



State of Arizona
Department of Education

FD 01-13

MEMORANDUM

TO: Food Distribution Program Participants

FROM: Jessica Creed-Capsel, Director
Food Distribution Program

SUBJECT: Welcome Back Memo – School Year 2012-2013

School year 2012-2013 has begun and the Food Distribution Program would like to take this opportunity to highlight program guidance that will better assist you with the successful operation of your program.

Below is a list of items that can be located in the “Documents” section of the CNP2000 system and/or the web addresses where they can be found:

- School Year 2012-2013 Calendar for Group A & B USDA Foods
- Food Distribution Training Schedule and Registration <http://www.ade.az.gov/onlineregistration/>
- Storage Self Evaluation Form – This must be completed at the beginning of each school year and kept in your files. This document will be reviewed by your Food Distribution Program Reviewer during your next review.
- Temperature Chart – to be posted in all food storage areas. A sample chart is provided in CNP2000, however you may create your own version of this temperature chart provided it includes the same information.
- USDA Foods Nutrition Fact Sheets – The nutrition fact sheets are available on USDA’s website at <http://www.fns.usda.gov/fdd/schfacts/>
- USDA Foods Values
- US Foods Order/Delivery Guide (US Foods ordering deadlines) **Please note, US has changed their name to US Foods
- Delivery Destination Form – Sponsors who are new to the Food Distribution Program must complete a Delivery Destination Form prior to receiving allocations. This form is located at <http://www.azed.gov/health-nutrition/food-distribution/documents/>
- Contact List for ADE Food Distribution team and US Foods team



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USDA Foods Training and Managing Your Food Distribution Program

The Food Distribution Program operates completely online. You must have ongoing access to the Internet to be able to participate in and properly manage the Food Distribution Program.

All existing Food Distribution Program sponsors must update all contact information in CNP2000 before being allowed to receive USDA Foods allocations. This is done by completing the “Delivery Locations” and “Commodity Contacts” forms which are found in the “Documents” section of CNP2000 system. It is imperative that you verify all phone numbers and email addresses to ensure that all information is current.

In order for schools to view allocated USDA Foods, place orders and refuse USDA Food allocations, all schools must have at least one CNP2000 registered user. If no one at your school is currently registered or you have not attended training, you must register for USDA Foods Ordering Web-Based Training immediately. This required training will teach you how to use the CNP2000 USDA Foods ordering system. There is no charge for this training but it is REQUIRED. Space is limited and cannot be extended once a class is full. Register at: <http://www.azed.gov/online/registration/>

Remember, employees of Food Service Management Companies (FSMC) are not allowed access to CNP2000. You must be an employee of the school in order to access the CNP2000 system. You will be required to show proof of your employment at the time of training.

ADE will post USDA Foods allocations in CNP2000 on Tuesdays and Thursdays depending on new shipment arrivals at US Foods. You will **not** receive an alert or other notification when a new allocation has been posted to CNP2000, so it is important that you check for new allocations in the system weekly.

USDA Foods orders are entered into CNP2000 and are immediately sent directly to the distributor, therefore expediting your order and reducing paperwork. Since US Foods requires a 72-hour advance notice for all orders, they have provided an “Order/Delivery Guide” for your convenience (found at the end of this memo).

USDA Foods Distributor, Delivery Prices, and Fees

The Arizona Department of Education (ADE) has renewed the contract with US Foods (Contract # ED09-0030) to continue distribution of the USDA Foods for school year 2012-2013. Please note the new delivery fees listed below, which will be effective for school year 2012-2013.

<i>Prep Site</i>	\$3.31 per case (10 case minimum – ADP of 250 or less) (20 case minimum – ADP of 251 or more)
<i>Warehouse</i>	\$2.71 per case (100 case minimum, exchangeable pallets and forklift required)
<i>Pick Up</i>	\$2.01 per case (100 case minimum, exchangeable pallets and refrigerated truck required)



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The above delivery fees include the delivery charges negotiated between ADE and US Foods, but do not contain an administrative fee. To provide schools better pricing for school year 2012-2013, we are again able to suspend this fee for the current school year. The excess storage and private storage fees will remain \$1.10 per case for school year 2012-2013.

Excess Storage Charges

The ADE will invoice all schools for excess storage fees of \$1.10 per case on all USDA Foods cases allocated that are not refused by the refusal date or placed on an order by the close date. This fee will be applied to ALL allocations, including NOAs for A & B USDA Foods, Group B products not placed on an order in the month identified on your Planned Usage Request Form, Surplus requests and Special requests. You will not only be charged the fee but the items will also be removed from your available allocation. Invoices are due net 30 days. **If we do not receive payment after 60 days, you will be subject to a late charge and your reimbursement claims will be held until payment has been received.** When remitting payment, please identify the excess storage fee invoice number on your check/warrant.

Delivery Window

The delivery window for all USDA Foods deliveries by US Foods is 6:00am to 2:30pm (Phoenix time). If a delivery is refused during these hours, you will be subject to a restocking fee of \$1.25 per case. Many sponsors have been requesting specific delivery times for their school. However, there are approximately 350 sponsors receiving USDA Foods at over 4,000 delivery sites. It is not possible for US Foods to accommodate specific delivery time requests.

If you have a problem with a specific delivery, please call Pam Bowers or Rose Garcia at US Foods. If you continue to experience delivery problems (e.g., drivers delivering outside the required time, poor delivery service, etc) please contact the Food Distribution team immediately so that we may address the issue.

School Calendars and School Closures

Please email a copy of your school calendar to Rose or Pam at US Foods. In addition, if your school will be closed for an early release day or holiday and you have placed an order for delivery that day, it is your responsibility to have someone readily available at the school to accept the delivery. You must notify US Foods of any school closures that will affect your delivery. You will receive an invoice from US Foods for a restocking fee of \$1.25 per case if no one is available to receive an order placed by your district.

Inventory Management – Single Inventory, Losses and Proper Use

In order to make the single inventory system possible, USDA has granted State Distributing Agencies (in Arizona this is the ADE) two voluntary waivers for all schools **not** using a FSMC: 1) 7 CFR Part 250.14(e) that requires State Distribution Agencies to take an annual physical inventory of USDA Foods during the annual sponsor reviews; and 2) 7 CFR Part 250.16(a) (2) that requires sponsors to maintain an accurate and complete inventory of USDA Foods. **This waiver does not apply to schools using a FSMC.**



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The ADE has implemented the single inventory record keeping system for eligible schools, but stresses that good inventory management and control practices must be maintained where commercially purchased and USDA Foods are stored together. Due to the implementation of this single inventory system, sponsors **not** using a FSMC will not be required to submit an annual USDA Foods inventory report to ADE at the end of the school year. **Schools using a FSMC are required to submit the inventory form at the end of each school year (July).** While sponsors that are **not** using a FSMC will no longer be required to keep a separate inventory of USDA Foods, they must treat and safeguard USDA Foods just as they do commercially purchased foods. Schools will continue to be audited and must document how inventory movement occurred.

Those same sponsors are not required to report loss, damaged or out-of condition USDA Foods to ADE unless the value of the loss exceeds \$2,500. Sponsors will treat the loss in the same manner as you treat purchased food losses, though all losses of USDA Foods should be replaced with like product and documentation should be kept on file at the school. If you have a loss of USDA Foods that exceeds \$2,500, please contact the Food Distribution team to make a claim.

Sponsors may use USDA Foods across programs (NSLP, SBP and SFSP) as long as all income accrues to the nonprofit food service account. Sponsors are responsible for ensuring that all food resources are used properly. Misuse of USDA Foods is subject to criminal prosecution under Section 12(g) of the National School Lunch Act.

Transferring USDA Foods

USDA Foods can be transferred between sponsors operating the NSLP or SFSP with the completion of the proper transfer form. For processed USDA Foods, please contact the ADE Food Distribution team for approval prior to the transfer and to obtain the transfer form. For all other USDA Foods, the completed transfer form must be kept on file by the sponsor in case of an audit. This transfer form can be located at: <http://www.azed.gov/health-nutrition/food-distribution/processing/>

Surplus USDA Foods

ADE will no longer accept Surplus requests by email or fax. All Surplus requests must be submitted online through the CNP2000 system. Please refer to the “Documents” section of CNP2000 for system specific instructions detailed in the CNP2000 Training Manual.

Surplus requests will only be accepted on Mondays and Thursdays between the hours of 8:00am and 2:00pm. Allocations will be completed within 24 hours of being submitted. Once you receive your Surplus allocation, indicated by REQxxxxx, it is your responsibility to place all products on an order within seven (7) working days. Only one Surplus request per week, unless prior approval is given by ADE.

Surplus USDA Foods are available on a first come, first serve basis, subject to available entitlement. Make sure you have enough entitlement to cover your request. This may require you to transfer entitlement from A to B or B to A. You may request a transfer of entitlement by sending an email to FDP@azed.gov. Please remember to only request amounts that are reasonable for your inventory and menu planning needs. Excessive surplus requests are subject to ADE review prior to fulfillment.



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USDA Processor Carryover

Many manufacturers have high volumes of unprocessed USDA Foods pounds being carried over into school year 2012-2013. These pounds must be utilized by November 30, 2012, prior to the receipt of school year 2012-2013 diversions. On the rare occasion that pounds are kept past the November 30 deadline, a plan of action must be submitted and approved by the Food Distribution team. Remember, each manufacturer provides a planner or calculator available to assist you in planning how your pounds can be efficiently utilized. It is pertinent that all USDA Foods processing pounds are handled properly to avoid them being removed from your inventory.

Thank you for your participation in the Food Distribution Program! If at any time you require assistance, please contact the Food Distribution Program team at (602) 542-8700 or FDP@azed.gov.



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Arizona Department of Education Food Distribution Program

Contact Information Sheet

Physical Address: 2005 North Central Avenue – 2nd Floor
Phoenix, AZ 85004

Mailing Address: 1535 West Jefferson Street, Bin 7
Phoenix, AZ 85007

Phone Number – Receptionist: (602) 542-8700
Department Email: FDP@azed.gov
Fax Number: (602) 542-6978 (FD direct) or (602) 542-1531

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**US Foods
State Contracted Warehouse & Product Delivery Service**

Physical Address: 4650 West Buckeye Road
Phoenix, AZ 85043

Phone Number – Main Line: (602) 269-7241
Phone Number – Toll Free: (800) 451-6638

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