



**OREGON  
USDA FOODS**

### **How to calculate your DoD Fresh monthly budget and be on track with spending**

“During the open USDA Foods ordering period ‘ABC School District’ decides to commit \$10,000 of their USDA Foods entitlement to the DoD Fresh Program for next school year. This amount will be their ‘DoD Fresh budget’ to spend between July 1<sup>st</sup> and June 30<sup>th</sup>, and the calculated monthly budget is approximately \$833 based on 12 months (\$10,000 divided by 12).

*Per the 80/20 spending rule, 80% of their initial allocation is added to FFAVORS: \$8,000 (\$10,000 x 80%)  
The remaining 20% to be added after they spend their 80% is \$2,000 (\$10,000 x 20%).*

**In July**, when the new school year begins, ABC School District does not start spending because they do not operate during the summer. Their monthly budget is then recalculated based on 10 months (September to June instead of July to June) and increased from \$833 to \$1,000 (\$10,000 divided by 10).

**In December**, ODE contacts ABC School District because their account in FFAVORS shows zero spending. They inform ODE they had new staff that was not aware they had DoD funds available however, they will be able to start spending in January. Because they are not on track with spending, their monthly budget is recalculated based on 6 months (January to June) and has now increased from \$1,000 to \$1,666 (\$10,000 divided by 6).

**In March**, after ordering produce for 2 months, ABC School District determines they are spending approximately \$1,200 per month, which is less than their budget of \$1,666 per month. They decide to wait one more month if they can increase spending with more seasonal produce becoming available.

**By end of March**, ABC School District spent a total of \$4,800 since they started ordering in January, which is only 48% of their committed initial \$10,000. Because they spent less than 80% and April 1<sup>st</sup> is the cutoff date for spending the first 80% and requesting the remaining 20%, they will not be able to get their remaining 20% (which will be swept and redistributed).

Since they lost their remaining 20%, ABC School District decides to recalculate their DoD Fresh spending budget to get back on track with their budget spending. Out of the \$8,000 they received in FFAVORS, they have \$3,200 left to spend. However, because their school year ends in May (and not in June) they only have 2 months to use it all up. So, their monthly budget is recalculated based on 2 months (April & May) and is now \$1,600 per month, which is still more than the \$1,200 they normally spent on average.

**In April**, ABC School District contacted ODE to let them know they have \$800 over-budget they cannot use. This way ODE can quickly redistribute their unused DoD dollars to other DoD sponsors that can use them.

Thank you, ABC School District for letting ODE know early!”



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*If you need assistance calculating your budget and what your monthly spending should be, please feel free to contact us at [ode.fooddistribution@ode.oregon.gov](mailto:ode.fooddistribution@ode.oregon.gov)*