

Service/Storage Fees

Questions & Answers



Q- What is 'Service Fee'?

A- The service fee for SY 2023-24 will be \$.15 per lb for all Direct Delivery Foods. This means some cases will cost less or more depending on case weight. This rate covers handling, storage, delivery, and some administration of the USDA Foods program. The price per case based on this rate is published on the USDA Foods available list above.

Service fee for all diversion/processing pounds are the same as for direct delivery products.

Q- What is 'Storage Fee'?

A- Any foods left in the warehouse over 90 days will be charged an additional fee of \$.75 per case, per month. This fee helps prevent best-by-date or expiration date issues and costs incurred by the contractor due to RA leaving items in warehouse for excessive periods of time.

Q- Are these fee billings sent to RAs?

A- No, fees are taken from claims for reimbursement. To see fees associated with USDA Foods, please access [CNPweb](#). Click on reports, then click invoice details. The billing in CNPweb is based on the value of commodities received report from the USDA's WBSCM system, which reflects inventory received at the state warehouse. Please note that there may be a billing timing difference between what has been received at the State warehouse versus a RAs physical delivery location.

PLEASE NOTE:

ODE CNP covers some or all USDA Foods administration costs, and also applies annually for USDA funds to subsidize costs incurred for RAs. Please pay attention to memos and news announcements for this information. These funds significantly reduce the cost of the program.