



Department of Health

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Governor

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Commissioner

JOHANNE E. MORNE, M.S.
Executive Deputy Commissioner

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Nadine Morrell
Audit Director
Division of State Government Accountability
NYS Office of the State Comptroller
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Dear Nadine Morell:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2022-S-33 entitled, "Oversight of the Nourish New York Program."

Should you have questions, please feel free to contact Mischa Sogut, Assistant Commissioner for Governmental Affairs, at (518) 473-1124 or Mischa.sogut@health.ny.gov.

Sincerely,

Johanne E. Morne, M.S.
Executive Deputy Commissioner

Enclosure

cc: Mischa Sogut

**Department of Health
Responses to the
Office of the State Comptroller's
Final Audit Report 2022-S-33 entitled,
"Oversight of the Nourish New York Program"**

The following are the Department of Health's (DOH) responses to the Office of the State Comptroller's (OSC) Final Audit Report 2022-S-33 entitled, "Oversight of the Nourish New York Program."

DOH General Comments:

All New Yorkers should be able to achieve nutrition security through consistent and equitable access to healthy, safe, and affordable foods essential to optimal health and well-being. DOH is committed to working with Ag&Mkts and our Nourish NY food relief organizations to provide the training, technical assistance, oversight, and monitoring to ensure compliance with legislative intent and successful outcomes for Nourish NY. DOH proactively began improvement efforts in these areas as part of the process of transitioning Nourish NY from a Governor's Executive Order emergency COVID response to a permanent program now established in State law. The below responses highlight some of the proactive steps DOH has taken.

The following are responses to the final audit recommendations.

To DOH:

Recommendation #2

Communicate guidance to food relief organizations on eligibility requirements for purchases made under Nourish NY, including but not limited to administrative and non-New York food purchases.

Response #2

DOH has updated the Hunger Prevention and Nutrition Assistance Program (HPNAP) Policies and Procedures Manual to include specific guidance on eligible purchases made under the Nourish NY program. The guidance details the eligibility requirements for New York State (NYS) sourced food purchases and allowable administrative costs, including non-New York food purchases. DOH has taken additional steps to clarify guidance surrounding the purchase of NYS honey, maple syrup, and milk (including 2% and whole milk). These items continue to be eligible for purchase with Nourish NY funding. Together with Ag&Mkts, DOH created comprehensive training for all Nourish NY food relief organizations and their contract managers that, among other topics, includes guidance on budgeting, eligibility and reporting requirements. All food relief organizations must establish and submit a yearly Nourish NY budget that is subject to review by their assigned DOH contract manager and the program. As an added measure to improve communication, DOH has implemented the use of the "NNY

Contractor Bulletin” and “NNY Contractor Informational Email” to ensure timely and comprehensive dissemination of important resources, policy updates, and programmatic announcements.

Recommendation #3

Issue the overdue report on the unmet need for cold storage equipment to the Executive and Legislature and maintain a timely schedule hereafter.

Response #3

The report was provided to the Executive and Legislature on May 4, 2023. DOH has initiated activities to complete the 2023 report and expects to maintain a timely schedule going forward.

To Ag&Mkts and DOH:

Recommendation #4

Improve monitoring of Nourish NY, which may include but not be limited to enhancing documentation requirements, and review processes to ensure purchases are from eligible sources.

Response #4

DOH and Ag&Mkts have implemented strategies to improve documentation procedures for food purchases and streamline the review process. This includes the discontinuation of subawards under the food banks’ Nourish NY contracts. All Nourish NY food relief organizations are now mandated to submit a unique voucher and updated workbook for Nourish NY monthly claims. Voucher submissions must be accompanied by food purchase invoices, distributor forms, and Product Formulation Statements, where applicable. In addition, Nourish NY food relief organizations are now required to itemize each product purchased and its NYS source in their monthly workbook. When necessary, a Product Formulation Statement serves as proof that a processed food item complies with Nourish NY’s 51% NYS sourced ingredient threshold. A joint Ag&Mkts/DOH training presentation held on July 26, 2023, for all Nourish NY food relief organizations, included topics on purchasing, vouchering, and supporting documentation requirements. DOH and Ag&Mkts have implemented a new internal voucher review and tracking process, including the use of collaborative technology, which has greatly improved monitoring of Nourish NY. Prior to initiating payment, every monthly voucher submission is reviewed by DOH contract managers, fiscal staff, and the Ag&Mkts Nourish NY Unit. In addition, DOH fiscal staff established and implemented a new Voucher Trace process and calendar to include regularly scheduled Nourish NY voucher traces. Finally, DOH fiscal staff will hold budget training for all Nourish NY food relief organizations prior to the start of each contract year.

Recommendation #5

Collaborate to develop and document criteria for Nourish NY purchases that most effectively balance the needs of its various stakeholders and communicate the criteria to food relief organizations and vendors.

Response #5

DOH and Ag&Mkts hold weekly meetings to discuss needs, improvements, updates, and action items for Nourish NY. DOH has updated the HPNAP Policies and Procedures Manual to include specific guidance for eligible Nourish NY purchases and other expenses. The guidance details the eligibility requirements for NYS sourced food purchases, administrative costs, and non-NYS sourced food purchases. DOH joined Ag&Mkts on July 26, 2023, to provide training to Nourish NY food relief organizations which included a review of Nourish NY criteria. DOH also assisted Ag&Mkts with the creation and distribution of an FAQ document that was sent to all Nourish NY food relief organizations.

DOH will continue to work with Ag&Mkts to balance the needs of vendors, food relief organizations, and emergency food recipients. DOH has a responsibility to ensure that food products meet nutritional guidelines to improve health equity and health outcomes, while Ag&Mkts must balance the participation of the vendors. DOH will continue to advocate for food relief organizations to follow sound nutrition policies when purchasing any food products for distribution in the emergency food network. All New Yorkers should be able to achieve nutrition security through consistent and equitable access to healthy, safe, and affordable foods essential to optimal health and well-being.