



Food Distribution National Policy Memorandum

United States
Department of
Agriculture

Food and
Nutrition
Service

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Alexandria, VA
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POLICY NO.: FD-060: National School Lunch Program, the Summer Food Service Program, and the Child and Adult Care Food Program

SUBJECT: Use of Donated Foods in the National School Lunch Program and other Child Nutrition Programs

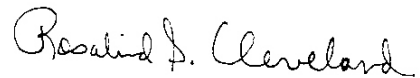
This memorandum addresses the allowable uses of donated foods received in the National School Lunch Program (NSLP), the Summer Food Service Program (SFSP), and the Child and Adult Care Food Program (CACFP). In accordance with Section 6(c) of the Richard B. Russell National School Lunch Act and 7 CFR 250.48(b), each year school food authorities receive donated foods in NSLP based on the number of lunches they serve in their school lunch programs in the previous school year, and the established per-meal value. Hence, school food authorities should use donated foods, as far as practical, in the lunches served to schoolchildren as part of the school food service. However, they may also use donated foods in other nonprofit school food service activities. Revenues received from such activities must accrue to the school food authority's nonprofit school food service account. Some examples of such activities include:

- 1) School breakfasts or other meals served in child nutrition programs;
- 2) A la carte foods sold to children;
- 3) Meals served to adults directly involved in the operation and administration of the nonprofit school food service, and other school staff;
- 4) Training in nutrition, health, food service, or general home economics instruction for students.

School food authorities should not use donated foods in food service activities that do not benefit primarily schoolchildren, such as banquets or catered events. In some cases, though, this may not be avoided—for example, if a school food authority commingles donated foods and commercially purchased foods in a single inventory management system. However, in all such cases the school food authority must ensure reimbursement to the nonprofit school food service account for the value of the donated foods used in such activities, just as it must ensure reimbursement for other resources used from that account. Since, under single inventory management, such reimbursement cannot be made based on actual usage of the donated foods, the school food authority must establish an alternate method to ensure that donated foods do not subsidize food service activities that do not primarily benefit schoolchildren. This may be achieved, for example, by including the current established per-meal value of donated food assistance in the price charged for the food service activities. A school food authority must ensure that its contract with a food service management company to conduct the food service also provides for such reimbursement to the nonprofit school food service account. Further guidance in this area is included in FNS

Instruction 782-5, Pricing of Adult Meals in the National School Lunch and School Breakfast Programs.

In a similar manner, recipient agencies receiving donated foods for use in SFSP and CACFP must use donated foods, as far as practical, in the meals provided to program recipients, but may also use them for other meals in accordance with the guidance included in this policy memorandum.



for Cathie McCullough
Director
Food Distribution Division