



Department of Education

John R. Kasich, Governor
Paolo DeMaria, Superintendent of Public Instruction

To: Ohio Recipient Agencies Receiving USDA Donated Foods

From: Andrea Denning, Director
Office for Child Nutrition
Ohio Department of Education

Date: August 1, 2017

Re: Commodities End-of-Year Carryover

Introduction

To formalize the Office for Child Nutrition's existing policy on commodity carryover at the end of the school year.

Policy

The Office for Child Nutrition permits School Food Authorities (SFAs) to carry over balances in accordance with the six-month usage policy. Any carryover commodities an SFA has at the end of the year must remain as that commodity in the next school year.

The Office for Child Nutrition cannot permit the transfer of carryover commodities to a single bank in exchange for entitlement dollars. Any carryover an SFA has at the end of the year must remain as that commodity in the next school year for the sole use of the SFA.

If an SFA elects to join a co-operative (co-op) with a single bank, the SFA must maintain an account balance with each processor independent of the co-op. These account balances are for the sole use of the SFA and cannot be used to "trade" for entitlement dollars. SFAs who join a co-op with carryover balances will be responsible for maintaining two accounts. The first account will hold all the SFA's commodity carryover balances. The second account will be with the single bank co-op. These accounts are *not* permitted to be combined or transfer balances between each other.

To utilize the carryover, the SFA is expected to continue ordering product to eliminate the balances by the end of the school year. The SFA is permitted to use co-op contracts for the carryover but must maintain ownership and use the carryover by the end of the school year. If balances remain after one school year, the carryover will be subject to a sweep by the Office for Child Nutrition.