



## Department of Education

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

**To:** Recipient Agencies and Processors Utilizing the U.S. Department of Agriculture (USDA) Foods Program

**From:** Andrea Denning, Director  
Office for Child Nutrition

**Date:** November 29, 2017

**Re:** Sweeps of Pounds at a Processor

### **Purpose**

To outline and formalize the policy for sweeps of pounds at a processor.

### **Policy**

Per federal law, ([7 CFR 250.30](#)) the state distributing agency (SDA) must monitor processor inventory levels to ensure inventory does not exceed an average six-month usage. A processor's inventory consists of both unprocessed and end-product USDA foods. The average monthly usage is determined from the year-to-date usage from the June monthly performance report (MPR).

Processors provide MPRs to OCN for review and monitoring. Upon receiving the MPRs, OCN sends monthly notifications of processor balances to the food director, treasurer and superintendent on record in the NSLP application.

If a school is identified as having inventory at a processor exceeding six months, the school is subject to a sweep of excess inventory. OCN will assist the school to develop a plan of action to remedy the situation by December of the following year. If there are extenuating circumstances, the school must provide adequate documentation to OCN for approval.

A sweep of inventory will occur in January or July of the following school year depending on the following criteria:

- Processor inventory exceeded six months at the end of the current school year
- Failure to reduce processor inventory below six months by December of the following school year
- Failure to submit a plan of action

Swept processor pounds are placed in the state account for redistribution. Sweep pounds are redistributed at the discretion of OCN.

Schools may enter and exit at-risk status throughout a school year based on varying monthly usage.

## Timeline

### Current School Year

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|------------------|--|
| Year-Round       | OCN receives MPRs from processors and provides monthly notifications of processor balances to schools.   |
| December         | Office for Child Nutrition identifies at-risk schools using a spreadsheet projecting processor inventory usage.  |
| January          | OCN education program specialist staff contact at-risk schools and offer assistance to develop a plan of action by the start of the following school year.   |
| January – August | Schools with processing contracts for the following school year submit for approval by OCN.<br><br>Schools ending the current school year with an inventory exceeding six months submit a plan of action to OCN. |

### Following School Year

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|---------|---|
| January | Sweep of pounds above the six-month limit for schools meeting the following criteria: (1) Processor inventory exceeded six months at the end of the prior school year; (2) Failure to reduce processor inventory below six months by the December of the following school year and; (3) Failure to submit a plan of action. |
| July    | Sweep of pounds above the six-month limit for schools meeting the following criteria: (1) Processor inventory exceeded six months at the end of the prior school year and; (2) Failure to reduce processor inventory below six months by the end of the following school year.  |