



**#075-22**

**Commonwealth of Virginia**  
**Virginia Department of Education**  
Superintendent's Memo #075-22

DATE: April 8, 2022  
TO: Division Superintendents  
FROM: Jillian Balow, Superintendent of Public Instruction  
SUBJECT: **USDA Supply Chain Assistance Funding**

On December 17, 2021, the U.S. Department of Agriculture (USDA) announced that federal funding would be allocated to School Food Authorities (SFAs) administering the School Breakfast Program (SBP), the National School Lunch Program (NSLP), or the Seamless Summer Option (SSO) of the NSLP to address ongoing supply chain disruptions related to the COVID-19 pandemic. The Virginia Department of Education, Office of School Nutrition Programs (VDOE-SNP) was awarded \$21,935,911 for this program. These funds will be disbursed to all SFAs operating the SBP, the NSLP, or the SSO for the exclusive purchase of unprocessed or minimally processed domestic food products to help address supply chain challenges such as unanticipated contract cancellations, price fluctuations, and item shortages. In order to receive Supply Chain Assistance (SCA) funds, SFAs must promptly sign and return the Fiscal Year (FY) 2022 Supply Chain Assistance Funding Attestation Statement (Attachment B).

SCA funds must be used exclusively to purchase unprocessed or minimally processed foods, including fluid milk and other dairy products such as yogurts and cheeses, fruits and vegetables (including 100 percent juice), meat and meat alternates, and grain products. SFAs must take steps to ensure the domesticity of the products purchased with SCA funds; the limited exceptions under the Buy American provision do not apply to SCA funds. Unallowable uses of SCA funds include labor, supplies, or administrative expenses as well as foods that are

processed or prepared and ready-to-eat items that do not require further preparation other than warming.

SFAs with food service management company contracts may use their SCA funds to pay applicable invoices. SFAs must ensure that such payments include charges for minimally processed domestic foods at least equal to the amount of SCA funds used to pay the invoices.

SCA funds must be deposited into the nonprofit food service account, but funds are not required to be tracked separately. SCA expenses will be reviewed at a SFA's scheduled federal program administrative review.

### SCA Funding Allocations and Requirements

Each eligible SFA will receive a \$5,000 base payment and an additional allocation based on its proportion of total statewide enrollment as of October 2021. Allocations are included in Attachment A of this memorandum.

In order to receive SCA funds in a timely manner, attestation statements must be signed and returned to the SNP policy mailbox at [SNPPolicy@doe.virginia.gov](mailto:SNPPolicy@doe.virginia.gov) no later than **Friday, April 15, 2022**. SFAs are not required to accept SCA funds; SFAs that choose not to accept SCA funds should notify the SNP policy mailbox no later than Friday, April 15, 2022. Any remaining funds will be reallocated during the 2022-2023 school year.

SCA payments will be disbursed Friday, April 29, 2022, via electronic data interchange (EDI). The fund number SFAs should report to their finance departments is 10150, Centralized Local Procurement Pilot Program.

Additionally, state agencies were given the discretion to withhold up to 10 percent of their awards for targeting SFAs with the highest need or for centralized procurement of local foods. The VDOE-SNP elected to withhold \$2,193,591 to help strengthen local food systems in support of farm to school efforts.

With the 10 percent discretionary funding, the VDOE-SNP has selected SFAs within range of a regional food hub to participate in a pilot program centralizing procurement of local foods. The purpose of the pilot program is to alleviate immediate supply chain disruptions in school meal programs, provide schools with easy access to local food, and strengthen regional food

systems to withstand potential future disruptions. This funding will help SFAs establish relationships with regional food hubs and provide an opportunity to obtain local food for use in school meal programs. For SFAs with an established food hub relationship, this funding will help expand local food offerings above and beyond current SFA farm to school activities. **Please note that, today, a separate director's memo will be distributed, which will provide additional information about the program and its requirements.**

### For more information

For more information, please review the [USDA Supply Chain Assistance Funds and Local Procurement webinar recording](#) and/or contact Courtney Jones, VDOE-SNP Operations and Support Supervisor, via email at [Courtney.Jones@doe.virginia.gov](mailto:Courtney.Jones@doe.virginia.gov) or via phone at (804) 225-2330.

JB/SCC/CEJ/cc

- A. Attachment: [Supply Chain Assistance Funds Allocations](#) (XLSX)
- B. Attachment: [Fiscal Year 2022 Supply Chain Assistance Funding Attestation Statement](#) (DOCX)