

SY 2020-21 Wisconsin USDA Foods Program Back-to-School Information

Wisconsin USDA Foods Updates

Delivery and Inventory Management Policy

The Department of Public Instruction (DPI) USDA Foods team is here to assist with the start of school year (SY) 2020-21. We will be in close contact with School Food Authorities (SFAs) through a series of virtual networking events where SFAs can discuss inventory management challenges and strategies. The first event, held on Wednesday, August 5 was received well. If you were unable to attend, the recording can be found on the [DPI Nutrition COVID-19 webpage](#), under *Stakeholder Calls* dropdown. A Q/A can also be found in the same section. Q&As will be updated throughout the school year.

Please plan to join our next two networking calls on Wednesday, September 2 and Wednesday, October 7 at 2:00 PM. Use the Microsoft Teams Join Meeting posted on the [DPI Nutrition COVID-19 webpage](#), under *Stakeholder Calls* dropdown. Come prepared to ask questions, share challenges, and offer strategies that your SFA is implementing to manage deliveries and inventory.

As a reminder, when planning and forecasting menus, plan to receive USDA Foods orders as scheduled. DPI will update the USDA Foods Ordering System message board with order delays, shortages, and cancellations. When weighing your inventory management options, be aware that DPI administrative and handling fees, and applicable delivery charges will be deducted from your National School Lunch Program (NSLP) monthly reimbursement claims. Unlike last year, DPI will not allow SFAs to cancel monthly USDA Foods orders. Review the table within the [Delivery and Inventory Management](#) communication to understand your options and to access additional resources. DPI strongly encourages SFAs to draft inventory management policies and procedures for disruptions due to the pandemic.

Handling Charge Rates

A copy of the [Wisconsin USDA Foods Handling Charge Fees Fact Sheet](#) is available on the DPI website. Due to increased costs associated with operations, distribution, and storage, these increases are needed to keep the program operating. The DPI strives to keep handling charge rates as low as possible, and the DPI has historically had some of the lowest handling charge rates in the nation. Thank you for your understanding with these necessary changes.

The handling charge rates for SY 2020-21 are:

HANDLING FEE CATEGORIES	HANDLING PER GROSS WEIGHT POUND (LB.)
Administrative Fee	\$.015/lb.
Storage Fee	\$.0295/lb.
Delivery Fee (if using state-contracted delivery)	\$.042/lb.

Direct Diversion/Cheese Processing Inventory Carry-Over Policy

The SY 2019-20 Inventory Carry-Over Policy stated a sweep date of September 30, 2020. However, due to COVID-19, the sweep date has been extended to November 30, 2020. Circumstances, such as processor recalls and processing/manufacturing disruptions, will be taken into consideration before sweeps occur. The overall goal is to ensure entitlement is used in the school year it is allocated. The costs for processors to store pounds of unused USDA Foods directly affects the cost to your school. Please create plans to utilize allocated pounds each school year.

State Processed Products (C-codes)

Our team has been working with processors to minimize disruption of annual orders. Chicken Nuggets and Chicken Patties were discontinued from production. The processor is able to provide an equivalent product, which we approved after a modified taste testing with the help of our schools serving over the summer. Updated [product fact sheets](#) are posted on our USDA Foods webpage. The new products meet the Basic Nutrition Standards and credit the same as the original product towards the meat/meat alternate and grain components. One difference is that the new products do *not* contain milk. [Entitlement value and processing fees](#) per case are unchanged.

Our office has also been working with our Cheese Quesadilla processor to ensure fall orders can be fulfilled without disruption. One of the processor's plants, which produces our quesadillas, was closed temporarily to accommodate a reduction in SKUs and to minimize health risk and ensure safety of their employees. They are able to fulfill September and October orders, which gives our office time to coordinate a back-up plan if the plant is not up and running in late fall. Stay tuned.

Procurement

If necessary, agencies can conduct emergency purchases, per [2 CFR §200.320](#), to continue uninterrupted food service using noncompetitive procurement methods. This type of purchase is short term, or for the duration of the emergency event. Records must be kept to track purchases. For example, a log must be maintained and reviewed monthly that shows:

- Contractor/supplier name
- Contractor/supplier primary contact information
- Contractor/supplier name of person supplying pricing
- Purchase amount/contract value
- Description of product and/or service being purchased/contracted
- If applicable, duration of contract (contract term)
- Reason for emergency

Back-to-School Resources

The following items have been updated for SY 2020-21 and are available on the DPI website:

1. [Policy and Procedures for the Wisconsin USDA Foods Program](#)
2. [Delivery Service and Receiving Procedures Frequently Asked Questions](#)

3. [SY 2020-21 State-Processed USDA Foods Fact Sheets](#)
4. [SY 2020-21 State Processed USDA Foods Cost Analysis](#)
5. [SY 2020-21 Entitlement Value of USDA and Wisconsin State-Processed USDA Foods](#)
6. [Wisconsin State-Processed USDA Foods Meal Pattern Contribution Guide](#)
7. [USDA Foods Hold and Recall Procedure for Wisconsin Recipient Agencies](#)
8. [USDA Foods Program Timelines \(Calendar\) for Schools](#)
9. The most current version of the [Online Instructions – School Lunch Program](#) for using the *Wisconsin USDA Foods Ordering System* is available on the DPI website.