



Food Distribution National Policy Memorandum

United States
Department of
Agriculture

Food and
Nutrition
Service

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Alexandria, VA
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POLICY NO.: FD-062: Food Distribution Program on Indian Reservations (FDPIR), The Emergency Food Assistance Program (TEFAP), Commodity Supplemental Food Program (CSFP), National School Lunch Program (NSLP), Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), Nutrition Services Incentive Program (NSIP), Processing Program, Charitable Institutions, and Summer Camps

SUBJECT: Electronic Receipting for USDA Direct and Multi-Food Shipments (Revised)

The purpose of this memorandum is to advise you of a new and revised requirement for all Receiving Organizations (i.e., organizations that receive shipments of Department of Agriculture (USDA) Foods, including Distributing Agencies, Indian Tribal Organizations (ITO), recipient agencies, processors, and warehouses). This memorandum replaces the previous FD-062 dated April 25, 2011, and adjusts the maximum timeframe for entering shipment receipts in the Web-Based Supply Chain Management System (WBSCM). **Receiving Organizations are now required to enter all shipment receipts within two calendar days of delivery, using the WBSCM Shipment Receipt Function.** This requirement applies both to direct and multi-food shipments of USDA Foods. FNS is requiring shipment receipts to be entered within two calendar days in order to meet contractual requirements and to provide prompt payment to vendors.

It is important to note that if the Receiving Organization has not entered a Goods Receipt within two calendar days of delivery and USDA has received an invoice for the shipment, the USDA procurement agency will enter a Goods Receipt in WBSCM in order to meet prompt payment requirements. The Goods Receipt entry will be based on supplier-provided proof of delivery documentation such as a signed Bill of Lading.

We previously replaced Form FNS-57 (the Over, Short and Damaged Report) and the former Electronic Commodity Ordering System (ECOS) receipting function with a new, mandatory WBSCM Shipment Receipt Function and the accompanying WBSCM Received Shipment Report. Combined, the WBSCM Shipment Receipt Function and Received Shipment Report meet FNS regulations, at 7 CFR 250.16, for receipting of shipments. This memorandum should be used in conjunction with FNS Instruction 709-5, which provides procedures regarding the shipment and receipt of foods.

The WBSCM Shipment Receipt Function allows Receiving Organizations to issue receipts for USDA Foods electronically, thereby communicating delivery status information to stakeholders in real-time. This action also changes the status of the

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order to Order Received status. WBSCM also contains Received Shipment and Order and Requisition Status Reports that can be used to verify when a shipment has been received. This is especially useful for organizations using WBSCM or State system downloads to plan distributions based upon receipt information.

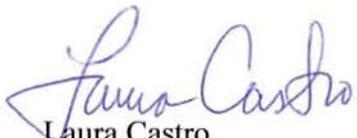
In addition, the following items are critically dependent upon proper WBSCM receipting:

- (1) **Vendor Payment Matching Process:** Electronic documentation generated by entering receipting information is used as part of the vendor payment matching process, which allows for accurate and timely payments to USDA vendors.
- (2) **Value of Commodities Received Report:** Only receipted requisitions and sales orders display on the Value Of Commodities Received Report, which State Agencies and ITOs must retain and report annually for audit purposes.
- (3) **Claims:** Proper documentation is necessary for USDA to submit claims for shortages and/or damaged products with vendors. Absent an accurate receipt, a claim cannot be pursued.
- (4) **Recalls:** Systematic tracking of received product and the reporting of product disposition requires a record of receipt.

A complete explanation of the shipment receipting function can be found in the WBSCM application under Help > Training > Work Instructions > External > Fulfillment (WI-Ext) > Domestic > Enter Shipment Receipt for Domestic Commodities.

If Distributing Agencies have not already done so, they should direct all their Receiving Organizations to register for WBSCM. To register, Receiving Organizations should contact WBSCM Ship-To support at WBSCM-Ship-To@fns.usda.gov. Applied uniformly, this procedure will streamline operations, result in administrative cost savings for the Receiving Organizations, and provide just-in-time order status information.

If you have any questions or need further clarification of this function please contact the WBSCM Help Desk at WBSCMHelp@ams.usda.gov or call the Help Desk at 877-927-2648.



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