



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

JUN 28 2012



Mr. Mark Moen
Food Distribution Program Specialist
Child & Adult Nutrition Services-DOE
800 Governors Drive
Pierre, South Dakota 57501-2294

Dear Mr. Mark Moen:

As the Department of Agriculture's (USDA) Food and Nutrition Service (FNS) continues preparing for the first phase of nationwide implementation of the updated nutrition standards for the National School Lunch and School Breakfast programs, it is an appropriate time to remind States and school food service directors of the availability and importance of the foods that USDA purchases on behalf of schools. "USDA Foods," as they are commonly known, are important and cost-effective resources that can help schools meet the overall goals of providing healthier meals to children.

The USDA makes available a variety of healthful foods from which schools can select and use their USDA Foods entitlement to purchase. USDA Foods support the *Dietary Guidelines for Americans* and meet rigorous food safety standards. USDA is offering more fruits and vegetables, more whole grains and more food that is lower in sugar, salt and fat than ever before; these foods will be critical in ensuring compliance with the new meal patterns.

Over 180 different product offerings are currently available for ordering, and the Department is continuously working with private vendors, States and schools to provide additional options that meet the Dietary Guidelines for Americans. These foods complement the cash reimbursements that the Federal government provides, which constitute approximately 80 to 85 percent of the total support that schools receive from USDA for the National School Lunch Program (NSLP).

The benefits of USDA Foods extend well beyond their nutritional profile. Due to the large volume of foods that USDA purchases from vendors, USDA is often able to offer schools a significant price advantage compared to what can be obtained on their own in the private market. This important feature of USDA Foods allows schools to stretch their limited resources farther than they would otherwise be able to with just their cash reimbursements alone.

While USDA foods are an important part of the support provided to schools, it is important to note that they represent roughly 15 to 20 percent of the total support that schools receive from the Federal government for NSLP. As previously noted, cash reimbursements constitute the vast majority of the financial support that schools receive. These cash reimbursements can be used to support the procurement of locally grown and produced foods through the use of geographic preference in schools' purchasing decisions, which is allowed by USDA under current law.

USDA firmly believes that the dual support system of both cash reimbursements and USDA Foods provides a balanced and flexible menu of resources that can meet school districts' needs for producing healthful school meals. Maintaining the advantages of this system for schools is a critical part of ensuring that the overall goals of the Healthy, Hunger-Free Kids Act – the legislation which required the updated nutrition standards to school meals – can be achieved in all schools nationwide.

Additionally, USDA is aware that there is some variance among States in terms of their current capacity to fully administer the USDA Foods program, which influences whether State agencies make the full menu of USDA food product offerings available to schools. We know that more can be done to help provide schools and States with the technical assistance and support needed so that schools can fully utilize and realize the benefits of USDA Foods. To that end, I strongly encourage your agency(ies) to promote the fullest utilization of such foods possible for the schools in your State. USDA stands ready to provide extensive technical assistance and guidance to help maximize the use of this important resource.

If you should have any questions, please do not hesitate to contact your respective FNS regional office. Please provide a copy of this letter to the school food service directors in your State.

Sincerely,



Kevin Concannon
Under Secretary
Food, Nutrition, and Consumer Services