Sacramento region through December 31, 2013.
- Section 2. The City Manager is authorized to execute, subject to City Attorney approval as to form, the California Department of Education-approved Food Service Agreement and any extensions, amendments or other necessary documents with local school districts and other licensed food service providers as necessary to operate the Program through December 31, 2013.
- Section 3. The City Manager is authorized to issue purchase orders in a total amount

up to \$750,000 with local school districts and other licensed food service providers as necessary to operate the Program through December 31, 2013.

Section 4. The City Manager is authorized to adjust the necessary grant and operating revenue and expenditure budgets to implement the Program.