

Direct Diversion Processing and Cheese Processing Inventory Sweep Policy School Year 2021-22

The Wisconsin Department of Public Instruction (DPI) has the responsibility to ensure USDA Foods are utilized during the school year for which they were allocated by School Food Authorities (SFAs). When bulk pound inventory levels are not entirely utilized by the SFA during the allocated SY, DPI must implement procedures to manage USDA Foods balances at processors to ensure the bulk pounds are used during the intended school year and ensure those bulk pounds do not exceed excessive levels as required by [USDA FNS regulations](#).

SFA's allocated bulk pounds for SY 2021-22 must be used within the school year allocated. SFAs will not be allowed to carry over unused pounds to the following school year. Any remaining bulk pounds in SFA accounts from SY 2021 -22 will be swept into the State Agency account on June 30, 2022.

REALLOCATION OF BULK USDA FOODS

Bulk pounds swept in the State Agency account annually on June 30 will be reallocated, by DPI, to SFAs that have used all pounds, or are on track to use all pounds, before the end of the school year. SFAs cannot request State Account pounds to be allocated to a processor that they do not have a current contract with. The new procedures will benefit those SFAs who are on track to utilize allocated bulk pounds early in SY 2022-23. This is only applicable to pounds available in the state account.

SFA TO SFA TRANSFER OF BULK USDA FOODS

In order to help SFAs utilize all bulk pounds of USDA Foods inventory at processors, SFAs are allowed to transfer pounds to other SFAs that are processing USDA Foods with the same processor. SFAs wishing to transfer pounds to another SFA must work with the processor(s) regarding the details and the necessary paperwork.