



State of Arizona
Department of Education

Tom Horne
Superintendent of
Public Instruction

FD 04-08

MEMORANDUM

TO: Food Distribution Program Participants
FROM: Tina Herzog, Food Distribution Program Director
Arizona Department of Education, Food Distribution Program
DATE: July 24, 2007
SUBJECT: Cheese Shortages – SY 2008

Original Signed

The mozzarella cheese market is currently very tight and supplies may be tight for some time. To date, USDA is only able to fill 56.88% of **B037** (Mozz Lmps SD 30) orders, 38.25% of **B042** (Mozzarella 6 Frz) orders, and 13.25% of **B077** (Mozzarella Unfrz) orders for Schools. USDA had to fair share the existing SY 2008 mozzarella cheese orders that they are buying to ensure that all States will be able to receive *some* cheese. As a result, Arizona has only been allocated the following for our fair share:

State	B037 Fair Share (Trucks)	B042 Fair Share (Trucks)	B077 Fair Share (Trucks)
Arizona	6	OK	4

This means ADE had to adjust our planned usage distribution for B037 and determine which processors would receive the very limited number of trucks of B077 that were allowed. It was determined we would have to eliminate August and September deliveries of B037 from the Planned Usage Survey. If you were affected, we have enclosed a new Planned Usage Request Confirmation showing the elimination of those months. We are hopeful that USDA will be able to begin bringing in B037 by October 2007. It was also determined the following processors will be receiving the trucks of B077 that are available to Arizona at this time: Schwan's (2 trucks), ConAgra (1 truck), and East Side Entrees (1 truck). Processors and brokers will need to work with sponsors and ADE in order to determine if and when they can place orders for end-products.

At this time, USDA has removed B037, B042, and B077 from SY 2008 Cheese Survey until at least January 2008, which means ADE will not be able to submit orders for these commodities until January 2008. The USDA Kansas City Commodity Office and Food and Nutrition Service are actively working to create additional vendor capacity to fill orders, but find it necessary at this juncture to take these temporary measures until the situation improves. ADE will be keep you updated on this situation via memos and e-mails. If you have any questions, please contact Tina Herzog @ (602) 542-8781, Leona Benally @ (602) 364-1965, or Dawn Irvine @ (602) 364-0714. Your cooperation and understanding are appreciated.

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