



**Arizona Department of Education**  
Health & Nutrition Services Division

**HNS # 06-2021**

**MEMORANDUM**

**To:** Child and Adult Care Food Program Sponsors  
**From:** Melissa Conner, Associate Superintendent  
Arizona Department of Education, Health & Nutrition Services Division  
**Date:** March 19, 2021  
**Subject:** Option to receive USDA Foods or Cash In Lieu of Commodities

*Original Signed*

This memorandum contains information about the requirements for receiving USDA Foods or electing to receive cash in lieu of commodities. As operators of the federally funded Child and Adult Care Food Program (CACFP), sponsoring organizations and independent institutions are eligible to receive either entitlement funds allocated toward receiving USDA Foods or cash in lieu of commodities (CIL).

Operators must review the information outlined in this memorandum and complete the brief survey at the link below to indicate interest in learning more and possibly receiving USDA Foods in the future.

**USDA Foods**

USDA Foods Program distributes domestic, wholesome foods such as grains, fruits, vegetables, and proteins to support meals that meet USDA regulations. Participating CACFP operators would receive approximately \$0.32 per lunch meal in entitlement funds. Please note, entitlement funds are an electronic amount that are then exchanged for bulk volumes of USDA Foods. No direct payments will be received. To receive USDA Foods, operators must have the ability to:

- Receive 10 or more cases of food per delivery;
  - Examples include:
    - 1 case of cheese = 30 pounds
    - 1 case of whole-grain rich tortillas = 288 tortillas
    - 1 case of peanut butter = 6 jars that are 5 pounds each
    - 1 case of ground beef = 40 pounds
- Safely receive deliveries from semi-trucks;

- Complete a credit application and pay delivery fees of \$3.09 per case with a purchase order or check;
- Demonstrate adequate storage is available for all food items ordered and received. Shipments must be scheduled in a timely manner or storage fees of \$1.10 per case will be assessed;
- Maintain sufficient enrollment to support the use of the volume of food received with minimal spoilage and waste;
- Continue spending at least 50% of total reimbursement on food; and
- Provide documentation (menus) that shows proper utilization of the ordered foods.

Those who participate in USDA Foods would also be required to attend additional training to gain access and learn a separate system for USDA Foods orders called myFOODS.

### **Cash In Lieu of Commodities (CIL)**

In lieu of USDA Foods, CACFP operators may elect to receive cash in lieu of commodities. CIL is an additional \$0.2450, which is added to the reimbursement amount for each lunch and supper meal served. This is actual money that is added to the monthly reimbursements with no additional requirements.

### **Sponsor Preferences**

Please complete this brief survey by April 15, 2021 to indicate if you are interested in USDA Foods or would prefer to continue receiving the cash in lieu of commodities. The survey is available at the following link:

<https://www.surveymonkey.com/r/AnnualCashInLieu>

### **Contact Information**

If you have questions or concerns regarding this memo, please contact ADE at (602) 542-8700 and choose Option 1 for Community Nutrition Programs.

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*Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: [How to File a Complaint](#), and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:*

1. mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;
2. fax: (202) 690-7442; or
3. email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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