DATE: May 15, 2008

MEMO CODE: SP-22-2008

SUBJECT: Fresh Fruit and Vegetable Program (FFVP) Funding From the Fiscal Year 2008 Consolidated Appropriations Act

TO: Regional Directors
All Regions
Special Nutrition Programs

State Directors
37 New FFVP States
Special Nutrition Programs

As you are aware, the Consolidated Appropriations Act of 2008, P.L. 110-161, provided funds to expand FFVP operations to all States. The appropriated funds will be equally divided among the 37 States new to FFVP, with each State receiving a total of $253,761.22 between the fiscal years of 2008 through 2009. States are required to allocate funds to their 25 schools according to each school’s total enrollment, that is, divide the State’s allocation by the total number of students in the selected 25 schools and distribute accordingly. Some adjustments may be made to recognize economies of scale for schools with less than 100 students. This method ensures an equitable per student support within each State.

On or before July 1, 2008, each new State will receive an initial allocation of $40,000 to fund the FFVP until September 30, 2008. Participating schools can begin obligating these funds as of July 1, 2008. In keeping with the fiscal year timeframe, no further obligations of these funds can be made after September 30, 2008. We recognize the short timeframe; however, schools only have to obligate their funds by the September 30 deadline. Goods can be received in October or even November, as long as the funds are expended by December 30, 2008.

Each school is allowed up to 10% for program administration based on their total allocation. For startup purposes, it may be necessary for schools to spend a greater proportion of their initial allocation on administrative costs. This is acceptable as long as the total spent on program administration is limited to the 10% of their total allocation.

The remainder of each State’s FFVP funds, $213,761.22, will be made available on or around October 1, 2008 and will be available through the end of the fiscal year, September 30, 2009. The close out timeframe for these FFVP funds is the same as with
all programs. No further obligations can occur after September 30, 2009 and all obligations must be liquidated by December 30, 2009.

If the allocation of the states’ balances is delayed (target date is October 1, 2008), schools may use funds from their food service account, starting October 1, 2008, for FFVP expenditures in anticipation of receipt of the additional funds.

Please note that the funds appropriated through the Consolidated Appropriations Act of 2008 are independent of any funds that may be provided by the Farm Bill, if it becomes law. As soon as we have definitive information on the Farm Bill as it relates to FFVP funding, we will notify states and regional offices.

States should direct questions to their regional offices.

CYNTHIA LONG
Director
Child Nutrition Division