



Food Distribution Director's Column

We were pleased, once again, to be able to bring a good number of staff members to this year's ACDA National Conference. We appreciate the opportunities to present program information and, possibly more important, to spend time networking with all of our program partners. As I stated during the conference, the ACDA ANC is my favorite conference of the year. I think every USDA staff member would say the same. We truly enjoy the ability to talk to all of our program partners in this setting and the genuine spirit of collaboration and partnership one finds with this group. Thank you for that. And, I do hope that you will someday forgive us for the April Fool's personnel announcement! Speaking of personnel changes, I have a real change to announce. Kate Houston, our Deputy Administrator for Special Nutrition Programs, has been selected as the Deputy Under Secretary for Food, Nutrition, and Consumer Services! By the time you read this, Kate will be serving in her new position. We will miss her, but it's certainly an opportunity she could not refuse! We were fortunate to have Kate as our Deputy Administrator and wish her well in her new position.

I would like to congratulate Donny Cooper on his successful tenure as ACDA President and I welcome the opportunity to work with Phil Gambutti in this next year. We look forward to another year of working in partnership with ACDA as we continue to improve our commodity programs.

We held another "Food Distribution-101" training session early in May here in Alexandria, Virginia, for 30 participants from 18 States, 3 Regional offices, and the Caribbean Area Office. As in previous years, these sessions covered program history, legislation, policy, funding, ordering, processing, ECOS, disaster feeding, commodity complaints, and more, for both school and household programs. A large number of the attendees were very new to the commodity programs and feedback on the training was very positive.

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President's Message

By Phil Gambutti

I want to begin by thanking ACDA Past President Donny Cooper for doing such an outstanding job during his term as our organizations President. During my tenure on the ACDA Board of Director's, I've had the opportunity to work with many outstanding individuals, and I believe the condition we find our organization in today is due to the dedication, leadership and commitment of many who have served our organization during the years.

Those of you who were present to hear my remarks at the installation ceremony at the conclusion of the annual conference heard me set the theme for my term as ACDA president, "A clear vision for change...Influencing the future of commodities". I quoted President

John F. Kennedy, who said "Change is the law of life, and those who look only to the past or present are certain to miss the future."

There are many diverse opinions among our association members, but I'm sure we can agree that the commodity program has changed a great deal, and it will continue to change. The revisions of our programs regulations, the farm bill, the expanded use of new technology, and the focus on healthier foods will challenge us all to be prepared for what the future will bring. ACDA must prepare themselves for these changes as well, if we are to continue our role as the driving force for an effective and efficient commodity program that benefits all stakeholders.

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Certainly, ACDA has made great strides in this regard. The web page, expansion of the board of directors to include all membership categories, the inclusion of a commodity "track" at the School Nutrition Association's Annual National Conference can all be pointed to as reflecting our willingness to change. But continued change must be focused and not just change for the sake of the change. Hence the need for a clear vision.

That is why I have formed a select committee for Strategic Planning, headed by Carolyn Gooch, to insure our association is able to meet the challenges the future brings head on. I've also asked President Elect Rick Betsworth to work with our Executive Secretary, Donny Cooper, and Mike Gill, our two most recent past presidents, to update our policy and procedure handbook to more accurately reflect our associations operations for both today and our future leaders.

All of the committees and the Board of Directors will be hard at work, with their eyes on the changes the future holds for the Food Distribution Program and ACDA. The Committee chairs and members are listed elsewhere in this publication as are the current Board members.

All of you are welcome to contact these individuals to share your thoughts and ideas, and I welcome the input of all our members. Together, we can set the vision we need to steer ACDA and the Food Distribution Program into the future.

I thank all of you for your membership. I encourage you to take advantage of the website, and to participate in our associations planning for the future.

I wish you all a safe, healthy and happy summer!

PRESIDENT ELECT'S MESSAGE
By Rick Betsworth

The ANC in Orlando was a resounding success and I hope to match it with next year's conference. As Phil Gambutti mentioned last year however, following such a huge success is very challenging!

I want to thank everyone for completing the Conference Evaluation Forms. It appears that most comments are favorable and that those who have criticism have attempted to be constructive about it. Your comments are an important tool to help us react quickly to the concerns of the ACDA membership regarding the content of our conference. I hope you will all continue to voice your opinions in the future.

The composition of our Conference Planning Committee for this coming year is included in this newsletter and I encourage anyone who wants to provide input to the planning to contact the committee members. I want to thank everyone who has agreed to serve on this committee. Anyone who has been on the committee in the past knows that it requires a commitment to the organization and a belief in the value of pursuing our goals. Thank you again for your service! Phil has adopted the theme of "A clear vision for change...influencing the future of commodities" for this year and we will work to make the conference reflect this theme as much as possible.

I would like to, again, encourage anyone to contact me or the committee members with any suggestions or ideas about how we can make next year's conference a success for everyone.

VICE PRESIDENT'S MESSAGE
By Linda Hubeny

As I begin this three-year journey, I want to thank you for electing me Vice President. I cannot help but think that there is so much I have yet to learn about the Food Distribution Programs.

As many of you know, I am a relative newcomer to the commodity distribution program and to ACDA. The coming year is going to be a learning experience for me and I welcome your input about the program and the association.

As the new Chair of the Website Committee I am excited to have the opportunity to build on the work that has been done by the previous chair and committee. The new format took a lot of work to develop and the results are outstanding. My primary goal for this coming year is to make some small changes to make the website a little more user friendly.

I hope that all of you will contact a member of the committee with any suggestions regarding other improvements or ideas for the website. The Resolutions & By-laws Committee membership is also provided in this issue and I know that all of the members stand ready to receive any resolutions you may wish to put before the Board of Directors. There weren't any suggestions brought up at ANC, so there may not be many changes required but we will present any that may be suggested.

MID-ATLANTIC REPORT

Mid Atlantic Regional Office held the State Agency Conference in Gettysburg Pennsylvania May 15, 16 and 17th. Tuesday the 15th was devoted to Child and Adult Care Food Programs and the School Programs and Nutrition Education. On Wednesday General Sessions were held which affected both Nutrition Programs and Food Distribution Programs. On Thursday there were break out sessions for Food Distribution and Nutrition Programs which covered many topics.

Walt Haake, Director of Field Operations, covered Disaster Planning and Response. Kirk Wilborne, also with USDA, assisted with the presentation.

Tim Walsh presented information regarding the Faith-Based and Community initiatives. Bob Delorenzo, USDA/MARO, covered where some of the proposed rules from last spring were at and when USDA hopes to have the final rule completed. Bob also covered the proposed rule regarding solicitation for TEFAP distribution and State TEFAP plans becoming permanent. Connie Walker, USDA/MARO, reminded all the states to send in revisions to their TEFAP state plans when something changes.

Barbara Martin did a presentation on State Nutrition Action Plans (SNAP) and encouraged all state agencies to partner to make this a more successful program. Todd Griffith did an excellent presentation regarding ECOS and replacement/redesign of PCIMS.

The conference was well attended and as usual there were many comments, complaints and always helpful information. USDA/MARO did an excellent job with planning the conference. They had special guest at the General Session, General Grant and his lovely wife. The main theme was 'Amid History, Among Partners, Addressing Challenges Together'. Thanks to USDA/MARO staff.

DOD has awarded long term contracts in Virginia, one in North Carolina, and one in South Carolina. DODS Virginia contact, Ken Wilmoth, met with Food Distribution Staff to discuss requirements in Virginia. A meeting with Produce Source, the long term vendor, is set to be held within the next two weeks. Ken has assured Virginia that DOD will be a part of the FFAVORS training to be scheduled in August for the Virginia School Districts participating. Ken also said that DOD should have all long term contracts in place by November 2007.



Past president Donny Cooper



Pavel Matustik & Cathie McCullough

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Upcoming SNA Annual National Conference

If you are planning to attend the School Nutrition Association's Annual National Conference in Chicago this July 15-18, plan to check out the Commodity Track workshops again this year. They cover a variety of topics on commodities:

- *Basic Concepts of Commodity Processing*
- *The Life Cycle of a Commodity Delivery Order – Explore 12 Steps in Commodity Ordering and Procurement*
- *How will New Commodity Program Regulations Affect your Operation?*
- *DoD Fresh Program – Changes and Updates*
- *Integrating Processed Commodities: Successful District Strategies*
- *ECOS – Managing Commodities on Line – Lose the Paper*
- *Sharpen Your Commodity Ordering Skills – Getting the Biggest Bang for your Commodity Buck*
- *Intricacies of Commodity Processing – The Devilish Details*
- *Hot Topics Affecting Commodity Processing*
- *Making Commodity Dollars Work for You*
- *Healthy Cuisine for Kids*
- *Recipient Agency Procurement Guidance – A Handbook for Processing Success*
- *Commodity Bidding: Updating, Evaluating, and Integrating*
- *On the Road to Professional Food Preparation–BLT, 2nd Edition*

For more information on these workshops, check out the School Nutrition Association 2007 Conference website at: <http://docs.schoolnutrition.org/meetingsandevents/anc2007/program.aspx>

Commodity “Myths” Project

Those of us who work with the commodity programs know that USDA's commodities are continually assessed for their quality and how well they support the Dietary Guidelines for Americans (DGA) and MyPyramid. We also strive to offer commodities that will be palatable and acceptable to children and other program participants. Unfortunately, not everyone believes that commodity offerings are healthy and nutritious. For years, we have battled the myths that USDA commodities are of poor quality; high in fat, sodium, and sugar; and a major contributor to obesity among American's youth and other program participants.

To address this, we are taking steps (long-term and short-term) to reverse the negative images surrounding our commodity programs. In addition to various internal activities, FNS will be working to develop partnerships and collaborations with ACDA and other commodity program stakeholders to help communicate the true facts about USDA commodities. These include our longstanding efforts to improve and maintain high nutritional standards for our commodity products; efforts to meet the nutritional standards of the DGA; and USDA's role in supporting the National School Lunch Program, the School Breakfast Program, and other programs through our agricultural support programs.

Commodity Improvements

Below are some of the commodity improvements we have been working on recently:

- **Increasing Whole Grains:** We plan

to offer more whole grain products in the commodity programs. We already offer whole wheat flour, rolled oats, and regular brown rice, and we are planning to offer a quick-cook brown rice as a test buy for schools for the upcoming school year. We also plan to offer whole grain spaghetti, rotini, and macaroni as test purchases.

- **Lowering Fat:** We are working to eliminate trans fats from our frozen potato products. We are reviewing trans fats levels in all of our commodities. Trans fats information is also being added to all commodity labels. We revised the specification for canned boned chicken to exclude the skin. We increased the total meat proportion which considerably reduces fat content. This will make the product more appealing to school kids. For schools that process USDA commodities under the standard yield system, poultry processors can now substitute white meat for skin in a 1 to 10 ratio. This allows processors to formulate new products with less fat.

- **Lowering Sugar:** We recently removed the added sugar from applesauce, and it is now only offered unsweetened. All of our canned fruits continue to be packed in juice and/or water, or light syrup. This has been the case for over 15 years.

- **Lowering sodium:** Most of our canned vegetables meet the Food and Drug Administration's "healthy" standard for sodium. We are looking to lower the sodium content in our canned vegetables even more in the upcoming school year.

New and Updated NSLP Fact Sheets

We are completing the labor intensive task of reviewing, revising, updating, and reformatting all of USDA's Commodity Food Fact Sheets for Schools. They have not been revised in over a decade. In addition to updated information about product pack sizes,

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yields, storage, preparation, and nutritional values, you will find the following features:

- They have a new user-friendly look and format.
- Each fact sheet represents one food, one commodity code.
- Each fact sheet contains the MyPyramid graphic with the food group for that commodity highlighted on the Pyramid.
- They are consistent with USDA guidance on planning NSLP meals.
- Nutrient values have been added for dietary fiber, trans fat, sugars, magnesium, potassium, Vitamin A in RAE units of measure, and Vitamin E.
- A food safety information section has been added.

The fact sheets should be available on our website this summer. To access them, go to: www.commodityfoods.usda.gov/facts.htm and click on the FD Fact Sheets link, which is the third bullet listed under the heading entitled "Food and Program Facts."

Web-Based Supply Chain Management (WBSCM)

In July, we are scheduled to select new software which will get us to the next level in our transition from PCIMS to our new supply chain management system. Once the software is selected, detailed design sessions focusing on commodity program process and user requirements will begin. USDA will use this opportunity to identify processes previously constrained by the existing outdated system and streamline or improve them. Software installation, configuration, and development work will begin in earnest along with the detailed design sessions in order to meet WBSCM's target implementation date of Fall 2008.

Electronic Commodity Ordering System (ECOS) Update

In response to feedback from the ACDA conference, we are assessing the impact of creating a Broker Role within ECOS. This role will allow processors to assign staff by region for the viewing of ECOS data. Brokers will then be better able to assist SDAs and RAs to ensure orders fit plant capacity and customer demand. If possible, we may implement this feature in ECOS in 2007.

ECOS changes made in 2006 to address system capacity and performance issues had a significant impact during this spring's ordering cycle. There were few system issues with response time, data, or system outages. Additional hardware changes are scheduled for this summer.

FNS transitioned ECOS support activities to a new contractor in March 2007. The new contractor is working on ECOS software enhancements which should be released during the Summer of 2007 to address the following:

- Improve management and ordering function for household program multi-food inventory.
- Enhance ECOS export of Notice to Deliver/Forwarding Notice documents to a PDF format for ease of distribution and printing.
- Implement new system security requirements – (1) Government computer system warning message at logon and (2) Acceptance of ECOS system rules of behavior.
- Improve entitlement assignment and tracking features to aid States wishing to expand ECOS use to Recipient Agencies.
- Implement an optional RA entitlement check that States may apply to their organization. The check will allow

States to prevent requisitions from being submitted which will exceed 105 or 110 percent of RA entitlement.

- Implement enhancements to inform RAs of orders received in warehouses and enable processors to identify State assignments for inbound orders. For any ECOS related assistance, feel free to contact us at ECOS-HelpDesk@fns.usda.gov .

Update on DoD Fresh program

The Defense Supply Center (DoD) continues to work toward full implementation of produce long-term contracts for schools and military customers. The first contract has been awarded in Area 1: Virginia, North Carolina, and South Carolina. DoD continues to assure us that they are committed to providing the highest quality of produce and service to schools. Also, DoD will continue to have senior customer representatives in the field in each State as the first point of contact for any issues or complaints that may arise.

During the summer, several other contracts are expected to be awarded, and at this point the Southern California area is closest to award on or about July 1. All schools should expect to start their school year using the Produce Buying Office procedures, until some point where DoD will transition the States as each contract zone is awarded. If you have any questions during the transition, please feel free to contact Pat Scott at patricia.scott@dla.mil.

Regulations Update

At the ACDA National Conference in Orlando, we provided an overview of the two rules that were recently proposed as part of the rewrite of 7 CFR 250 ("Management of Donated Foods in Child Nutrition Programs, the Nutrition Services Incentive

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Program, and Charitable Institutions” and “Revisions and Clarifications in Requirements for

the Processing of Donated Foods.” We also reviewed and asked for your input on the topics that will be addressed in the third rule, which will complete the rewrite of 7 CFR 250. At the time of the conference, we expected that both of the proposed rules would be published by the end of the calendar year. It now appears that publication of the processing rule may be delayed until spring of 2008. We will keep you updated on the status of all rules, and encourage you to review our Orlando Power Point presentation, which is posted on our web site.

Nutrition Services Incentive Program (NSIP)

The Older Americans Reauthorization Technical Corrections Act was enacted on April 23, 2007. This Act reinstates the ability of State Agencies on Aging to use part or all of their NSIP grant to obtain USDA commodities. The Act also changed the way NSIP funds are exchanged between the Department of Health and Human Services’ Agency on Aging and FNS, and permits carryover of NSIP funding for commodity purchases from one year to the next. Details on NSIP ordering procedures for FY 2008 will be provided soon.

For Information & Suggestions
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 e-mail: fdd-pst@fns.usda.gov
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TEFAP/CSFP COMMITTEE REPORT

This is Ron Hamilton, your new Non-School Program Representative and TEFAP/CSFP Committee chair. Committee members are Kim Eads representing the Western Region, Kim Jones representing the Mountain Plains Region, Susan Wilder representing the Southeast Region, Kevin Boyd representing the Mid-Atlantic Region, Tim Drake representing the Northeast Region, Sam Varela representing the Southwest Region, and Ty Morris representing the Midwest Region.

Each State TEFAP Administrator, Agent, Assistant, Chief, Consultant, Contact, Coordinator, Director, Manager, Specialist, and Supervisor has a unique situation to deal with in their state. I’ll keep you informed on whatever this great bunch comes up with.

We are working on finding regional representatives for Non-School Program Recipient Agencies. Please encourage your Non-School Program Recipient Agencies to join the ACDA. For some the conference location in Kansas City might help keep travel costs down.

The ACDA Board has agreed to support Title IV of HR 2129 proposed by Representatives McGovern and Emerson. Title IV of the bill Supports the Emergency Food Bank Network and would increase funding for TEFAP from \$140 Million to \$250 Million.

The F5 Greensburg Tornado and floods have kept us busy in Kansas. I can’t imagine a tornado 1.7 miles wide. Please don’t hesitate to call if you have any suggestions or concerns. We’re here to serve you.



Marshall Matz, Olsson, Frank and Weeda

ALLIED & AGRICULTURAL REPORT

By Bill Ferriera

With the conclusion of the ACDA Annual National Conference the new Board of Directors is installed and the new year begins. As with each new year, there are many challenges and opportunities that will face the new Board, and I am honored to be serving on the 2007-08 Board. On behalf of all Allied and Agricultural members, I would like to thank our previous Board representative, Judy Hirigoyen for a job well done. She represented our membership group well.

For the agriculture members of ACDA, the coming year will be of particular interest with a new Farm Bill soon to be discussed. This year's Farm Bill may be one of the most important debated not just for the agricultural members of ACDA, but for all ACDA members because of its focus on the nutrition title and specialty crops. If the final bill that is approved reflects much of the discussion that has taken place up to this point, everyone involved with the commodity program should see some benefits. Because of the importance of this year's bill, the support of our Allied and Agricultural members will be of great importance.

One of the reasons that this year's Farm Bill discussion will be so important is the fact that production agriculture in all commodities continues to face increasing costs of production with decreasing rates of return. Along with cost increases, agriculture is facing a severe crisis in having enough qualified labor to grow and harvest the production of growers and ranchers.

It is my goal as the Allied/Agricultural representative on the ACDA Board of Directors to provide as much input as possible to the Board from an agricultural point of view. To do this, I would ask each Allied and Agricultural member to send me their thoughts and ideas as to how best we can assist the goals of ACDA, and how best ACDA can contribute to a stable and profitable agricultural economy in the U.S. ACDA is the one organization that can bring a combined voice to the discussion and represent all elements of the commodity and feeding programs of our nation.

The Allied and Agricultural sector of ACDA is the smallest in numbers, but one of great importance. I would ask each of our current members to review the ACDA member directory, and think of at least one agriculture organization that is not a current ACDA member, but should be. Please send the name of that organization to either myself or Ken Shifflett, and we will follow-up with membership information for that organization. It is critical that as many agriculture organizations are members as possible. With your assistance, we will achieve our goals.



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