



Food and
Nutrition
Service

Park Office
Center

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DATE: October 19, 2016

MEMO CODE: SP 06-2017

SUBJECT: Fresh Fruit and Vegetable Program:
Funding Allocation Distribution

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

Beginning in school year (SY) 2017-18, the *Fresh Fruit and Vegetable Program* (FFVP) will operate on a Federal fiscal year funding allocation structure. This memorandum provides guidance to State agencies on transitioning from the current FFVP funding structure to one based on a Federal fiscal year.

Currently, the FFVP funding structure consists of two scheduled allocation distribution to State agencies – on July 1st and October 1st each year. This allocation distribution schedule was originally established for several reasons designed to support stakeholders. First, the schedule attempted to compensate for Federal appropriation timeframes while ensuring that FFVP funds were awarded on a basis that approximated the Federal fiscal year. Second, the schedule synchronized FFVP closeout procedures with those of other Child Nutrition Programs to create a streamlined administrative process for schools and State agencies. Recent stakeholder feedback indicates that the allocation distribution schedule is burdensome for State agencies and creates uncertainty around continued availability of July 1st funds beyond the first three months. Therefore, beginning in SY 2017-18, the funding structure for FFVP will be moved to a Federal fiscal year allocation distribution.

In order to complete this transition to a funding structure consistent with a Federal fiscal year allocation distribution, during SY 2016-2017 and the first three months of SY 2017-2018, FFVP will operate on a one-time 15-month grant award period. An initial allocation of FFVP funds was distributed in July 2016, a second allocation including additional funds described below will be made available in October 2016.

To ensure that adequate funding is available at the local level during the additional three months of the grant award period, Food and Nutrition Service (FNS) will release to State agencies unexpired carryover funds from prior years.

FNS anticipates that with the addition of \$40 million and accounting for the limited number of operating days during the months of July-September, State agencies will be sufficiently able to maintain operation of the FFVP during the final three months of this one time, 15-month grant award period. Funds will continue to be distributed by FNS throughout the grant award period as they become available, and may be spent or obligated by State agencies through September 30, 2017.

The next FFVP allocation distribution will be made available on or around October 1, 2017, and the Program will subsequently adhere to a standard 12 month October - September Federal fiscal year funding structure in all future years.

These streamlining modifications to the FFVP's funding structure are intended to result in administrative efficiencies at the State and local levels. Furthermore, FNS does not anticipate that this change will substantially disrupt the process by which States process monthly reimbursement claims from participating school food authorities, though it should be noted that the eligibility period for FFVP will continue to operate on a school year basis. As such, States will now use each fiscal year's grant funding to pay claims across two consecutive school years; the last three quarters of the school year already in effect on October 1st, and first quarter of the next school year which begins the following July 1st. To ensure that States are able to accurately predict how many schools may participate in FFVP during the next school year; FNS will annually publish the dollar amount to be received by each state from the upcoming fiscal year's grant award in a timely fashion.

Beginning with the next FFVP allocation distribution, FNS will require the return and reallocation of unspent or unobligated FFVP funds only at the close of a Federal fiscal year. However, the timing and number of allocation distributions made to State agencies may continue to vary annually based on the manner in which Federal grant funding is appropriated and provided to FNS. FNS will provide timely updates of FFVP funding availability to State agencies as needed.

The following table provides some key FFVP dates.

Key Dates to Remember	
No later than June 30, 2016	State agencies select all SY 2016-2017 FFVP participating schools (recommended)
June 13, 2016	State agencies report July 2016 funding requirement to FNS Regional Office FM
June 20, 2016	Regional Offices report State agency funding requirements to the National Office Budget Division
July 1, 2016	State agencies receive 1 st allocation (July 2016) for SY 2016-2017
Sept. 16, 2016	State agencies must notify Regional Office FM of any July allocation balances to be returned
Sept. 23, 2016	Regional Office must provide July allocation return totals to the National Office Budget Division
Sept. 30, 2016	Last day on which July allocation funds can be obligated (any unobligated funds will be recovered during closeout)
Oct. 1, 2016	State agencies receive 2 nd allocation for SY 2016-2017 and an additional \$40 million
Dec. 31, 2016	Closeout for Fiscal Year (FY) 2016 funds; State agencies submit final SF-425, Federal Financial Report, via FPRS
Sept. 30, 2017	<u>State agencies</u> can obligate all 2 nd allocation funds (October 2016) for administrative costs up to this date
Dec. 31, 2017	Closeout for FY 2017 funds; State agencies submit final SF-425 Federal Financial Report, via FPRS

State agencies with questions regarding FFVP should contact their respective Regional Offices.



Sarah E. Smith-Holmes Director
Program Monitoring and Operational Support Division
Child Nutrition Programs

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FFVP Allocations by State			
State	Maximum July Allocation based on \$46 million available	October Allocation based on \$138.5 million available	FFVP per state allocation of additional \$40 million
	Combined Total \$184.5 million		
Alabama	\$796,825	\$2,399,135	\$692,891
Alaska	\$511,188	\$1,539,121	\$444,511
Arizona	\$933,322	\$2,810,111	\$811,584
Arkansas	\$666,449	\$2,006,592	\$579,521
California	\$3,173,520	\$9,555,059	\$2,759,584
Colorado	\$838,250	\$2,523,862	\$728,913
Connecticut	\$708,920	\$2,134,468	\$616,453
Delaware	\$525,572	\$1,582,430	\$457,019
District of Columbia	\$506,599	\$1,525,303	\$440,521
Florida	\$1,865,206	\$5,615,892	\$1,621,918
Georgia	\$1,168,095	\$3,516,981	\$1,015,735
Hawaii	\$559,239	\$1,683,795	\$486,295
Idaho	\$574,720	\$1,730,406	\$499,756
Illinois	\$1,351,456	\$4,069,057	\$1,175,179
Indiana	\$918,877	\$2,766,617	\$799,023
Iowa	\$676,549	\$2,037,000	\$588,303
Kansas	\$661,835	\$1,992,699	\$575,509
Kentucky	\$766,748	\$2,308,577	\$666,737
Louisiana	\$783,775	\$2,359,844	\$681,543
Maine	\$552,149	\$1,662,449	\$480,130
Maryland	\$876,364	\$2,638,618	\$762,056
Massachusetts	\$930,990	\$2,803,089	\$809,556
Michigan	\$1,147,834	\$3,455,977	\$998,116
Minnesota	\$840,539	\$2,530,753	\$730,904
Mississippi	\$667,429	\$2,009,541	\$580,373
Missouri	\$881,721	\$2,654,745	\$766,714
Montana	\$531,604	\$1,600,591	\$462,264

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Nebraska	\$591,444	\$1,780,761	\$514,299
Nevada	\$660,394	\$1,988,358	\$574,255
New Hampshire	\$552,238	\$1,662,716	\$480,207
New Jersey	\$1,080,970	\$3,254,660	\$939,974
New Mexico	\$604,540	\$1,820,191	\$525,687
New York	\$1,832,246	\$5,516,652	\$1,593,257
North Carolina	\$1,156,168	\$3,481,070	\$1,005,363
North Dakota	\$512,470	\$1,542,981	\$445,626
Ohio	\$1,265,043	\$3,808,881	\$1,100,038
Oklahoma	\$731,134	\$2,201,350	\$635,769
Oregon	\$739,289	\$2,225,903	\$642,860
Pennsylvania	\$1,347,470	\$4,057,058	\$1,171,713
Rhode Island	\$533,223	\$1,605,463	\$463,672
South Carolina	\$799,401	\$2,406,893	\$695,131
South Dakota	\$519,509	\$1,564,174	\$451,747
Tennessee	\$917,533	\$2,762,573	\$797,855
Texas	\$2,364,161	\$7,118,180	\$2,055,792
Utah	\$667,677	\$2,010,290	\$580,589
Vermont	\$503,397	\$1,515,664	\$437,737
Virginia	\$1,041,110	\$3,134,645	\$905,313
Washington	\$957,049	\$2,881,551	\$832,217
West Virginia	\$587,835	\$1,769,895	\$511,161
Wisconsin	\$860,069	\$2,589,557	\$747,887
Wyoming	\$500,629	\$1,507,329	\$435,330
Puerto Rico	\$240,831	\$725,109	\$209,418
Guam	\$11,215	\$33,767	\$9,752
Virgin Islands	\$7,180	\$21,617	\$6,243
Previous 12 Month Total	\$184,500,000		
NEW 15-Month Total			\$224,500,000