



Oregon

Kate Brown, Governor



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DEPARTMENT OF
EDUCATION

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Colt Gill

Director of the Oregon Department of Education

December 8, 2021

TO: Oregon Child and Adult Care Food Program (CACFP) Center-Based Sponsors
RE: Choice of USDA Foods (commodities) or cash-in-lieu: Fiscal Year (FY) 2022-2023

ODE is offering CACFP sponsors the choice of USDA Foods or cash-in-lieu in FY 2022-23 (July 1, 2022- June 30, 2023). USDA Foods operates on the FY starting July 1, 2022 and ending on June 30, 2023.

What is the USDA Foods Program?

The USDA Foods program provides a variety of food products that are 100% domestically produced and American grown. The [USDA Foods available list](#) lists all current food offered to Oregon National School Lunch Program Sponsors and is the same for CACFP sponsors. USDA creates the specifications for these products to align with meal pattern requirements, and as such are minimally processed and lower in fat and sodium than their commercial counterparts. USDA Foods fact sheets for these products are found on the [USDA website](#).

Possible benefits of taking USDA Foods instead of cash-in-lieu-

- USDA has massive purchasing power, and many of the food items may be lower in cost than food you are purchasing commercially. USDA creates specifications and food products that align with meal pattern standards and dietary requirements.
- Food packaging and types of food align with Child Nutrition menus.
- USDA Foods credit via USDA Foods Product Information Sheets and do not require any other documentation.

Possible drawbacks of taking USDA Foods instead of cash-in-lieu-

- Your meal reimbursement will be less. You will be receiving food instead of cash-in-lieu (not both). The current rate earned for cash-in-lieu or USDA Foods is 26 cents per meal. Therefore, currently 26 cents is included in your total meal reimbursement for every lunch and supper reported on the claim.
- You are not able to accept delivery by a commercial truck.
- Your entitlement amount may not be enough to meet at least one delivery of 20 cases. Sponsors can share a delivery site to meet 20 case minimum.
- You cannot accept large food pack sizes because you may not have enough food storage. Pack sizes are listed in the USDA Foods available list mentioned above. Some items have large pack sizes while others do not.
- USDA Foods have a shipping/service fee cost that must be taken into consideration. Those costs are listed on the USDA Foods available list mentioned above.

Next Steps:

- If you wish to keep taking cash-in-lieu of USDA Foods, no action is required.
- If you wish to elect USDA Foods for FY 2022-23 (July 1, 2022 - June 30, 2023), please indicate that choice on line 135 on your CNPweb sponsor information sheet in **fiscal year 2022** by **Jan. 14, 2022**. Make sure to have your assigned specialist approve the change to your sponsor information sheet.

Screen shot from CNPweb on sponsor information sheet, line 135-

For Sponsor of Centers Only

(135) Sponsor Elects to receive:

Cash-in Lieu of Government-donated Commodities
 Government Donated Commodities

- If you select USDA Foods, you will not receive cash-in-lieu payments on your claim for FY 2022-23 (July 1, 2022 - June 30, 2023).
- Sometime in January 2022, ODE will reach out to you to discuss the program and next steps. If you do decide to participate, you will get to pick what you want to order and for what delivery months in USDA's ordering system for FY 2022-23 based on the USDA Foods available list. Ordering is set to commence February – March 2022.
- If you would like to further research USDA Foods, the [ODE USDA Foods website](#) has many resources and training materials. If you would like us to call you and personally discuss the program in advance, we would be happy to do so.

Please contact us at ode.fooddistribution@ode.state.or.us with any questions.

Sincerely,



Chris Facha, SNS
USDA Foods Program Administrator
Child Nutrition Programs



Meghan Tschida
Manager, Community Nutrition
Child Nutrition Programs

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cc: ODE CNP Community Nutrition Team