#### **USDA Commodities**



New Food Service Directors Training



# What We Will Cover

- Definitions
- Calculating Entitlement
- USDA Value
- USDA Replacement Value
- DOD FF&V Program
- Placing Commodity Orders
- Receiving Commodities
- Commodity Inventory Requirements

- Commodity Samplings
- Commodity Acceptability Reports
- Recalls
- Damage/Loss Reporting Requirements
- Disaster Assistance
- Complaints
- Reference for more
  Information



### **Definitions**

- Recipient Agency (RA)
  - Refers to a school food authority.
- Commodities or Donated Food
  - Means foods donated, or available for donation, by the U.S.
    Department of Agriculture (USDA), under the National School Lunch Program.
- Unprocessed and Processed commodities
  - <u>Unprocessed</u> means donated food delivered directly to the distribution warehouse from the USDA processor.
  - Processed means unprocessed donated food diverted to a statecontracted processor for further processing into a different end product.



#### **Definitions -** Continued

- Expected Commodities List
  - Is the list of commodities WDE will order (and expect to receive) from the USDA foods available list.
- Allocation
  - Is the distribution of commodities to all RAs based on School Lunch Program participation and commodities available.
- Bonus Commodities
  - Are donated foods, available for allocation, which are NOT deducted from Entitlement dollars. These offerings are donated foods available "above and beyond" Entitlement. However, processing, administrative, and shipping charges are still applicable to bonus commodities.

# **How is Entitlement Figured?**

- USDA sets a per meal rate in July of each year. Entitlement can be figured by multiplying this per meal rate by the total number of meals served.
- However, WDE figures entitlement by a fair share allocation, which actually works out to be more entitlement per RA than by figuring using the per meal rate method.



### **Example: Per Meal vs. Fair Share**

 School District #1 served 31,780 meals in SY2006-2007. The estimated per meal rate for SY2008-2009 is \$.2075.

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 31780 x .2075 =
 \$6,594.35 in entitlement for School District #1.

- School District #2 served 31,780 meals in SY2006-2007 which represents .3672% of all the meals served in WY.
  - School District #2's fair share of WY total entitlement is \$7,037.03.

# **USDA Value**

- USDA Value is listed on each order form as well as the recipient notification.
- This value is assigned by USDA based on the market value at the time USDA makes the purchase of the commodities.
- The USDA Value is deducted from entitlement.
- The USDA Value is used to calculate the cost per serving listed on the commodity order forms.
- The USDA Value is <u>NOT BILLED</u> to the recipient agency.

- Billable Charges:
  - Processing fees.
  - Shipping, storage and administrative fees.

### **USDA** <u>Replacement</u> Value

#### USDA <u>Replacement</u> Value

- Includes USDA Value, processing, storage, administrative, and shipping charges.
- This value is used in conjunction with Food Service Management Companies.
- This value is used for inventory valuation during the auditing process.

In the event of damage or loss, this value would be used to make any necessary claims.



#### DOD - Department of Defense FF&V - Fresh Fruit & Vegetable Program

- Allows schools to receive fresh fruits and vegetable commodities otherwise unfeasible\*
- Current participants are grandfathered in and the program is not open for new enrollees
- Amount available year to year is NOT guaranteed.
- DOD is deducted from entitlement



# **Commodity Orders**

• Annual Orders

- Processed
- Unprocessed
- Bonus (Processed and Unprocessed)

# **Receiving Commodities**

• **Count** each and every commodity received.

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- Verify amounts received match bill of lading.
- Accept only commodities listed. Do not accept substitutions or overages. Do not accept damaged product.
- Visually Check for signs of damage.
- Note & Initial shortages on bill of lading
- **Billing** will be based on the what the warehouses verify they delivered. Call 777-6398 for billing discrepancies.



# **Commodity Inventory**

- Storage Requirements (handout)
  - Sanitary

- Safeguard
- Temperature
- Store off floor
- Inventory Reporting
  - Still required to take physical inventories. Proof that inventories are being taken is required when your NSLP review is conducted. Must be able to trace which items are commodities in the event of a hold or recall.



# **Commodity Samplings**

- Typically held annually in conjunction with Winter Food Service Directors Meetings
- Feedback helps to determine if new processed commodities will be offered in the next school year
- Decision to add product is ultimately up to the Food Distribution Advisory Council



# **Request for Entitlement Refund**

 Recipient Agency is responsible for all commodities received

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- In the case of a commodity quality issue, a minimum quantity of one full case must be reported in order to receive credit
- Fill out a Request for Entitlement Value Refund for quality issues, damages etc.

In order to report a quality issue, email or fax a credit request to: <u>rgreen@educ.state.wy.us</u> or fax to (307) 777-6234 Attn: Roxann Greenlee

# **Commodity Recalls**

- Further detailed information found in the publication "*Responding to a Food Recall*" by USDA with the National Food Service Management Institute.
- Each RA is responsible for appointing a food safety coordinator and providing to the Commodity Distribution Coordinator;
  - Name
  - Title
  - Email address
  - Phone and Fax numbers



# In the Event of a Commodity Recall

- RA will receive notice from WDE including the following information:
  - Name of the product and product information
  - Additional information to respond to media, parents, school district officials and others
  - Transportation and timeframe for picking up the recalled product, working with the RA

#### Serving/School Site Level Responsibilities

- Identify the recalled food immediately
- Hold the food product and do not use until you know the final action
- Determine if the commodity food as been used
- Account for all commodity product received
- If USEd document the date(s) used and to whom it was served (classes, not individuals)
- **Direct** anyone affected with reports of potentially related health problems to appropriate medical personnel or school nurse

### **Information to Submit to WDE**

- Inventory Counts.
- How the recalled product was segregated.
- Was the product served?
- Reports of symptoms.
- Follow instructions and complete documentation as necessary.

#### Documentation to Maintain for (3) Three Years *plus current year*

- **Communications** received and sent regarding the recall
- **How** the product was secured to prevent use
- **Return** of the product to the warehouse
- **Destruction** of the on-site product and accompanying written notification to do so
- **Records** showing the date used and to whom served
- Reports from students of symptoms of physical illness



### **Disaster Assistance**

- USDA Determination
- RA may be required to provide:
  - Meals
  - Appropriated commodity food
- Identify and document
  - Quantities of food used
  - Number of people served
- USDA reimbursable







### **Transfer of Commodities**

 Within a district - no documentation required

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 From one RA to another RA - documentation <u>is</u> not required, but if you want the entitlement value transferred a transfer form must be completed.



# **Commodity Complaints**

- ALL Commodities
  - Commodity Distribution Coordinator
  - (307) 777-6398 or
  - E-mail to rgreen@educ.state.wy.us



### ACDA

#### • ACDA – American Commodity Distribution Association

- Nationwide consisting of Agriculture, Industry and Government working together to improve the Food Distribution Program
- Wyoming is a member
- Some RAs from other states are members (primarily schools with direct diversion)

# **For More Information**

 Visit the following USDA Food Distribution websites:

www.fns.usda.gov/fdd/

www.commodityfoods.usda.gov

