Old Capitol Building PO Box 47200 Olympia, WA 98504-7200



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May 25, 2023

Action Required
Informational

BULLETIN NO. 033-23 Child Nutrition Services

TO: Educational Service District Superintendents

School District Superintendents School District Business Managers School District Food Service Directors

Private Schools

FROM: Chris Reykdal, Superintendent of Public Instruction

RE: Additional Supply Chain Assistance Funding for Child Nutrition Programs

CONTACT: Wendy Barkley, Director Child Nutrition Services Operations and Administration

360-725-0433 wendy.barkley@k12.wa.us

PURPOSE/BACKGROUND

The United States Department of Agriculture (USDA) approved federal funding for a third round of Supply Chain Assistance (SCA) in Child Nutrition Programs. This funding is in response to unprecedented challenges in purchasing and receiving food that operators of USDA Meal Programs are experiencing. Washington state received a total of \$43,987,452 to assist Local Education Agencies (LEAs) to meet supply chain challenges in the combined rounds of funding.

- Round 1 SCA funds \$18,223,217 were distributed September 2022.
- Round 2 SCA funds \$17,183,276 were distributed January 2023.
- Round 3 SCA funds \$8,580,959 is scheduled for distribution September 2023.

Supply Chain Assistance funds are available to LEAs operating the National School Lunch Program (NSLP) for school year 2023–24. Funds must be used to purchase domestic, unprocessed, or minimally processed food products for the school meal programs. Labor, supplies, equipment, and administrative expenses are not an allowable use of the funds. Supply Chain Assistance funds must be deposited into the nonprofit school food service account.

The Assistance Listing Number (ALN) for this funding is 10.555.

Supply Chain Assistance Funds Payment Details

To receive funds, LEAs must have a signed attestation (Attachment 1) on file. LEAs who previously submitted an SCA attestation do not need to resubmit. LEAs that declined previous funding and now wish to receive funds must submit an attestation form (Attachment 1) by July 31, 2023.

USDA is requiring LEAs to "opt in" to receive the third round of SCA funds, indicating the LEA continues to experience supply chain disruption and financial difficulties related to the operations of the programs.

To provide your response, <u>complete the survey</u> by July 31, 2023. The survey includes your response to one of the following options:

- Yes, we want to receive SCA funding.
- No, we do not want to receive SCA funding.

Other details:

- Funds will be distributed via the Washington Integrated Nutrition System (WINS).
- Public School Districts, Tribal Compact Schools, and Charter Schools will receive this funding with school apportionment payments. The apportionment code for SCA funds is 6198-11.
- Private schools and Residential Child Care Institutions will receive this funding through the Agency Financial Reporting System (AFRS).
- LEAs must keep purchasing records and other related records on file for review and audit purposes.

Supply Chain Assistance Funds Calculations and Accounting Details

A USDA formula will be used to calculate LEA funding allocation. There are two components:

- Payment of \$5,000 to all eligible LEAs.
- Proportional funding amount based on each LEAs share of statewide student enrollment. The base payment will ensure that the smallest LEAs receive a meaningful level of funding. The proportional amount is intended to provide resources that scale with the size of the student population served by the LEA.

For the third round of SCA funds, enrollment calculations will use October 2022 enrollment data. We anticipate each LEA will receive approximately half of the funds received in each of the first and second rounds.

Food service directors and school purchasing agents should work with the LEA's business manager to create a district-specific accounting identifier within account code 98-42-5630 to separate SCA food purchases from other food expenditures.

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Unspent SCA funds from SY 22-23 may be carried over to SY 23-24. The third round of SCA funds will be distributed in September 2023 for use in SY 23-24. All SCA funds must be spent by the end of SY 23-24.

Allowable Use of Supply Chain Assistance Funds

SCA funds must be used exclusively for the purchase of domestic food products that are unprocessed or minimally processed. Examples include:

- Fluid milk or other dairy foods such as cheese and yogurt.
- Fruits and vegetables including 100% fruit juice.
- Grain products such as pasta and rice.
- Meat that is minimally processed; whole, pieces or ground meat.
- Meat alternates; legumes and beans.
- Foods in a variety of minimal processing states; whole, cut, pureed or fresh, frozen, canned, or dried are allowable.

Supply Chain Assistance funds may be used for purchasing costs such as shipping, handling, or packaging that are normal costs charged by a vendor. Labor, supplies, equipment, and administrative expenses are not an allowable use of the funds.

Local Education Agencies must follow <u>Buy American requirements</u> when ensuring domesticity of food products using SCA funds. The limited exceptions allowed under the Buy American provision may not be used since all products must be domestic.

While there is no requirement for SCA funds to purchase local foods, LEAs are encouraged to consider purchasing foods from local farmers. The release of funds is timed to purchase seasonal Washington produce and other local products.

INFORMATION AND ASSISTANCE

For questions regarding this bulletin, please contact Wendy Barkley, Director Child Nutrition Services Operations and Administration at 360-725-0433 or email wendy.barkley@k12.wa.us. The OSPI TTY number is 360-664-3631.

This bulletin is also available on the **Bulletins** page of the OSPI website.

Tennille Jeffries-Simmons Chief of Staff

Leanne Eko, RD, SNS Chief Nutrition Officer, Child Nutrition Services

CR:In

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Attachment 1: Attestation for use of Supply Chain Assistance (SCA) Funding

Assurance of Civil Rights Compliance

The Sponsor hereby agrees that it will comply with: i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.); ii. Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.); iii. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); iv. Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); v. Title II and Title III of the Americans with Disabilities Act (ADA) of 1990 as amended by the ADA Amendment Act of 2008 (42 U.S.C. 12131-12189); vi. Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency." (August 11, 2000); vii. All provisions required by the implementing regulations of the Department of Agriculture (USDA) (7 CFR Part 15 et seq.); viii. Department of Justice Enforcement Guidelines (28 CFR Parts 35, 42 and 50.3); ix. Food and Nutrition Service (FNS) directives and guidelines to the effect that, no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity for which the Program applicant receives Federal financial assistance from USDA; and hereby gives assurance that it will immediately take measures necessary to effectuate this Agreement. x. The USDA non-discrimination statement that in accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants, and loans of Federal funds, reimbursable expenditures, grant, or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration that is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease, or furnishing of services to the recipient, or any improvements made with Federal financial assistance extended to the Program applicant by USDA. This includes any Federal agreement, arrangement, or other contract that has as one of its purposes the provision of cash assistance for the purchase of food, and cash assistance for purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this assurance.

By accepting this assurance, the Sponsor agrees to compile data, maintain records, and submit records and reports as required, to permit effective enforcement of nondiscrimination laws and permit authorized USDA personnel during hours of program operation to review and copy such records, books, and accounts, access such facilities, and interview such personnel as needed to

ascertain compliance with the nondiscrimination laws. If there are any violations of this assurance, the Department of Agriculture, FNS, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Sponsor, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA.

OSPI provides equal access to all programs and services without discrimination based on sex, race, creed, religion, color, national origin, age, honorably discharged veteran or military status, sexual orientation, gender expression, gender identity, disability, or the use of a trained dog guide or service animal by a person with a disability. Questions and complaints of alleged discrimination should be directed to the Equity and Civil Rights Director at 360-725-6162/TTY: 360-664-3631; or P.O. Box 47200, Olympia, WA 98504-7200; or equity@k12.wa.us.