

E. ALLOCATIONS AND ORDERING:

Commodity allocation is a two-fold process. The PAL expected to be available is determined and provided to the SFA by the SDA. Foods are made available against the dollar level established.

1. Determination of Dollar Levels:

Each year USDA provides the SDA a dollar level of entitlement. This entitlement is determined by multiplying the number of reimbursable lunches served during the prior year (both actual and estimated) by the commodity assistance rate. Periodically, USDA adjusts the entitlement based on updated meal count data. SDA updates this information on a yearly basis. SFAs are notified of their new entitlement dollars, entitlement dollars used, and remaining entitlement dollars, on the ECOS website.

It is important that SFAs understand the difference in a State's entitlement and a SFAs PAL. USDA is required by law to make available dollars/food to the State in accordance with the number of reimbursable lunches served times the authorized commodity assistance rate.

The State Distributing Agency (SDA) is expected to make available dollars/food to SFA's in an equitable (not necessarily exact) manner.

NOTE: While Breakfast data is not included in the computation; commodities may be used for this meal.

2. Making Food Available:

Commodities purchased by USDA are based on a number of factors; such as: market conditions, school preference, amounts, types, and cost of foods available. Several activities occur at the State and local levels in the allocation process. These activities are:

a. Preference Reports:

The SDA and the Commodity Advisory Council (CAC) annually gathers information about the acceptability, packaging, form, etc., of commodities from all or from a sampling of SFA officials. The data is compiled and shared with the CAC for further recommendations. The completed report is sent to USDA and placed on the Food Distribution web site. Many of the commodity improvements (turkey roast, ground beef packaging, etc.) are a direct result of suggestions from the SFAs. SFAs are therefore encouraged to send SDA information regarding problems, desired improvements and suggestions at any time.

3. Ordering Commodities:

a. Group A Foods:

When USDA informs the SDA of actual or estimated quantities of

specific Group A Commodities expected to be made available, the SDA allocates the commodities to the SFAs on as request basis using information from the USDA Electronic Commodity Ordering System (ECOS). When USDA offers less than a statewide allocation, the following criteria is used to allocate commodities, total cases request by each region, balance of entitlement dollars by region, and delivery capabilities. When the SDA commits to accept the commodity, the SFAs are notified of their allocated amount via email through the ECOS website. When the RA receives notification from ECOS of food shipments, the Agency should forward an electronic KY-FD-3 Form to their designated Distributor.

b. Group B Foods

Group B foods are available on an open-order basis. SFA's may request for delivery the amounts of Group B foods that can be used without waste by completing their order on the ECOS system.

Frequency of shipments is determined by the total amount of each food requested by all SFAs. Foods are ordered for more than one delivery period when requests by SFAs are sufficient to make statewide distribution.

Once orders have been placed with USDA, SFAs are notified via email the items ordered and amount of each food ordered. To verify the items ordered, the number of cases and the approximately shipping period, refer to ECOS.

c. Bonus Foods:

There is not a PAL to limit the quantity or the dollar value of Bonus foods a SFA can receive. While not limited to a PAL, these bonus items are provided to all SFAs on an "as requested" basis through ECOS, take into consideration, surveys and delivery capabilities.