

Food Distribution Program

COMMODITY FOOD LOSS PROCEDURES

Reporting

- All USDA commodity food losses, regardless of dollar value, must be documented.
- Documentation of losses valued at \$100 or less should be maintained at the local level. No notification to the Food Distribution Program (FDP) is necessary.
- Recipient agencies (RAs) are required to report all commodity food losses valued at **more than \$100 per occurrence** to FDP within three to ten business days of the loss. This notification may be verbal or written.
- Written notification of losses valued at more than \$100 per occurrence must be submitted to FDP within 30 days of the discovery of the loss.
- **For unusual circumstances, such as a possible health risk, contact FDP immediately by phone at 404-656-2469 or 1-800-347-0023.**

Information to Report

Where?

- **School system or RA name (if not on letterhead)**
- Location of loss (warehouse or site name)

Note: RAs should not report losses that occur at Georgia Department of Education contracted commercial distributors.

What?

- **Commodity Code and Name**
- **Quantity lost (cases and units)**
- Value (FDP will determine final value)
- Date commodity was received
- Pack date (if spoiled or out of date)

Note: The DE Form 0116 (Inventory - U.S.D.A. Foods) is a useful form in reporting losses when there are multiple commodities involved.

When?

- **Date the loss was discovered**
- Date FDP contacted by phone
- Date commodities destroyed (if different from date of discovery)

Why?

- **List all circumstances that contributed to the loss**
- Attach police report if loss was due to theft
- Attach fire or police report if loss was due to fire
- Attach local health sanitarian's report if applicable
- Attach temperature log for current month and previous two months if loss occurred in a freezer or cooler

Important Question To Consider:

Is the food loss covered by guarantee, warranty, or insurance if FDP requires payment for value of the loss?

Claim or No Claim?

- A "claim" will occur when it is determined that the RA is at fault through improper procedures or negligence.
- A "no claim" will occur when it is determined that the RA was not at fault for the loss.
- FDP will notify the RA in either case.

Claims

- To satisfy a claim the RA may send a check to FDP, replace food in kind, or a combination of both
- **Food should not be replaced until RA has been notified of claim determination**

Replacement in Kind

- Replacement food must be from the same food group and, if possible, be the same food (i.e. canned peaches for canned peaches).
- FDP must get approval from USDA to replace food for any bonus food loss and for any loss valued at more than \$2500.
- Copies of invoices must be sent to FDP.

Who to Call

- Twanna Wiley at 404-657-7364

Exceptions to Food Loss Reporting

If a school system has indicated on SAM that the system is following single inventory procedures then a food loss, regardless of dollar amount, does not have to be reported to FDP. The food loss should be documented and the records kept at the system level for possible future audit purposes.