

FOOD DISTRIBUTION PROGRAM HANDBOOK

**FOOD DISTRIBUTION PROGRAM
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Food Distribution Program Handbook

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INTRODUCTION

The Illinois State Board of Education (ISBE) administers the Food Distribution Program (FDP) in Illinois. Through this program, surplus food provided by the United States Department of Agriculture (USDA) is distributed to eligible recipient agencies. These donated foods help meet the nutritional needs of children in schools and summer programs.

All agencies involved with the USDA Food Distribution Program must follow the procedures found in federal regulation 7 CFR Part 250. A link to this document is available on the Food Distribution Program website (www.isbe.net/business.htm) in the *Resources* section, *Legislation, Regulations, and Policy*, then under *Food Distribution Program* select *Regulation*.

This handbook will assist recipient agencies with managing the Food Distribution Program. Direct questions regarding the Food Distribution Program to:

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ELIGIBLE RECIPIENT AGENCIES

Government-donated commodities are available to recipient agencies in conjunction with their participation in one of the following programs.

National School Lunch Program—Through this program schools and residential child care institutions provide nutritious meals to children. Meals must meet federal guidelines designed to provide one-third of the child's Recommended Daily Allowance. Recipient agencies receive commodities and cash reimbursement for meals served to children.

Summer Food Service Program—Through this program, schools, units of state and local government, nonprofit private organizations, and residential summer camps provide meals to children during the summer months when school is not in session. Recipient agencies receive federal reimbursement for meals served to children. Donated commodities are available to those agencies that either prepare their own meals or receive their meals from a school food authority (SFA).

PARTICIPATION IN THE FOOD DISTRIBUTION PROGRAM

To participate in the Food Distribution Program, the recipient agency must participate in the National School Lunch Program (NSLP) or the Summer Food Service Program (SFSP). As a participating site in the NSLP, recipient agencies are expected to participate in the Food Distribution Program and use commodities to the best of their ability.

By completing the yearly application for the National School Lunch Program, schools are automatically enrolled in the Food Distribution Program. A commodity order must be placed on the Illinois Commodity System (ICS) by the SFA annually.

The recipient agency is required to maintain a copy (paper or electronic) of the current year application/agreement on file. In addition, all records pertaining to the Food Distribution Program must be maintained on file by the recipient agency for three years plus the current year or, if under investigation or audit, until the investigation or audit is completed.

COMMODITY AVAILABILITY

The USDA purchases and makes available to states a variety of foods. The mix of foods can change annually due to availability, cost of acquisition, and preferences of recipient agencies. The USDA seeks to obtain the largest quantity available at the lowest cost. The USDA advises each state of the types and quantities of foods that might be available. Each state evaluates its needs and reports them to the USDA.

The USDA has successfully expanded the variety and forms of commodities available. Today, more than 145 products are available for distribution. In addition, the USDA has revised specifications to reduce fat, sugar, and salt content in recognition of the *Dietary Guidelines for Americans* published jointly by the United States Department of Health and Human Services and the USDA.

Purchases of bonus commodities supplement the basic plan. Bonus commodities are foods in extreme surplus that the USDA wants to remove from the market in an orderly manner. Bonus commodities are generally available throughout the year, and recipient agencies may order all they can use without waste.

COMMODITY ALLOCATION

Each state receives commodities based on the total number of eligible meals claimed in the NSLP in the state multiplied by the federal assistance rate determined by the USDA. In turn, each school food authority receives a fair share of the state dollars based on their meals claimed which is referred to as their Planned Assistance Level (PAL). PAL is the amount you are entitled to in commodity value. The SFA's PAL is listed on their Annual Order Form (AOF) to assist when placing their order. As PAL commodities are allocated to the SFA, the value is deducted from the state's PAL.

Commodity foods are divided into two groups:

Group A—Meats, poultry, fish, fruits, and vegetables. Group A foods are available only as the USDA determines market conditions warrant purchases.

Group B—Oils, grains, peanut products, and dairy foods. Group B foods are available year-round and ordered based on need.

In addition to PAL commodities, the USDA may make special purchases of foods called *bonus commodities*. Bonus commodities may be either Group A or Group B commodities. Foods donated as bonus commodities are not charged against the state's or school's PAL. Most bonus commodities are one-time or limited-purchase items. They are allocated to states on a fair-share basis based on the number of meals claimed in the NSLP in the state.

The state orders food from the USDA based on the allocation from the USDA for each state and the quantities requested by the SFAs. The USDA establishes delivery periods for each allocation. The USDA purchases and ships the food to the state-designated warehouses, usually within the specified delivery periods. The USDA pays the costs associated with the shipping to the states.

In Illinois, a contracted transportation company receives, stores, and delivers the commodity foods to schools' designated delivery sites. Schools receiving the food pay the costs of these services directly to the contractor.

Representatives from ISBE and/or the regional USDA office periodically monitor the schools. The reviewer will monitor the storage facilities, record keeping procedures, and usage.

COMMODITY ORDERING BY SCHOOL FOOD AUTHORITIES

All commodity ordering is done on the Illinois Commodity System. You link to this website from the Food Distribution Program website at <http://www.isbe.net/business.htm> and clicking on *ICS* near the bottom of the page.

New Users Only: Before your initial visit to the ICS website, you must register as a first time user. To do this, call the Food Distribution Program staff at 800.545.7892. We will create a login identification which must be at least six characters (we recommend your first initial and last name), and a password. It is best if the login identification and password are easy for you to remember. Make note of your login identification and password for future reference. If you forget your password, the system will allow you to retrieve it by answering a security question you set up when you registered.

SFAs order commodities from the state by completing an Annual Order Form. This is done online, usually in January, for the next school year. You can update your order throughout the year if necessary. (Instructions are available on the Food Distribution Program website.) A reminder card is mailed to recipient agencies in December.

To place the Annual Order, the SFA must follow the steps below in the order listed:

Step 1 Diverting Commodities for Processing (optional)—SFAs desiring to divert USDA commodities to an approved processor must indicate on the Diversions to Processor form the processor and the pounds of raw commodities to be diverted. (See page 12 for more processing information.) Deduct the value of product diverted to a processor from the total PAL for the SFA and the remaining PAL becomes available for Group A and B PAL commodities. This is an actual order, so the SFA cannot exceed their beginning PAL when placing PAL diversions.

Step 2 Group B PAL Commodity—The SFA places an order for the actual number of cases for each Group B PAL commodity they can utilize in each delivery period (month). Deduct the total value of all Group B PAL commodities from the PAL for the SFA. The remaining PAL amount becomes the Group A PAL commodity balance. The state agency orders Group B PAL commodities from the USDA in accordance with the total of all orders for each commodity to arrive in time for delivery in the SFAs specified delivery periods. This is an actual order, so the SFA cannot exceed their PAL when placing Group B PAL orders. (If the SFA also diverted commodities for processing, the total value diverted and the total value of Group B commodities cannot exceed the beginning PAL.)

Step 3 Group A PAL Commodity—The SFA completes the Group A PAL commodity orders by indicating the maximum number of cases the SFA can effectively utilize in the school year, taking into consideration the commodity item will most likely not be available for all delivery periods. The state agency can only order Group A PAL commodities when the USDA makes an offering. The USDA offering will specify the quantity available for the state and the delivery periods. Since it is impossible for ISBE to know in January what will be available the following year, schools are encouraged to over order Group A PAL items by 20–25 percent. The SFA most likely will not receive everything requested. This will give better coverage of all possible items, and schools are more likely to receive their full PAL.

Step 4 Ordering Bonus Commodities—Group A and B bonus commodity requests are made in a similar manner to ordering regular Group A and B commodities. Since the value of bonus commodities does not count against the SFA's PAL dollars, there is no deduction from PAL for bonus commodities.

The state orders from the USDA based on the total maximum orders placed by SFAs and disperses deliveries over as much time as possible given the constraints of the USDA-specified delivery periods.

The SFA orders are divided among the delivery sites specified by the SFA in direct proportion to the percentage established by the SFA for each site, in effect creating an annual order for each delivery site for both Group A and Group B PAL and bonus commodities.

There are nine regular delivery periods coinciding with calendar months. The first delivery period is August 1–31 with the last one being April 1–30. In the month prior to each delivery, a Monthly Commodity Bulletin is generated for each SFA that shows the commodities to be allocated for delivery the following month. The ICS website posts bulletins for SFAs to view beginning on the 13th of the prior month.

Each month between the 13th and 20th, a window of opportunity is available for SFAs to modify their delivery for the following month. There are three options:

- 1) SFAs can have the whole month's allocation held until the next month.
- 2) SFAs can have a product held that they are unable to use or store that month. If you hold a product more than two months, private storage charges will be assessed.
- 3) In addition, SFAs that have more than one delivery site may change the amount each site is receiving and *move* the product from one site to another.

(More details can be found in the *Illinois Commodity System Instruction Manual* available at http://www.isbe.net/nutrition/pdf/ics_instructional_manual.pdf.)

COMMODITY DELIVERY

Each delivery point must be able to accept delivery Monday through Friday from 7 a.m. to 2:30 p.m. The transportation company will establish an annual delivery schedule for each delivery site providing the anticipated delivery week for each delivery period in the school year. This annual delivery schedule is available on the ICS website. The transportation company is also required to contact the delivery site at least 48 hours prior to the delivery and inform them of the actual delivery date the delivery will be made. At the option of the delivery site, weekly deliveries are available to any site with greater than \$40,000 annual PAL.

The contract with the transportation company specifies the delivery charge is based on the commodities being unloaded from the truck and placed on the ground. A delivery dock is not required. Custom deliveries may be prearranged, or requested at the time of delivery.

Custom delivery is the placing of commodities in a central holding area determined by the delivery site. The transportation agency may charge the delivery site for the custom delivery. A custom delivery shall be assessed in 15-minute increments or portions thereof. For example, if it took 25 minutes to transport the commodities to the area designated by the delivery site, the charge would equal the custom delivery rate times two. The current rate is \$11.25 per quarter hour. The charge for this example would be \$22.50.

In the event the transportation company is unable to meet the pre-assigned delivery date, the delivery site must be notified prior to the scheduled delivery. If the delivery is not made on the scheduled day, then the transportation company must make a custom delivery without charge. If the delivery site does not receive a 48-hour prior notification of a delivery date, the transportation company must provide a custom delivery at no charge to the delivery site. In either case, the alternate date must be within five working days of the originally scheduled delivery date.

If unforeseen circumstances caused the delivery site to take an *emergency day* and cause delivery on an alternate date, the transportation company is not obligated to provide a free custom delivery. If an *emergency day* occurs, causing non-delivery and return of commodities to the transportation company's warehouse, the transportation company may charge a backhaul fee of \$3.50 per 100 pounds. An *emergency day* is defined as an unscheduled official day of school closing entered on the official school calendar.

If, during the scheduled delivery date, the driver anticipates he will be unable to make all the scheduled deliveries, he must contact the schools not receiving deliveries prior to 2:30 p.m. to reschedule and provide a free custom delivery on the rescheduled delivery date.

Frozen foods must be maintained at 0°F or below, refrigerated food at 35–40°F, and dry foods at 50–70°F. Bulkheads must be used to split the freezer/refrigerated and dry items on the truck/trailer when donated commodities are expected to remain on the truck/trailer for 24 hours or more.

Upon delivery, the recipient should check the shipment as follows:

- Count the items received
- Check all items for damage
- Check temperatures
- Compare the delivery form to what was actually received
- Reject damaged items
- Note discrepancies on the delivery form in the *Amount Received* column (Identify the quantity and whether the items were missing or returned due to damage.)

- Sign the delivery form **(Once the delivery receipt is signed at the delivery site, the order as signed becomes the responsibility of the school.)**
- Sign the custom delivery (if applicable)
- Mark *yes* or *no* regarding delivery satisfaction
- Record receiving date on each case/bag (If not stored in a case/bag, record receiving date, pack date, and contract number on each unit.)

If all or any part of a delivery is refused (but not damaged) at the time of delivery, the delivery site will be charged a backhaul fee by the transportation company. The rate for this backhaul is \$3.50 per 100 pounds. The commodities refused will not be available on the next month's delivery. They will be available the second month.

Schools that operate their own food service are no longer required to maintain a separate inventory for commodities; however, you must keep perpetual inventories at every location where commodities are received and stored. Commodities should be stored so foods with the oldest pack dates are used first. There are many ways of ensuring first in, first out (FIFO) is taking place; e.g., computerized locator systems, color-coded locator systems, or marking the containers with pack date.

Approximately ten days after the delivery, the recipient agency will receive an invoice listing the commodities delivered and the shipping charges due the transportation company. Although recipient agencies do not pay for the value of the commodities, they are responsible for the delivery charges. Delivery rates are based on the type of storage required for each commodity and the gross weight of the product delivered. The minimum delivery charge of \$45 per delivery may make it undesirable to receive very small shipments.

Recipient agencies requiring signed vouchers for delivery charges should send a letter to inform the delivering carrier of their voucher procedures and include a set of blank vouchers. The carrier will complete a voucher each month, attach it to the invoice, and mail it to the recipient agency.

Notify the delivering carrier if an organization other than the recipient agency has been designated to file the remittance. Payments for the delivery of commodities should be made payable to the delivery carrier. All correspondence, calendars, and checks should include the recipient agency's agreement number. In addition, include the invoice number on the check submitted for payment.

STORAGE REQUIREMENTS

Recipient agencies are responsible for providing and maintaining proper storage for the commodities received. Commodities may be stored within the confines of the recipient agency's facility or at an outside storage facility. Commodities cannot be stored in private homes. Recipient agencies using an outside storage facility must maintain an agreement signed by both parties that includes the terms and conditions of the storage arrangement; i.e., cost, temperature requirements, liability. The recipient agency must also maintain inventory records of the commodities and quantities in outside storage and check the product periodically to ensure wholesomeness. All storage must meet applicable Hazard Analysis and Critical Control Point (HACCP) practices.

Recipient agencies are required to annually conduct a sanitation review of storage facilities and to take a physical inventory, reconcile book inventory to physical inventory, and document any differences between book and physical inventory. On the perpetual inventory, indicate lost, stolen, or out-of-condition commodities. The recipient agency must maintain sanitation reviews and inventory records on file.

Use all USDA-donated commodities within six months of the date of receipt. Commodities that will not be used should be transferred to other recipient agencies that participate in the Food Distribution Program.

Infestation, spoilage, deterioration, and contamination of foods usually occur because of malfunctioning refrigeration equipment or improper storage practices. Listed below are desirable practices to follow.

A. Recommended Storage Temperatures

1. Dry = 50–70°F
2. Refrigerated = 35–45°F
3. Frozen = 0°F or below

B. Refrigerator/Freezer Storage

1. Foods should be stored only in refrigerators and freezers operating properly and in good repair.
2. Thoroughly clean and dry the refrigerators and freezers before placing foods in storage.
3. Place foods on pallets or shelves, with a one- to two-inch space left between the walls and food containers to insure proper air circulation. To prevent damage, foods should be properly stacked.
4. Take and record daily the temperatures in the refrigerators and freezers. Recording thermometers should be on the outside of the refrigerators and freezers for easy viewing of the temperatures without opening the doors.
5. Check thermometers and other refrigeration equipment periodically to ensure they are operating properly. Repair malfunctioning equipment immediately.
6. Refrigerators and freezers should be equipped with an alarm system to detect low/high temperatures or power failures. Check refrigerators and freezers immediately after a power failure to make sure they are operating properly and stored foods are still in good condition.
7. Lock all refrigerators and freezers. Only authorized personnel should have access.

C. Dry Storage

1. Maintain an insect and rodent control program.
2. Walls, floors, and ceilings should be smooth, impervious to moisture, easy to wash, and vermin-proof.
3. Containers of food should be stored a minimum of six inches off the floor to protect the food from contamination and permit easy cleaning. Containers may be stored on dollies, racks, or pallets that are easily moveable.
4. Lock the storerooms. Only authorized personnel should have access to storage areas.
5. Allow one to two inches clearance between all walls and stored food for ventilation.
6. Thermometers should be conveniently located and checked daily.
7. Label foods removed from their original containers and stored in bulk containers with the common name for contents.
8. Cleaning and sanitizing supplies must be stored in a separate area from food.
9. Chemicals used in pest control must be stored separately from food supplies and cleaning supplies.
10. Food should not be stored under exposed or unprotected sewer lines or water lines.
11. All items should be properly cross-stacked on pallets to provide for circulation and to prevent them from toppling. Bagged items and those requiring fumigation and insect control should not be stored in large masses in corners of the storeroom or directly against the wall.

The USDA Fact Sheets include proper storage and preparation instructions. The Fact Sheets are available on the USDA website (www.fns.usda.gov/fdd/facts/default.htm).

PROCESSING COMMODITIES

If the SFA so chooses, commodities may be sent to a processor and converted into end products the SFA deems more acceptable.

SFAs wishing to have commodities diverted for further processing indicate the pounds of commodity to divert and the name of the processor(s) on the Annual Order Form Diversion to Processor. The value of PAL commodities diverted for processing is deducted from the school's PAL. If the diverted commodity is a bonus commodity, the value is not deducted from PAL.

There are three basic ways for recipient agencies to obtain the finished end product. Those three ways are:

Fee for Service—When the processors have manufactured the end products, they deliver them to Lanter for delivery with the school's monthly commodity delivery. The processed products appear on the monthly Commodity Bulletin for that month. The SFA will receive a bill from the processor for the processing costs and will pay delivery charges to Lanter. Schools should pay the processing costs when 1) they have a statement from the processor and 2) the product appears on their monthly Commodity Bulletin. If schools choose to have processed product held at Lanter for delivery in subsequent months, they need to pay the processor for the entire amount listed on the monthly Commodity Bulletin. Processors calculate charges based on prompt delivery, and are not responsible for carrying a school's debt for 30–60–90 days.

Rebate—If the processor participates through a rebate program, schools purchase the products from a local distributor. SFAs are responsible for applying directly to the processor for their rebate. The rebate is for the value of the commodities diverted to manufacture their end products.

Net-Off Invoice—Schools purchase the processed end products from a local distributor at a reduced price. The price reduction reflects the value of the commodity diverted in that product.

Schools interested in having some of their commodities processed, should attend Illinois School Nutrition Association (ILSNA)-sponsored Commodity Taste Tests. These are usually held in November at various locations throughout the state. In addition to sampling the various end products, school personnel can meet company representatives and discuss the processing program.

Usually, the Commodity Taste Tests include a presentation by ISBE's Food Distribution Program staff and provide a time to meet and discuss commodities issues. Schools should also take advantage of training opportunities provided by the Illinois School Nutrition Association (ILSNA).

DEPARTMENT OF DEFENSE FRESH FRUIT AND VEGETABLE PROGRAM

Illinois receives an allocation from the USDA of approximately \$3 million dollars to provide fresh fruits and vegetables to Illinois schools through the Department of Defense (DoD). ISBE determines allocations for each district based on meals claimed in the National School Lunch Program (NSLP). The DoD requires schools receive a minimum of \$500 in DoD allocation to be eligible. The DoD administers the program.

Schools can elect to participate by selecting “yes” under the *DoD Fresh Fruits & Vegetables Participation* option under the *Annual Order Forms* main menu option. Yearly allocations are posted on the ICS for each eligible school on their AOF in January. The allocation amount also is listed on each monthly bulletin, however; since the DoD system and ICS are not linked, the monthly bulletin will only show your allocation without draw-downs.

Eligible schools must register with the DoD to become active in the DoD system. Orders are placed on the DoD’s FFAVORS (Fresh Fruit and Vegetables Online Ordering System) and deliveries are made by local distributors that have contracts with the DoD. The DoD maintains the SFA’s fund balance and can advise them of remaining balances. The contact phone number for the DoD is (215) 737-3676.

ALLOWABLE USES OF UNITED STATES DEPARTMENT OF AGRICULTURE COMMODITIES

Commodities are made available in conjunction with the recipient agency's approved food service operation. Schools primarily use commodities in the preparation of reimbursable meals.

However, recipient agencies use a portion of commodities in workshops, for demonstrations, or for tests relating to the utilization of the product. The recipient agency or a bona fide experimental or testing agency may perform the tests. For a product is to be tested by an outside agency, the transfer must be approved by ISBE.

Schools may use commodities for training students in home economics, nutrition, food preparation, child care, or other health related courses. Commodities used for training purposes will not be replaced; therefore, schools should determine whether the commodities and quantities requested for training purposes might negatively affect the needs of the lunch program. The products containing donated commodities may not be sold unless the proceeds accrue to the school's nonprofit food service program.

The recipient agency must maintain records of the kinds and quantities of foods used for training, demonstrations, and testing purposes. Records should include the commodities, quantities, date of transfer, and name of the group/agency that received the products.

In addition, you may use commodities for preparing items for a la carte sales and adult meals served during the regularly scheduled breakfast and lunch period as long as the same commodities or prepared items are served at some time during the year as a required component or side dish of the reimbursable meal.

The cartons, tins, etc., in which commodities are packaged may be sold by recipient agencies.

You must deposit all funds derived from the sale of donated commodities or containers in the nonprofit food service account.

COMPLAINT PROCEDURES

Schools should notify ISBE when there is a concern that a USDA-donated commodity may not be safe for consumption or the quality of the product may not meet generally accepted standards. File complaints with ISBE in one of two ways.

1. Schools can print the complaint form off the FDP website, complete the form, and fax it to ISBE at 217.782.4550.
2. Schools can email the needed information to ISBE staff by using the *Contact Food Distribution Staff* link located under *Additional Links* on the ICS homepage.

Schools need to provide as much information as possible regarding the commodity. Some key pieces of information include:

- Commodity name and commodity code
- Date product received
- Amount received and amount remaining
- Any information from the case or container such as can codes, pack date, box number, and vendor (company that produced)

ISBE will file the complaint with the Illinois Department of Public Health and the USDA. Schools should keep as much evidence of the problem as is practicable. Discard the evidence if there has been no request to have the product picked up and examined within four weeks.

Possible consequences of complaints are available in this document's section titled *Food Alerts, Holds, and Recalls*.

COMMODITY LOSSES

You must document commodity losses. Documentation of commodity losses comes under the requirements of the Single Inventory Record Keeping System (as described in USDA Memorandum FD-020). When a loss of a commodity occurs under this system, the SFA is required to use the same procedures currently in place for reporting the loss of purchased products. Therefore, SFAs are not required to report commodity losses to ISBE. Simply document the loss in the SFA's inventory records. However, the SFA remains responsible for ensuring all nonprofit food service resources are safeguarded and reminded that any misuse of nonprofit food service resources is subject to criminal prosecution under Section 12(g) of the National School Lunch Act.

COMMODITY TRANSFERS

Commodities that cannot be used by a recipient agency should be transferred to another site under the same recipient agency or to another recipient agency. Recipient agencies may only accept the types of commodities offered to them through the Food Distribution Program during the last twelve months.

When transferring commodities, the recipient agency initiating the transfer must develop a list that includes the agreement numbers of both recipient agencies and the commodities and quantities being transferred. Each recipient agency needs to maintain this list in their inventory.

Excess commodities cannot be distributed for personal consumption under any circumstances.

FOOD ALERTS, HOLDS, AND RECALLS

There are three levels of warnings that can be issued relating to the safety or quality of USDA commodities. These three levels are *alerts*, *holds*, and *recalls*.

An *Alert* may be issued when there is doubtful food quality or suspicion that there may be a safety issue that has not yet been proven. Alerts are posted on the ICS website Message Board and emails are sent to the National School Lunch Program contact person at each school.

When a product is potentially hazardous or has not been produced according to specifications, it may be placed *on hold* by the USDA or the Illinois Department of Public Health (IDPH). Depending on the severity of the problem and the time the *hold* is received, a recipient agency may be informed of the hold by one of several methods depending on the severity of the problem.

- The *hold* information will be posted on the ICS website Message Board.
- Emails will be sent to the National School Lunch Program contact person at each school.
- Notices may be sent by U.S. mail.
- Notices may be sent by fax.
- Phone calls to schools may be placed.

If it is determined the product should be *recalled*, notification to the SFAs is the same as for a *hold*. There will be additional information regarding how and when the return pick-up will be conducted. Depending upon the quantity at each SFA, schools may be instructed to destroy the product locally in lieu of a pick-up and return.

FOOD DISTRIBUTION PROGRAMMATIC REVIEWS

Programmatic Reviews of the Food Distribution Program are conducted as a part of the National School Lunch Administrative Review. These are conducted at each SFA every five years. The reviewer will monitor the storage facilities, record keeping procedures, and usage.

DISASTER-RELIEF FEEDING

Once the federal government declares a disaster area, the USDA will make commodities available to feed victims of the disaster. Schools, both public and private, may act as disaster-relief facilities or as sources of food to disaster-relief agencies. ISBE and the appropriate state or federal Emergency Management Agency will coordinate this effort.

CIVIL RIGHTS GUIDELINES

All recipient agencies participating in the USDA Food Distribution Program must follow the provisions of Title VI of the Civil Rights Act of 1964 (as amended), Title IX of the Education Amendments of 1972, and Section 504 of the Rehabilitation Act of 1973. As a part of these requirements, all food service facilities must display an *And Justice for All* poster. These posters are available from Food Distribution Program staff.

BUY AMERICAN

When purchasing food with federal funds, recipient agencies must purchase food produced in the United States. The USDA defines foods produced in the United States to be:

- An unmanufactured product of United States origin
or
- A product manufactured in the United States

Exceptions to this rule include:

1. Purchases of ethnic or unusual foods
2. Products not produced in the United States
3. United States products whose costs were determined unreasonable through competitive bidding

GLOSSARY

ALLOCATION—Offering of commodities to recipient agencies.

AGREEMENT NUMBER—Unique number assigned to a recipient agency by ISBE identifying the recipient agency by region, county, and agency number.

AOF—Annual Order Form

BONUS COMMODITY—Food item donated to the state by the USDA and not charged against the recipient agency's PAL.

COMMODITY—Food item donated to the state for use in a federal nutrition program.

DISASTER—Natural events (hurricanes, tornados, storms, floods, earthquakes, droughts, and fires), man-made events (explosions, fires, riots, nuclear, and chemical contamination), or other emergencies recognized by the state or federal Emergency Management Agency.

DISASTER-RELIEF AGENCY—Recognized institution or association of persons engaged in charitable activities as specified in the Disaster Relief Act of 1974 (P.L. 93-288).

END PRODUCT—Product containing any amount of donated foods that have been processed.

FOOD SERVICE MANAGEMENT COMPANY—Commercial enterprise under contract with the recipient agency to manage any aspect of its food service.

ICS (Illinois Commodity System)—Software system used by Illinois to allocate commodity products.

ILSNA—Illinois School Nutrition Association

SFA—School food authority, usually a school district

PAL—Planned Assistance Level (entitlement amount) assigned to a recipient agency for a particular year. This calculation is based on the number of school lunches claimed in the National School Lunch Program by that recipient agency. Calculations are based on the most recent year for which claim numbers are available.

PROCESSING—Repackaging or conversion of a donated commodity into a finished end product.

RECIPIENT AGENCY—Eligible organization with an approved application/agreement for the National School Lunch Program on file with the Illinois State Board of Education, usually an SFA.

WEBSITE DIRECTORY

www.isbe.net/nutrition/

ISBE Nutrition Programs

www.isbe.net/business.htm

ISBE Food Distribution Program

www.fns.usda.gov/fncs/

USDA Food and Nutrition Service

www.fns.usda.gov/fdd/facts/default.htm

USDA Fact Sheets