

Date: February 20, 2025

Memo code: SP 09-2025

Subject: Buy American Accommodation Process for School Year 2025-2026

To: Regional Directors, Child Nutrition Programs, All Regions

State Directors, Child Nutrition Programs, All States

The first threshold limit for non-domestic food purchases will be implemented beginning in SY 2025-2026. Non-domestic food purchases by the SFAs cannot exceed the annual threshold, which for SY 2025-2026 is 10 percent of total commercial food expenditures, and is intended to shift more purchases to domestic products. Domestic products are food products processed in the United States using agricultural commodities that are over 51 percent domestically grown. The Buy American threshold requirement is an important provision that helps implement the mission of the school meal programs specified at Section 2 [42 U.S.C. 1751] of the Richard B. Russell National School Lunch Act to "...encourage the domestic consumption of nutritious agricultural commodities and other foods..." for school children.

It has come to our attention that, as SFAs plan for the procurement of food for SY 2025-2026, there are concerns about certain products which are integral to school meals menus and the program's nutrition standards that may be difficult to procure domestically. These products include cereals and fruit juices as well as popular fruits and vegetables. The availability of

¹ See <u>7 CFR 210.21(d)(5)(ii)(A)</u> and <u>7 CFR 220.16(d)(5)(ii)(A)</u>.

² See Section 12(n)(1) of the National School Lunch Act, 42 USC 1760(n)(1) and regulations at <u>7 CFR 210.21(d)(1)(i)</u> and <u>7 CFR 220.16(d)(1)(i)</u>

these foods provides students familiar options they enjoy both at school and home and support an exceptional level of customer service in the school meal programs. There are two regulatory exceptions for non-domestic purchases at 7 CFR 210.21(d)(5) and 7 CFR 220.16(d)(5) which are available for SFAs to use to support non-domestic purchases. The United States Department of Agriculture (USDA) also included the accommodation provision in Program regulations to provide temporary relief from the Buy American threshold as the State agency works with the SFA to increase their domestic purchases.

The accommodation will allow SFAs to exceed the 10 percent threshold. State agencies will provide technical assistance to SFAs to support the temporary accommodation consistent with the availability of the two regulatory exceptions for non-domestic purchases as SFAs demonstrate they are unable to meet the requirement. A temporary accommodation for the threshold requirement is only available for non-domestic purchases that qualify under one or more of the regulatory exceptions.

To ensure a timely and effective provision of relief authorized by Program regulations, USDA has established a streamlined accommodation process for SY 2025-2026. The streamlined accommodation process will allow SFAs to exceed the 10 percent threshold while making progress towards coming into compliance with the Buy American threshold requirement.

SFAs seeking a temporary accommodation from the Buy American threshold requirement, using the streamlined process for SY 2025-2026, should complete and submit to their State agency the "SFA Accommodation Plan SY 2025-2026" attached. State agencies should review complete requests for accommodation in a timely manner and may approve these requests. In addition, SFAs and State agencies should continue to work together on the Buy American requirements through on-going routine technical assistance and training. State agencies should report to their Food and Nutrition Service (FNS) Regional Offices on a quarterly basis the total number of accommodations requested, the total number approved, and the types of non-domestic food products purchased by SFAs requesting the accommodation. USDA will use that information to better understand SFAs' challenges in meeting the thresholds for non-

domestic food purchases. State agencies should provide this memorandum to all SFAs immediately and direct any questions to the appropriate FNS Regional Office.

Jessica Saracino

Director

Program Monitoring and Operational Support

Child Nutrition Programs

SFA Accommodation Plan SY 2025-2026

Please select all categories of food that require an accommodation from the threshold
requirement (i.e. exceeding 10 percent):
☐ Fruit
☐ Vegetables
☐ Fruit/Vegetable Juices
☐ Cereals
☐ Other, please specify
Please select all that apply for reasons for the accommodation from the threshold
requirement (i.e. exceeding 10 percent):
☐ Timing of procurement cycle
☐ Student preference/anticipated participation impacts
☐ Items that help meet meal standards
☐ Items that facilitate meal service models (e.g. grab n' go, Breakfast in the Classroom)
Other, please describe
Please briefly describe the anticipated timeline to make modifications to meet the Buy
American requirements (this could include timing of calculating the baseline percentage of
non-domestic food purchases (or include the baseline percentage if available), obtaining
documentation, and balancing the accommodation and exception process with making

menu changes).