



Diversion to Processor Fact Sheet

Food Distribution Program

United States Department of Agriculture, Diversion to Processor Option
Administered by the Illinois State Board of Education, Nutrition Department

Eligibility

- Participants in the National School Lunch Program (NSLP) are eligible to participate in the Food Distribution Program.
- Diversion of USDA Foods (commodities) to processors is one of three spending options for Food Distribution Program entitlement funds.
- Participants may choose to divert a portion or all their funds to processors.

Diversion of USDA Foods to Processors

- Participants may divert certain raw USDA Foods to manufacturers/processors for further processing.
- The processor will convert the USDA Foods into more convenient, ready-to-use end products.
- Some diversion examples include diverting cheese to be used for pizzas, diverting chicken to be used for spicy chicken patties, and diverting apples to be sliced and packaged into individual servings.

Illinois Commodity System (ICS)

- ICS is used to manage entitlement funds, divert USDA Foods for processing, and stay informed.
- A login and password are required for ICS.
- Follow Step 5 of the [ICS Instructions](#) to divert USDA Foods to processors. For each diversion, participants must select the processor, the USDA Food, and the number of pounds to divert.
- Refer to the [Processing Calculator](#) for assistance in calculating the number of pounds to divert.
- Diversions to processors must be placed prior to the annual order period deadline and cannot be adjusted after the annual order period deadline.
- ISBE provides diversion information to processors, including the participant name, agreement number, contact information, commodity number, commodity name, and number of pounds diverted. Processors then set-up participant accounts in K12 and/or ProcessorLink.

K12 and ProcessorLink

- Participants must use [K12](#) and/or [ProcessorLink](#) to track the diversion and usage of pounds.
- A login and password are required for [K12](#) and [ProcessorLink](#) and can be obtained from each website by clicking on Sign Up Now.
- K12 and ProcessorLink are independently owned web-based accounting systems used by most processors to communicate and share information among participants, distributors, and state agencies.

Additional Information

- Prior to diverting USDA Foods, participants must communicate with their distributor to ensure that the distributor carries the desired end products.
- Processed end products are generally ordered with and delivered by the participant's distributor.
- Delivery of processed end products and delivery costs are generally based on the terms of the distributor and/or processor contracts.
- The value of the USDA Foods used in the end products is provided to the participant using a value pass through system. The value pass through systems are defined in the [handbook](#).
- Pounds diverted to processors must be used in the school year in which they were diverted.
- Unused pounds will be swept to the State of Illinois account and made available to participants on a first come first served basis.

For all questions concerning the diversion of USDA Foods to processors, please contact ISBE at fdp@isbe.net.