

(1) NO MORE THAN 5% OF THE PROGRAM'S BUDGET MAY BE USED TO COVER ADMINISTRATIVE COSTS OF THE PROGRAM.

(2) ALL REMAINING FUNDING SHALL BE ALLOCATED FOR FOOD PURCHASE ONLY.

(3) PROGRAM FUNDS MAY NOT BE USED FOR EQUIPMENT OR OTHER CAPITAL EXPENDITURES.

(B) ALLOCATION OF FUNDS.

THE DEPARTMENT SHALL:

(1) ADOPT A FORMULA AND QUALIFICATIONS FOR ALLOCATING PROGRAM FUNDS TO THE COUNTIES BASED ON COUNTY-WIDE STATISTICS FOR:

(I) THE NUMBER OF FAMILIES LIVING IN POVERTY;

(II) THE UNEMPLOYMENT RATE; AND

(III) THE NUMBER OF FAMILIES RECEIVING FOOD STAMPS;

(2) SUBMIT ANNUALLY TO THE STATE ADVISORY COUNCIL ON HUNGER A REPORT DETAILING:

(I) THE TOTAL APPROPRIATIONS FOR THE PROGRAM FOR THE CURRENT AND PRIOR FISCAL YEARS, INCLUDING THE AMOUNT ALLOCATED FOR ADMINISTRATIVE COSTS, THE AMOUNT ALLOCATED TO EACH ADMINISTERING AGENCY, AND THE AMOUNT ALLOCATED TO EMERGENCY FOOD PROVIDERS IN EACH COUNTY; AND

(II) HOW MANY UNITS OF SERVICE WERE PROVIDED IN EACH COUNTY; AND

(3) NOTIFY EACH COUNTY THROUGH THE ADMINISTERING AGENCY OF THE AVAILABILITY OF PROGRAM FUNDS UNDER ITEM (1) OF THIS SUBSECTION.

(C) APPLICATION FOR GRANTS.

(1) EACH ADMINISTERING AGENCY SHALL APPLY TO THE ADMINISTRATION FOR A PROGRAM GRANT.

(2) THE APPLICATION SHALL INCLUDE THE PROCEDURES THAT THE ADMINISTERING AGENCY WILL USE TO:

(I) NOTIFY EMERGENCY FOOD PROVIDERS OF THE AVAILABILITY OF PROGRAM GRANTS;

(II) APPROVE EMERGENCY FOOD PROVIDERS AS RECIPIENTS OF PROGRAM GRANTS; AND

(III) ALLOCATE PROGRAM GRANTS AMONG APPROVED EMERGENCY FOOD PROVIDERS.

(D) APPROVAL OF APPLICATION.