



Course: USDA Civil Rights Overview  
Module III: Nondiscrimination in Program and  
Services Delivery

## Lesson A

# Program Delivery Laws, Purpose and Structure

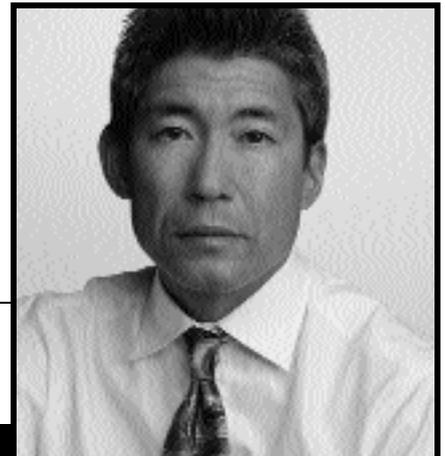
**Description:** In this lesson, you will examine the differences between federally conducted and federally assisted programs, and the requirements for nondiscrimination assurance.

**Objective:** Upon completion of this lesson, you will be able to identify:

- The difference between **federally assisted** and **federally conducted** programs and services.
- Laws covering federally assisted programs.
- Laws covering federally conducted programs.
- The requirements for submitting a signed assurance of nondiscrimination.

Listed below are the **topics** associated with this lesson.

- Topic 1 Introduction to the Laws
- Topic 2 Laws Covering Federally Assisted Programs
- Topic 3 Laws Covering Federally Conducted Programs
- Topic 4 Purpose and Structure





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Topic 1: Introduction to the Laws

There are two categories of programs or activities provided by the USDA.

1. If the program is operated directly by USDA, it is a federally **conducted** program or activity.

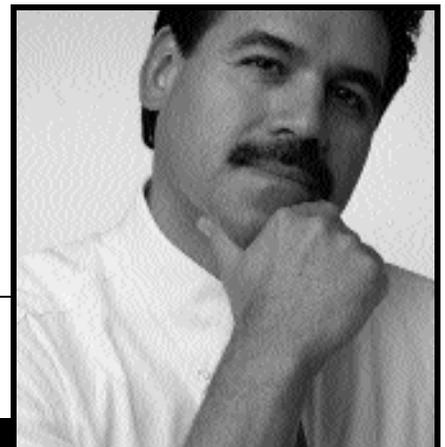
**Example:** A Food Safety Inspection Service (FSIS) Inspector visits a poultry plant to ensure that health and safety requirements are observed. This USDA employee provides the direct service of inspection to the poultry plant, the **beneficiary**.

**Example:** A farmer (**applicant**) visits the Farm Service Agency (FSA) and applies for a Farm Operating Loan. The application is reviewed by the FSA Ag Credit Manager; the loan is approved and the funds disbursed.

2. In a program supported by federal (USDA) financial assistance and operated by a third party, the third party is called the recipient and the recipient's programs and activities are called federally **assisted**.

**Example:** USDA gives \$50 million (federal financial assistance) to the District of Columbia (**recipient**) to administer the Food Stamp Program. The participants in this program are called **beneficiaries**.

In either case, whether receiving benefits directly from USDA employees, from a state or local government or from a private entity administering a program on behalf of the USDA, applicants and beneficiaries are protected from illegal discrimination. **The list of protected classes varies depending upon the program and the applicable statute and regulation.**





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Topic 1: Introduction to the Laws

#### **USDA Nondiscrimination Assurance**

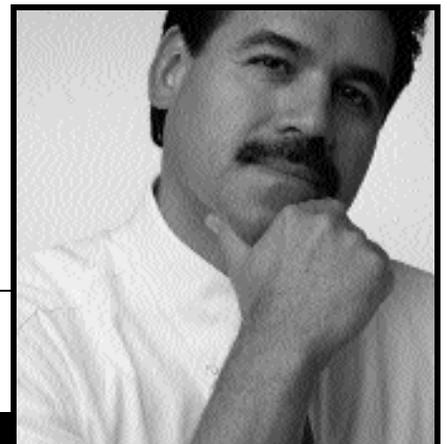
No person in the United States shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination on the basis of race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability or because all or part of an individual's income is derived from any public assistance source under a USDA program or activity, either federally conducted or federally assisted. **NOT ALL PROHIBITED BASES APPLY TO ALL PROGRAMS.**

These protections are provided by:

- U.S. laws
- U.S. Code of Federal Regulations
- Executive orders
- USDA departmental regulations
- USDA policy

The civil rights protections for federally (USDA) **conducted** programs are as follows:

No agency, officer or employee of the United States Department of Agriculture shall exclude from participation in, deny the benefits of or subject to discrimination any person in the United States on the basis of race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability or because all or part of an individual's income is derived from any public assistance source under any program or activity administered by such agency, officer or employee.





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Topic 1: Introduction to the Laws

### Example

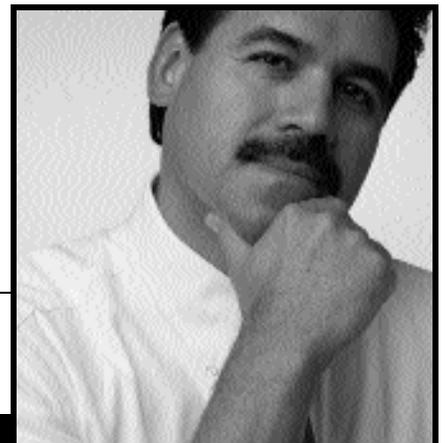
#### *School Lunch Program*

An example of a federally assisted program.

Marge is a 43-year-old coordinator for a community development agency.

The agency coordinates a School Lunch Program and promotes the health and well-being of all participating children. Federal (USDA) financial assistance is given to each state (recipient). The state then gives the money to local school districts (sub-recipients), which implement the program in a nondiscriminatory manner.

This is an example of a federally assisted program that is governed by civil rights laws.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 1: Introduction to the Laws

### Exercise

#### *Nutrition Program for the Elderly*

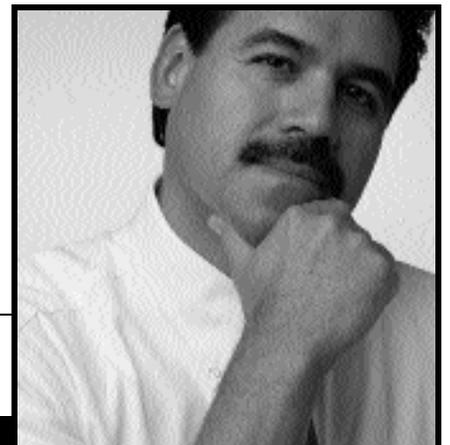
Mary is the coordinator for a federally assisted community development agency that operates a meals program in the Nutrition Program for the Elderly. This program is funded by the Food and Nutrition Service, USDA, in order to promote the health and well-being of the elderly.

Mary's agency is called the "sub-recipient" because it receives the meals program funding through the state, which is the recipient, and provides the service on behalf of the state and the USDA. The elderly residents receiving the meals are the beneficiaries of the program.

Match the answer below with the appropriate question above it.

- \_\_\_ 1. Is this meals program an example of a federally assisted or a federally conducted program?
- \_\_\_ 2. Who is considered the "recipient" of the USDA funding?
- \_\_\_ 3. Who is considered the "sub-recipient" of the meals program funding?
- \_\_\_ 4. Who is considered the beneficiary of the meals program?

- A. Federally Assisted Program and Activity
- B. Federally Conducted Program and Activity
- C. The Agency
- D. The Elderly
- E. The State



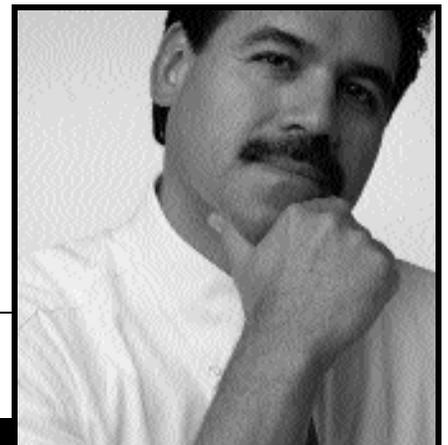


## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 1: Introduction to the Laws

### Exercise Answers

- A \_\_ 1. Is this meals program an example of a federally assisted or a federally conducted program?
- E \_\_ 2. Who is considered the "recipient" of the USDA funding?
- C \_\_ 3. Who is considered the "sub-recipient" of the meals program funding?
- D \_\_ 4. Who is considered the beneficiary of the meals program?





## Lesson A

### Program Delivery Laws, Purpose and Structure Topic 2: Laws Covering Federally Assisted Programs

Although the civil rights laws, regulations and policies cover federally assisted and federally conducted programs, the coverage differs depending on the program.

The following is a list of civil rights statutes that prohibit discrimination by recipients in federally assisted programs and activities:

**Title VI of the Civil Rights Act of 1964**, as amended, prohibits discrimination based on race, color or national origin by recipients of federal financial assistance.

**Title VIII, Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988**, prohibits discrimination on the basis of race, color, national origin, religion, sex, disability or familial status in the sale or rental of housing, residential real estate-related transactions and the provision of brokerage services relating to the business of selling or renting dwellings.

**Section 504 of the Rehabilitation Act of 1973**, as amended, prohibits discrimination based on physical and mental disability in programs receiving federal financial assistance, and also prohibits discrimination on the basis of disability in programs and services conducted by the USDA. Section 504 also prohibits employment discrimination by recipients of federal financial assistance.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 2: Laws Covering Federally Assisted Programs

**Title IX of the Education Amendments of 1972** prohibits discrimination on the basis of sex in educational institutions. Title IX also prohibits employment discrimination by recipients of federal financial assistance.

**Age Discrimination Act of 1975** prohibits discrimination based on age by recipients of federal financial assistance.

**Food Stamp Act of 1977** prohibits discrimination on the basis of race, national origin, religion, age, sex or political beliefs.

**Americans with Disabilities Act of 1990** prohibits discrimination on the basis of disability in employment, public accommodations, transportation, state and local government services, and telecommunications. USDA's authority is limited to the delegated authority by the Department of Justice to investigate complaints of discrimination against state and local governments involving USDA programs.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 2: Laws Covering Federally Assisted Programs

### Example

#### *Rural Business Service*

Maria, a 55-year-old female, applied for assistance from the Entrepreneurial Business Development Corporation (EBDC), a recipient of financial assistance from the USDA Rural Business Service. EBDC has established a program to promote dynamic business environments in rural America.

Heather is the executive director of Entrepreneurial and works in partnership with the private sector and community-based organizations to provide financial assistance and business planning. Although she realizes that Maria is certainly not a typical young start-up business person, she is determined to help Maria every step of the way to get the assistance she needs.

Maria's age cannot and should not be a factor in determining her eligibility for the program; however, Maria must meet all the eligibility requirements for the program.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 2: Laws Covering Federally Assisted Programs

### Exercise

#### *National Origin/Sex Discrimination*

Ling Chong, a 60-year-old Asian female, visits the state of Illinois, Swanee County Agricultural Agency, to request information about planting seasons because she believes that she has discovered a new way to rotate her crops. Mr. Dixon, the county office employee assigned to help Ms. Chong, informs her that his office has just received a grant from the USDA to sponsor pilot programs in this area.

By means of USDA funding, the state is providing research money to study, through pilots, new and innovative ways to rotate crops.

Mr. Dixon, however, has a difficult time communicating with Ms. Chong, and is not quite sure that she understands him or that she understands that research in this area is sophisticated and cutting edge. Mr. Dixon explains that applications to participate in the pilot programs are being accepted, but he discourages Ms. Chong from applying to become a member of the pilot.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 2: Laws Covering Federally Assisted Programs

### Exercise (continued from last page)

Because of Mr. Dixon's actions to discourage her, Ms. Chong decides not to pursue further services from the county office. Ms. Chong thanks him for his time and goes home. Three months later, Ms. Chong learns, through her granddaughter, that none of the members of the pilot were Asian or women. Ms. Chong feels that she was discriminated against when she visited the county office. She contacts the county office, learns how to file a complaint, and does file a complaint with USDA alleging discrimination on the bases of national origin and sex.

The employee who assisted Ms. Chong is Sean Dixon. He believes that he provided good customer service and did not discriminate against Ms. Chong. If you were investigating Ms. Chong's allegations, which law gives you jurisdiction to investigate Ms. Chong's allegations?

- a. Title VI of the Civil Rights Act of 1964
- b. Title VIII of the Civil Rights Act of 1968
- c. Age Discrimination Act of 1975
- d. Section 504 of the Rehabilitation Act of 1973





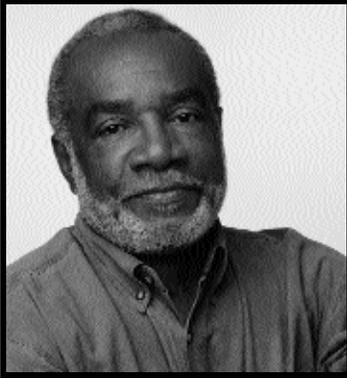
## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 2: Laws Covering Federally Assisted Programs

### Exercise Answers

- a. Title VI of the Civil Rights Act of 1964  
Correct. Title VI prohibits discrimination based on race, color or national origin in programs or activities that receive federal financial assistance.
- b. Title VIII, Civil Rights Act of 1968  
Incorrect. This law prohibits discrimination in the sale or rental of housing.
- c. Age Discrimination Act of 1975  
Incorrect. This law prohibits discrimination based on age.
- d. Section 504 of the Rehabilitation Act of 1973  
Incorrect. This law prohibits discrimination on the basis of disability.





## Lesson A

### Program Delivery Laws, Purpose and Structure Topic 3: Laws Covering Federally Conducted Programs

Although federally conducted and federally assisted programs and activities are covered by civil rights laws, regulations and policies, not all programs and activities are covered by the same ones. The following is a list of civil rights laws, regulations, policies and executive orders that affect federally conducted programs, activities and services.

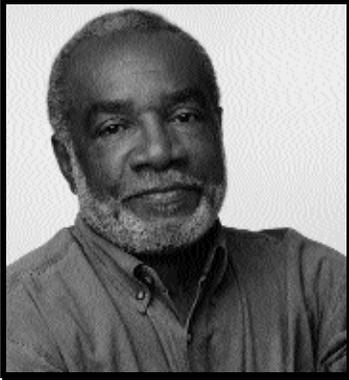
No agency, officer or employee of USDA, shall discriminate on the grounds of race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability or because all or part of an individual's income is derived from any public assistance source, in any program or activity conducted by USDA. Also, USDA prohibits reprisal for filing a civil rights complaint with USDA or for opposing any practice that violates or is prohibited by a civil rights law, regulation, policy or practice.

#### **LAWS:**

**Section 504 of the Rehabilitation Act of 1973**, as amended, prohibits discrimination based on disability (physical and mental) in programs conducted or assisted by USDA.

**Equal Credit Opportunity Act (ECOA) (Title VII of the Consumer Protection Act of 1989, as amended)** prohibits discrimination by a creditor on the bases of race, color, religion, national origin, sex, marital status or age (provided the applicant has the legal capacity to enter into a contract); or because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Protection Act. **THIS LAW APPLIES ONLY TO AGENCIES WITH LOAN MAKING PROGRAMS AND ACTIVITIES.**





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 3: Laws Covering Federally Conducted Programs

**Title VIII of the Civil Rights Act of 1968, as amended, by the Fair Housing Amendments of 1988**, prohibits discrimination on the basis of race, color, national origin, religion, sex, disability, or familial status in the sale or rental of housing, residential real estate related transactions and the provision of brokerage services relating to the business of selling or renting dwellings.

### Regulations And Executive Orders:

**7 CFR Part 2** - Delegations of authority by the Secretary of Agriculture and general officers of the department

**7 CFR Part 15 Subpart B** - Nondiscrimination in USDA-conducted programs and activities

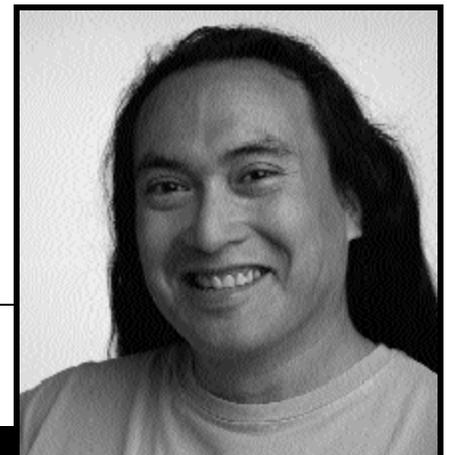
**7 CFR Part 15a** - Education programs or activities receiving or benefiting from federal financial assistance

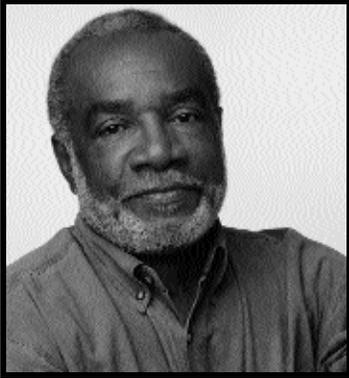
**7 CFR Part 15b** - Nondiscrimination on the basis of handicap in programs and activities receiving federal financial assistance

**7 CFR Part 15d** - Nondiscrimination in programs or activities conducted by USDA

**7 CFR Part 15e** - Nondiscrimination on the basis of handicap in programs or activities conducted by USDA

**12 CFR Part 202** - Equal Credit Opportunity Regulation B





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 3: Laws Covering Federally Conducted Programs

**28 CFR Part 41** - Implementation of Executive Order 12250, nondiscrimination on the basis of handicap in federally assisted programs

**Executive Order 12898** - Federal actions to address environmental justice for minority populations and low-income populations

### **Departmental Regulations/Policy:**

**5 USC 301** - Authority to Prescribe Departmental Regulations

**USDA Departmental Regulation 4300-3** - Equal Opportunity Public Notification Policy, 11/16/99

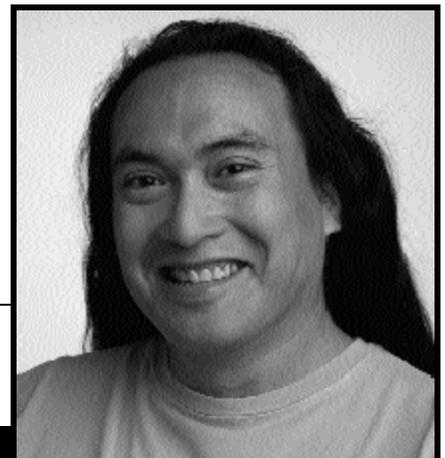
**USDA Departmental Regulation 4300-5** - Agency Civil Rights Programs, 1/14/98

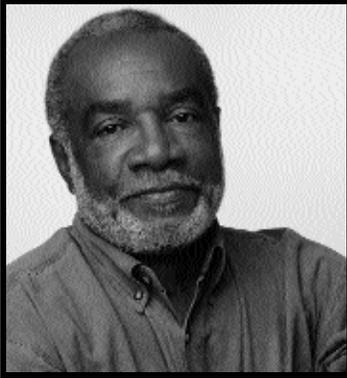
**USDA Departmental Regulation 4300-6** - Civil Rights Policy for the USDA, 3/16/98

**USDA Departmental Regulation 4330-3** - Nondiscrimination in USDA-Conducted Programs and Activities dated 3/3/99

**USDA Departmental Regulation 4360-3** - Communicating with Under-Served Communities, dated 1/14/98

**USDA Departmental Regulation 5600-2** - Environmental Justice, 12/15/97





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 3: Laws Covering Federally Conducted Programs

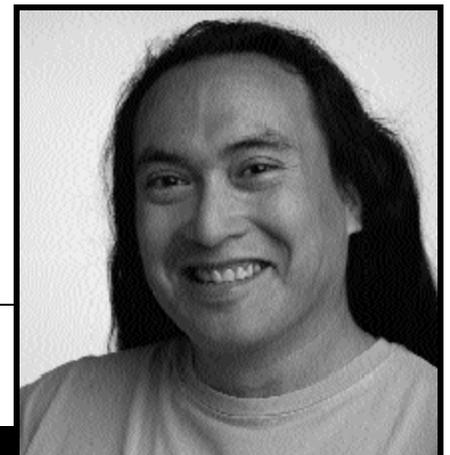
### Example

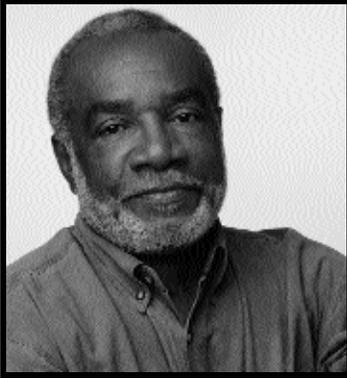
#### *Farm Service Agency*

USDA provides services directly to customers (program participants) in several ways. The Farm Service Agency provides direct service to farmers making application for Farm Operating Loans, Emergency Loans or Farm Ownership Loans. The Natural Resources Conservation Service provides technical assistance to farmers and landowners dealing with conservation and good land management practices.

The Rural Housing Service provides loans to individuals for housing. The National Agricultural Statistics Service, Economic Research Service and the Agricultural Research Service provide direct services through federally conducted activities that ultimately benefit all agricultural communities throughout our country.

For instance, every five years the National Agricultural Statistics Service conducts the United States Census of Agriculture, which identifies the number of farms and ranches in each state and includes a profile of farm and ranch owners by race, sex, national origin and the size of the ranch or farm.





## Lesson A

### Program Delivery Laws, Purpose and Structure Topic 3: Laws Covering Federally Conducted Programs

#### **Exercise** (Not a True Story)

##### *GIPSA*

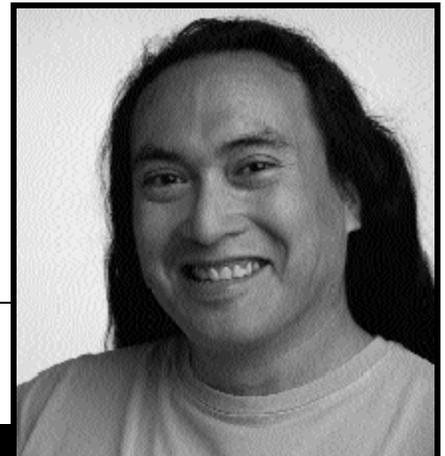
The Grain Inspection and Packers and Stockyards Administration (GIPSA) provides grain inspection services for all grain being exported out of the United States. Companies reimburse the GIPSA at an hourly rate for the inspection.

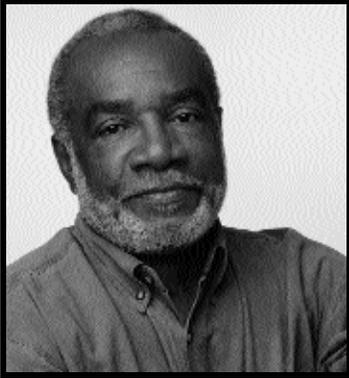
Al, an employee of GIPSA, is responsible for inspecting the grain of the Unified Grain Company (a minority-owned firm.) Al deliberately delays the inspection. His co-workers notice the delay because he has a reputation for timely inspections. Due to his delayed inspection, Al causes the Unified Grain Company to lose \$500,000 in profits.

The company knows that Al delayed and believes that the delay was based solely on the fact that it is a minority-owned company. The company files a complaint with USDA alleging race discrimination. The USDA investigates and determines that Al's actions were a violation of USDA regulations and nondiscriminatory policy.

What corrective action should be taken? (Select all that apply.)

- a. Disciplinary action should be taken against Al for the discriminatory actions. Disciplinary action should be taken against his supervisor if the supervisor knew or should have known about Al's actions.
- b. Written policies and procedures should be reviewed or rewritten to ensure that such actions cannot recur. Monitoring should occur until such policies are in place and staff have been given training regarding the policies and procedures.
- c. USDA should admit noncompliance in its Letter of Findings to the company with assurance that such behavior will not recur.





## Lesson A

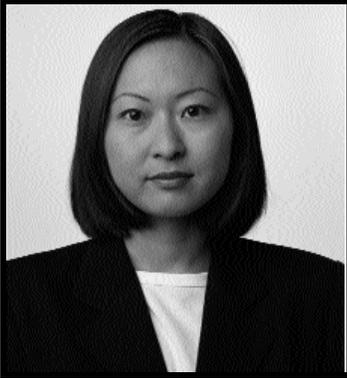
Program Delivery Laws, Purpose and Structure  
Topic 3: Laws Covering Federally Conducted Programs

### Exercise Answers

All three choices are correct.

- a. Disciplinary action should be taken against AI for his discriminatory actions. Disciplinary action should be taken against his supervisor if the supervisor knew or should have known about AI's actions.
- b. Written policies and procedures should be reviewed or rewritten to ensure that such actions cannot recur. Monitoring should occur until such policies are in place and staff have been given training regarding the policies and procedures.
- c. USDA should admit noncompliance in its Letter of Findings to the company with assurance that such behavior will not recur.





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Topic 4: Purpose and Structure

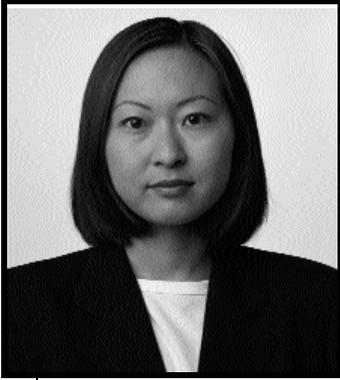
To comply with the requirements of the civil rights laws that apply to federally assisted programs and activities, the recipient is required to submit a signed assurance of nondiscrimination in some format, usually a form. These assurances are to help:

- Eliminate discrimination against applicants, participants and beneficiaries of any program or activity receiving USDA financial assistance.
- Prevent future discrimination.
- Address the effects of past discriminatory practices.

Compliance with civil rights requirements is achieved by adhering to the following activities:

- Providing technical assistance, guidance and training to encourage voluntary compliance
- Conducting regular compliance reviews of policies, procedures and practices of the programs and activities
- Investigation of complaints alleging discrimination
- Providing outreach and education.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 4: Purpose and Structure

### Example

#### *Assurance of Nondiscrimination*

Prior to receiving federal assistance, the USDA is obligated to ensure that the recipient will not discriminate.

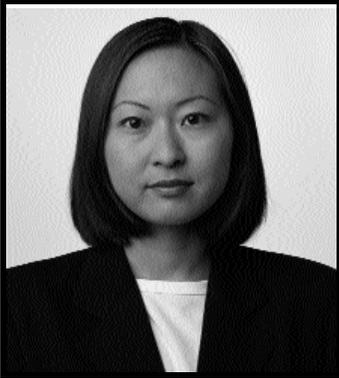
A recipient is required to certify that it will comply with civil rights requirements by signing an assurance of nondiscrimination.

In addition, USDA ensures that the recipient conducts the program in a nondiscriminatory manner through post-award reviews.

These reviews are conducted after the recipient receives the financial assistance to run the program.

Similarly, USDA-conducted programs and activities must be provided in a manner consistent with civil rights requirements that apply to the program or activity.





## Lesson A

Program Delivery Laws, Purpose and Structure  
Topic 4: Purpose and Structure

### Exercise

#### *No Loans to Hispanics*

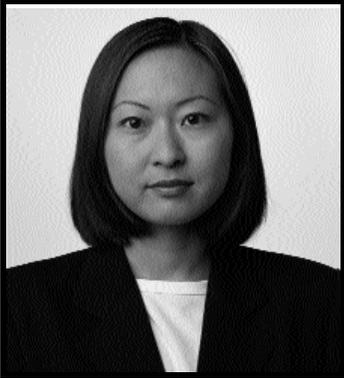
Bob and Joe work for the Farm Service Agency (FSA). Joe works in the Office of Civil Rights and Bob works in the Farm Programs division. Bob tells Joe over lunch one day that he is concerned about program decisions in the Southwest. For the past five years, no Hispanic males have been approved for loans. He asks Joe if there is anything that can be done.

Joe explains that such information must be examined by the Office of Civil Rights. Joe returns to the office and discusses the matter with his supervisor. The supervisor decides that immediate action is necessary to determine whether Bob's information is valid, and if so, what corrective action is necessary.

What action(s) will or should the agency's civil rights office take in this matter? (Select all that apply.)

- a. Find a Hispanic male to file a complaint on behalf of himself and all Hispanic men alleging discrimination on the basis of national origin.
- b. Ask Bob to file a complaint on behalf of Hispanic males.
- c. Conduct a compliance review of all loan-making activities of the agency by race, sex and national origin to determine whether discrimination has occurred or is occurring.





## Lesson A

Program Delivery Laws, Purpose and Structure

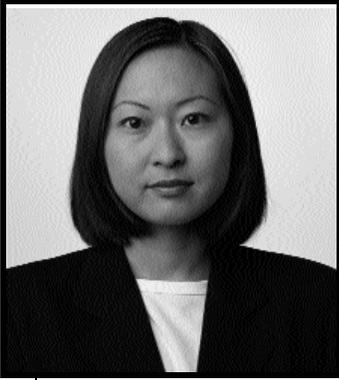
Topic 4: Purpose and Structure

### Exercise Answers

**The correct answer is C.**

Conducting a compliance review would be the appropriate action to take to ensure that the agency's policies, practices and procedures are being followed to ensure nondiscrimination and to determine why no Hispanic males have received loans. If there is a noncompliance finding, the agency must take corrective action to eliminate the problem. The Office of Civil Rights must monitor the situation until all corrective actions have been implemented.





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Lesson Summary

**1. What are the two categories of programs or activities provided by the USDA? (Select all that apply.)**

- A. Federally assisted
- B. Federally conducted
- C. Federally procured
- D. Federally occupied

**2. True or False? Although civil rights laws, regulations and policies cover federally assisted and federally conducted programs and activities, the coverage differs depending on the program activity.**

- A. True
- B. False

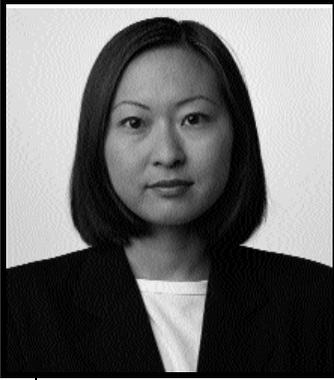
**3. True or False? All federally conducted USDA programs and activities are covered by the same civil rights laws, policies and regulations.**

- A. True
- B. False

**4. To comply with the requirements of the civil rights laws that apply to federally assisted programs and activities, the recipient is required to:**

- A. Assure USDA of its trustworthiness
- B. Submit quarterly reports on financial status
- C. Submit a signed assurance of nondiscrimination
- D. Assure USDA of its financial stability





## Lesson A

### Program Delivery Laws, Purpose and Structure

#### Lesson Summary Answers

**1. What are the two categories of programs or activities provided by the USDA? (Select all that apply.)**

*The correct answer is A and B. If the program is operated directly by USDA, it is a federally conducted program or activity. A program supported by federal (USDA) financial assistance and operated by a third party (recipient or sub-recipient) is a federally assisted program or activity.*

**2. True or False? Although civil rights laws, regulations and policies cover federally assisted and federally conducted programs and activities, the coverage differs depending on the program activity.**

*The correct answer is True. Although civil rights laws, regulations and policies cover federally assisted and federally conducted programs and activities, the coverage differs depending on the program activity.*

**3. True or False? All federally conducted USDA programs and activities are covered by the same civil rights laws, policies and regulations.**

*The correct answer is True. All federally conducted USDA programs and activities are covered by federal civil rights laws, plus departmental regulations. This ensures consistent civil rights policy for all federally conducted programs and activities.*

**4. To comply with the requirements of the civil rights laws that apply to federally assisted programs and activities, the recipient is required to:**

*The correct answer is C. To comply with the requirements of the civil rights laws that apply to federally assisted programs and activities, the recipient is required to submit a signed assurance of nondiscrimination in some format-- usually a form.*

