



HNS # 02-2022

MEMORANDUM

To: Child and Adult Care Food Program Sponsors
From: Melissa Conner, Associate Superintendent
Arizona Department of Education, Health and Nutrition Services Division
Date: April 20, 2022

Original Signed

Subject: Option to receive Cash In Lieu of Commodities or participate in the USDA Foods in Schools

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 food through the USDA Foods in Schools program or cash in lieu of commodities (CIL). The information in this memorandum is to be provided annually and provides information about participating in the USDA Foods in Schools Program or electing to receive cash in lieu of commodities as a CACFP operator.

Operators must review the information outlined in this memorandum and must complete the brief survey using the link below.

USDA Foods in Schools program

The USDA Foods in Schools program, which is not exclusive to schools, provides Recipient Agencies (RAs) access to 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 in entitlement funds for each CACFP lunch and/or supper meal claimed in the prior fiscal year. The entitlement funds are provided in an electronic amount which is then exchanged for food items using the Arizona Department of Education – Health and Nutrition Services’ web-based system, myFOODS. This program does not provide direct cash payments.

Operators, known as RAs within the USDA Foods in Schools program, 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 the USDA Foods in Schools program would also be required to attend additional training to gain access and learn how to use the ordering system, myFOODS.

Cash In Lieu of Commodities (CIL)

In lieu of participating in the USDA Foods in Schools program, CACFP operators may elect to receive cash payments. CIL currently provides CACFP operators an additional \$0.2450, which is added to the reimbursement amount for each lunch and supper meal claimed. This is actual funding that is added to the monthly reimbursements with no additional requirements.

Participation preferences of CACFP Operators

Please complete this brief survey by April 30, 2022 to indicate interest in the USDA Foods in Schools program or the preference to continue receiving the cash in lieu of commodities. The survey is available at the following link:

<https://azed.surveymonkey.com/r/9Y2DTYJ>

Contact Information

If you have questions or concerns regarding this memo, please contact your assigned Health and Nutrition Services Specialist or send an email to ContactHNS@azed.gov.

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Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, 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.

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