



State of New Jersey

DEPARTMENT OF AGRICULTURE
Division of Food & Nutrition
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To: Business Administrators, Charter School Leads, Non-Public School Administrators
Food Service Directors, Food Service Management Companies

From: Jennifer Zeligson, Manager, Food Distribution Programs
Division of Food and Nutrition, NJ Department of Agriculture

Date: August 1, 2017

Subject : Reinstatement of Administrative Fees for the 2017-2018 School Year

Please be advised that Administrative Fees charged for USDA Foods (from the warehouse, DOD direct delivery produce and for processed commodities) will be reinstated for the 2017-2018 School Year.

Administrative fees are used for the overall operation of the Food Distribution program, therefore the fees are spread evenly regardless of whether you are receiving USDA Foods from the warehouse, DOD direct delivery or processing.

We are grateful to USDA for providing us with additional Federal funding for the 2015-2016 and 2016-2017 school years, allowing us to suspend Administrative Fees for the past 2 school years. Although we have received some additional funding for the 2017-2018 school year it is not enough to cover all of our costs.

The Administrative Fee will be 2 times the ADP listed on your Commodity Selection Worksheet rather than a per case fee. This will allow you to better budget your fees and will be tied to your entitlement. For the majority of school districts the fee will be lower than the fee paid during the 2014-2015 school year.

Since the administrative fee is a flat fee it will not increase based on increased utilization of USDA Foods. The more warehouse products, DOD produce and processed commodities you receive, the more cost effective the program will be.

You will receive one annual invoice on October 1, 2017 with a requested payment date of November 30, 2017 rather than monthly invoices. If your ADP is above 1500 then you will be offered the option to pay biannually or quarterly. Additional information regarding the invoicing and payment process will be sent out by October 1st.