

# ACDA ANNUAL CONFERENCE

**Coming Together to Nourish the Nation**



**April 21 - 24, 2024  
Marriott St. Louis Grand  
St. Louis, Missouri**



# USDA Foods 101 NSLP





# Today's Speakers and Panelists



**Carole Erb**  
**J.T.M. Food Group**



**Brian Davis (on the right)**  
**Ohio Department of Education  
and Workforce**



**Gabrielle Viens**  
**New York State  
Office of General Services**



**Patti Bilbrey**  
**Scottsdale USD**



**John Surdy**  
**Nardone Bros Baking Co., Inc.**



**Dorothy Cole**  
**Gordon Food  
Service**

# Learning Objectives

- Understanding the basics of working with USDA Foods
- Maximizing Entitlement
- Overview of DoD, Direct Delivery, and Processing



# SY24-25 Approved Processor List

Company Name	First Name	Last Name	Email	Phone
Albie's Food Products, LLC	Heather	Sawicki	<a href="mailto:heather@albies.com">heather@albies.com</a>	(989) 732-2800
Alpha Foods Co.	Danny	Bowen	<a href="mailto:DBowen@alphafoodsco.com">DBowen@alphafoodsco.com</a>	(936) 372-5858
Ardella's (Richandre, Inc.)	Hap	Frank	<a href="mailto:hapfrank@ardellas.com">hapfrank@ardellas.com</a>	(310) 762-1560
Bake Crafters Food Company	Kent	Robertson	<a href="mailto:commodities@bakecrafters.com">commodities@bakecrafters.com</a>	(423) 498-7500
Basic American Foods	Deniece	Ledin	<a href="mailto:dledin@baf.com">dledin@baf.com</a>	(925) 472-4139
Bongards Creameries	Jill	Ponder	<a href="mailto:Jill.Ponder@Bongards.com">Jill.Ponder@Bongards.com</a>	(952) 277-5582
Brookwood Farms	Gib	Brooks	<a href="mailto:GibBrooks@brookwoodfarms.com">GibBrooks@brookwoodfarms.com</a>	(919) 663-3612
Buena Vista Foods	Laura Julia	Trujilo Thompson	<a href="mailto:ltrujillo@bvfoods.com">ltrujillo@bvfoods.com</a> <a href="mailto:julia@lunchlineinc.com">julia@lunchlineinc.com</a>	(626) 815-8859 (412) 512-3476
Butterball	Frank	Samuelson	<a href="mailto:fsamuelson@butterball.com">fsamuelson@butterball.com</a>	(919) 255 - 7655



# SY24-25 Foods Available List

USDA Foods Description	WBSCM ID	PACK SIZE
<b>FRUITS</b>		
Apple Juice, 100%, Unsweetened	100893	8/64 oz bottle
Applesauce, Unsweetened, Canned (K)	100207	24/15.5 oz can
Apricots, Halves, Extra Light Syrup, Canned	100210	24/15.5 oz can
Cherry Apple Juice, 100%, Unsweetened	100894	8/64 oz bottle
Cranberry Apple Juice, 100%, Unsweetened	100899	8/64 oz bottle
Grape Juice, Concord, 100%, Unsweetened	100895	8/64 oz bottle
Mixed Fruit, Extra Light Syrup, Canned	100211	24/15.5 oz can
Orange Juice, 100%, Unsweetened	100897	8/64 oz bottle
Peaches, Sliced, Extra Light Syrup, Canned	100218	24/15.5 oz can
Pears, Extra Light Syrup, Canned (K)	100223	24/15.5 oz can
Plums, Purple, Canned	100233	24/15.5 oz can
Raisins, Unsweetened	100295	24/15 oz box

<b>PROTEIN FOODS</b>		
Beef, Canned/Pouch	100127	24/24 oz package
Beef Chili, With Beans, Canned/Pouch	111180	12/15 oz package
Beef Stew, Canned/Pouch	100526	24/24 oz package
Chicken, Canned	110940	24/12.5 oz cans
Chicken, Pouch	110477	36/10 oz pouch
Peanut Butter, Smooth	111081	12/16 oz jar
Salmon, Pink, Canned	110563	24/14.75 oz can

USDA Foods Description	WBSCM ID	PACK SIZE	SUBGROUP
<b>VEGETABLES</b>			
Beans, Green, Low-sodium, Canned (K)	100306	24/15.5 oz can	OTH
Carrots, Sliced, Low-sodium, Canned	100308	24/15.5 oz can	RO
Corn, Whole Kernel, No Salt Added, Canned (K)	100311	24/15.5 oz can	ST
Mixed Vegetables, 7-Way Blend, Low-sodium, Canned	100320	24/15.5 oz can	OTH
Peas, Green, Low-sodium, Canned	100314	24/15.5 oz can	ST
Potatoes, Dehydrated Flakes	100337	12/1 lb package	ST
Potatoes, Sliced, Low-sodium, Canned	100331	24/15.5 oz can	ST
Spaghetti Sauce, Low-sodium, Canned	100335	24/15.5 oz can	RO
Spinach, Low-sodium, Canned	100323	24/15.5 oz can	DG
Sweet Potatoes, Light Syrup, No Salt Added, Canned	100316	24/15.5 oz can	RO
Tomato Juice, 100%, Low-sodium*	100898	8/64 oz bottle	RO
Tomatoes, Diced, No Salt Added, Canned	100328	24/15.5 oz can	RO
Vegetable Soup, Condensed, Low-sodium, Canned	100321	24/10.5 oz can	OTH

\*Tomato juice is issued in the Fruit and Juice category in the CSFP Maximum Monthly Distribution Guide Rate.

<b>LEGUMES</b>			
Beans, Black, Low-sodium, Canned	110020	24/15.5 oz can	LG
Beans, Great Northern, Dry	111067	24/1 lb bag	LG
Beans, Kidney, Light Red, Dry	111080	24/1 lb bag	LG
Beans, Kidney, Light Red, Low-Sodium, Canned	100372	24/15.5 oz can	LG
Beans, Lima, Baby, Dry	111068	24/1 lb bag	LG
Beans, Pinto, Dry	111063	24/1 lb bag	LG
Beans, Pinto, Low-sodium, Canned	110021	24/15.5 oz can	LG
Beans, Vegetarian, Low-sodium, Canned	100363	24/15.5 oz can	LG
Lentils, Dry	111102	24/1 lb bag	LG

## KEY:

DG - Dark Green Vegetable Subgroup

OTH - Other Vegetable Subgroup

RO - Red/Orange Vegetable Subgroup

ST - Starchy Vegetable Subgroup

LG- Legume Vegetable Subgroup

K- Kosher Certification Required



# SY24-25 USDA Foods Price File

Material	Material Descr.	Average Price	Base UoM
100113	CHICKEN LEGS CHILLED -BULK	0.56 24	LB
100154	BEEF COARSE GROUND FRZ CTN-60 LB	3.09 20	LB
100193	PORK PICNIC BNLS FRZ CTN-60 LB	1.40 44	LB
100332	TOMATO PASTE FOR BULK PROCESSING	0.94 79	LB
110242	CHEESE NAT AMER FBD BARREL-500 LB(40800)	2.10 37	LB
100103D	CHICKEN LARGE CHILLED -BULK	1.40 99	LB
100103W	CHICKEN LARGE CHILLED -BULK	1.40 99	LB



# SY24-25 Ordering Schedule

## DAIRY, GRAIN, PEANUT & OIL QUARTERLY CYCLE:

- Cheese\*
- String Cheese
- Cheese Cheddar Sliced
- Flour-Bakery & Wheat Products
- Oil
- Pancakes\*\*
- Pasta
- Peanuts\*\*
- Peanut Butter\*
- Rice
- Sunflower Seed Butter
- Tortillas
- Yogurt

For Delivery:	Due in WBSCM:
July-September 2024	April 5, 2024
October-December 2024	June 14, 2024
January-March 2025	September 13, 2024
April-June 2025	December 13, 2024

## LIVESTOCK QUARTERLY and MONTHLY CYCLES:

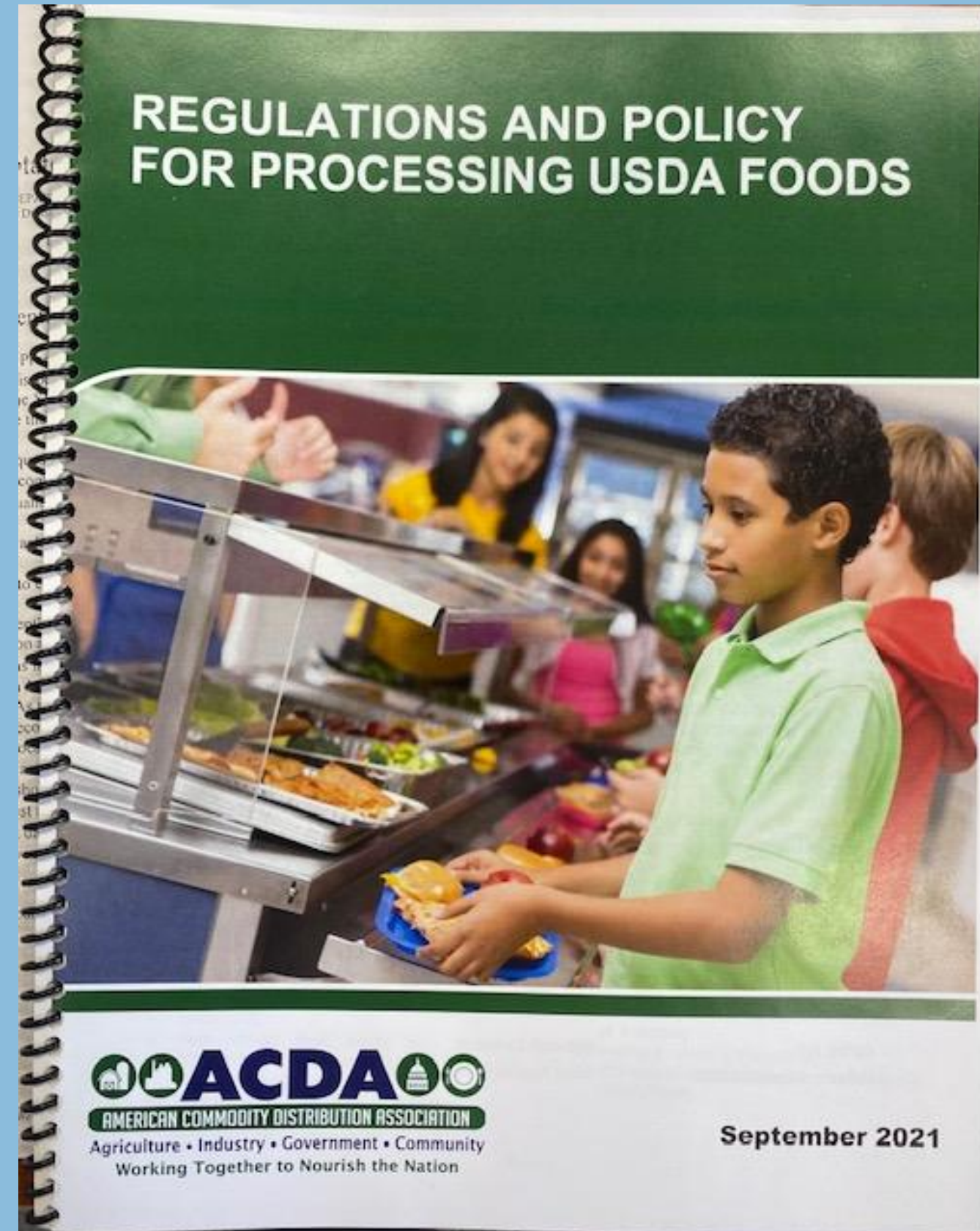
- Quarterly: Canned Beef and Pork
- Monthly/Bi: Beef (Special Trim, Combo, Fine Ground, Coarse, Patties, Crumbles)\*, Pork (Hams, Roasts, Bulk, Cooked, Deli\*)

For Delivery:	Due in WBSCM:
July-September 2024	April 19, 2024
October-December 2024	June 14, 2024
January-March 2025	September 13, 2024
April-June 2025	December 13, 2024



Included in this resource:

- Final Rule for Processing dated May 1, 2018
- Policy memo FD-064 (revised) dated April 2, 2019
- Policy memo FD-40 (revised) dated July 16, 2021



# USDA Foods are mostly distributed through Entitlement Programs

- Child Nutrition Programs
  - National School Lunch Program (NSLP)
  - Summer Food Service Program (SFSP)
  - Child and Adult Care Feeding Program (CACFP)
- Entitlement is based off total lunch counts from the prior year multiplied by an effective meal rate.
- Entitlement = Lunch Counts X Meal Rate
- Household Programs
  - The Emergency Food Assistance Program (TEFAP)
  - Commodity Supplemental Food Program (CSFP)
- TEFAP Entitlement is based off a federal formula. Funds available for the program multiplied by the state's fair share of the funding. State's fair share is calculated using 60% of the state poverty level and 40% unemployment level. States may or may not choose to roll down funding in the same way across their state.
- CSFP is not an entitlement program. Food is ordered based of state case load needs.



# ENTITLEMENT

## Terms and Phrases

- Entitlement
  - Managed By USDA as a State Total
  - Formula Calculation
  - Based on Most Recent Actual Data
  - Estimated, Then Reconciled
- Planned Assistance Level (PAL)
  - Allocated by States to RAs
  - “Fair Share”
  - Subject to Transfers, Sweeps, Re-Allocation



# Planned Assistance Level

## The 20% Rule



# How is USDA Foods funding determined?

- Calculation is based on the **number of reimbursable lunches served in the previous school year.**





Where does the Per Meal Rate come from?

- Price Index – Food Costs
- Bureau of Labor Statistics
- “12% Provision” Modifier



# Example NSLP Calculations

- 10,000 Total NSLP Lunches Served
- Per Meal Rate: \$0.365

**10,000 X 0.365 =  
\$3,650 available**





# USDA Foods Timeline

## 2024-2025 Example

### January 2024 Estimates

Based on 2022-2023 Reimbursable Lunch Counts.

### July 2024 Per Meal Rate

Federal Register: “National Average Minimum Value of Donated Foods”

### November 2024 Reconciliation

Based on Final 2023-2024 Reimbursable Lunch Counts.

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# USDA Foods Timeline

## New Recipient Agency PAL

### Year One

- No prior year meal counts
- No PAL to start the school year\*
- No Estimate in January

### Year Two

- Year One meal counts
- May have PAL or allocations
- Included in January Estimate

### Year Three

- Year Two meal counts
- Yes PAL
- Included in January Estimate

# ENTITLEMENT STRATEGIES

- Examine your most recent meal count data
- School Year 2023-2024 NSLP Lunches
- Review your Production Records
- Save Invoices & Receipts – Did the discount/credit last all year?
- **Keep Track, Look Often!**



# USDA BUYING CYCLE

How often does USDA buy products?

- Monthly
- Quarterly
- Annually
- May vary within the same food group

What does IDIQ stand for?

- Indefinite Delivery, Indefinite Quantity

POULTRY & EGGS QUARTERLY and MONTHLY CYCLES:	
<ul style="list-style-type: none"> <li>• <b>Quarterly:</b> Chicken (Cut-up, Fajitas, Strips), Egg patty, Eggs</li> <li>• <b>Monthly:</b> Chicken (Bulk, Diced) *, Turkey (Bulk, Thighs) *</li> <li>• <b>Annual:</b> Oven Roasted Chicken</li> </ul>	
For Delivery:	Due in WBSCM:
July-September 2024	April 12, 2024
October-December 2024	June 14, 2024
January-March 2025	September 13, 2024
April-June 2025	December 13, 2024
SEASONAL (IDIQ) FRUIT AND VEGETABLE ANNUAL CYCLE:	
<ul style="list-style-type: none"> <li>• <b>Fruit:</b> Apricots (Canned, Frozen), Peaches (Canned, Frozen), Mixed Fruit, Strawberries, Mixed Berries, Pears</li> <li>• <b>Vegetables:</b> Peas (Canned, Frozen), Green Beans (Canned, Frozen), Corn (Canned, Frozen), Carrots (Frozen), Diced Tomatoes</li> </ul>	
For Delivery:	Due in WBSCM:
October 2024-September 2025	March 29, 2024

# WHAT THE CYCLE MEANS FOR YOU

## Starting with “November” Price File

- Average Prices
- Weighted Average in 2023-2024

## Price Changes

- Purchase Price vs Price File
- Month-to-Month variations

## Ability To Adjust Sales Orders

- “Approved by SDA”
- “On Solicitation”
- “Purchased”



# WHAT THE PRICES MEAN FOR YOU

## 100101 Diced Frozen Chicken Cases

- 1000 cases per truck
- \$88.69 per case
- \$88,688 full truck cost

## 100103 Bulk Chicken (Whole Bird)

- 36,000 LBS per truck
- \$1.41 per LB
- \$50,706 full truck cost

# WHAT THE PRICES MEAN FOR YOU

- What happens if the price of chicken goes up or down?
- Ask your state! Each State deducts entitlement differently:
  - Some deduct based on the November price file
  - Some deduct the purchase price
  - Some update their “entitlement price” at regular intervals

## 100103 Bulk Chicken (Whole Bird)

- 36,000 LBS per truck
- **\$1.41 per LB**
- \$50,706 full truck cost



# Audience Poll

# What can you get with your USDA Entitlement?



1. USDA Direct Delivery  
(Brown Box/Commodities)
2. USDA DoD Fresh Program (DoD)  
FFAVORS
3. USDA Direct Diversion  
(Processing/Bulk)



# USDA Direct Delivery (Brown Box)

- Procured End Products
- USDA offers around 140 end products
  - USDA Foods Available List
- Cannot order them all
- States will typically survey and collect feedback on which products to order.
- Vendor is not established until the item is purchased by the USDA.
- States must follow USDA ordering criteria

**What do you think that  
ordering Criteria is?**



# Brown Box Federal Ordering Criteria

- Must order in full trucks of a single item, i.e. A full truck Strawberry Cups.
- No more than 3 stops per delivery
- At least a quarter truck per stop.
- No more than 1 day's drive between all stops



# What types of Brown Box products are available?



# USDA Foods Available List



## USDA Foods Available List for School Year 2024-2025 for Schools and Institutions



USDA Foods Description	WBCSM #	PACK SIZE
<b>FRUITS</b>		
Apples, Braeburn, Fresh	100523	40 lb case
Apples, Empire, Fresh	100517	40 lb case
Apples, Fuji, Fresh	100522	40 lb case
Apples, Gala, Fresh	100521	40 lb case
Apples, Granny Smith, Fresh	110543	40 lb case
Apples, Red Delicious, Fresh	100514	40 lb case
Apple Slices, Unsweetened, Canned	100206	6/#10 can
Apple Slices, Unsweetened, Frozen (IQF)	100258	30 lb case
Applesauce, Unsweetened, Canned (K)	110541	6/#10 can
Applesauce, Unsweetened, Cups, Shelf-Stable	110361	96/4.5 oz cup
Apples, For Processing	110149	Bulk Pounds
Apricots, Diced, Cups, Frozen	100261	96/4.5 oz cup
Apricots, Diced, Extra Light Syrup, Canned	100216	6/#10 can
Blueberries, Wild, Unsweetened, Frozen	100243	30 lb case
Blueberries, Wild, Unsweetened, Frozen	100242	8/3 lb bag
Blueberries, Unsweetened, Frozen	110624	30 lb case
Blueberries, Unsweetened, Frozen	110623	12/2.5 lb bag
Cherries, Tart, Dried	100299	4/4 lb bag
Cherries, Tart, Dried, Individual Portion	111643	250/1.36 oz bag
Cherries, Sweet, Pitted, Unsweetened, Frozen (IQF)	110872	12/2.5 lb bag
Cranberries, Dried, Individual Portion	110723	300/1.16 oz bag
Mixed Berries (Blueberries, Strawberries), Cups, Frozen	110859	96/4 oz cup
Mixed Fruit (Apples, Cherries, Cranberries, Raisins), Dried	110161	5/5 lb bag
Mixed Fruit (Peaches, Pears, Grapes), Extra Light Syrup, Canned	100212	6/#10 can
Oranges, Fresh	100283	34-39 lb case
Peaches, Diced, Extra Light Syrup, Canned	100220	6/#10 can
Peaches, Diced, Cups, Frozen	100241	96/4.4 oz cup
Peaches, Sliced, Frozen	100239	20 lb case
Peaches, Sliced, Frozen	100238	12/2 lb bag
Peaches, Sliced, Extra Light Syrup, Canned	100219	6/#10 can
Pears, Diced, Extra Light Syrup, Canned (K)	100225	6/#10 can
Pears, Halves, Extra Light Syrup, Canned	100226	6/#10 can
Pears, Sliced, Extra Light Syrup, Canned	100224	6/#10 can
Raisins, Unsweetened, Individual Portion	100293	144/1.33 oz unit
Strawberries, Diced, Cups, Frozen	100256	96/4.5 oz cup
Strawberries, Sliced, Frozen	100254	30 lb pail
Strawberries, Sliced, Unsweetened, Frozen (IQF)	110860	6/5 lb bag
Strawberries, Whole, Unsweetened, Frozen (IQF)	110846	6/5 lb bag

USDA Foods Description	WBCSM #	PACK SIZE	SUBGROUP
<b>VEGETABLES</b>			
Beans, Green, Low-sodium, Canned (K)	100307	6/#10 can	OTH
Beans, Green, No Salt Added, Frozen	100351	30 lb case	OTH
Beans, Green, No Salt Added, Frozen	111054	12/2 lb bag	OTH
Broccoli Florets, No Salt Added, Frozen	110473	30 lb case	DG
Carrots, Diced, No Salt Added, Frozen	110480	30 lb case	RO
Carrots, Diced, No Salt Added, Frozen	111052	12/2 lb bag	RO
Carrots, Sliced, Low-sodium, Canned	100309	6/#10 can	RO
Carrots, Sliced, No Salt Added, Frozen	100352	30 lb case	RO
Corn, Whole Kernel, No Salt Added, Canned (K)	100313	6/#10 can	ST
Corn, Whole Kernel, No Salt Added, Frozen	100348	30 lb case	ST
Corn, Whole Kernel, No Salt Added, Frozen	111053	12/2.5 lb bag	ST
Mixed Vegetables, No Salt Added, Frozen	111230	6/5 lb bag	ADD'L
Peas, Green, Low-sodium, Canned	100315	6/#10 can	ST
Peas, Green, No Salt Added, Frozen	100350	30 lb case	ST
Peas, Green, No Salt Added, Frozen	110763	12/2.5 lb bag	ST
Pepper/Onion Strips, No Salt Added, Frozen	110724	30 lb case	OTH
Potatoes, Diced, No Salt Added, Frozen	110844	6/5 lb bag	ST
Potatoes, Oven Fries, Low-sodium, Frozen	100357	6/5 lb bag	ST
Potatoes, Wedges, Fat Free, Low-sodium, Frozen (IQF)	100356	6/5 lb bag	ST
Potatoes, Wedges, Low-sodium, Frozen (IQF)	100355	6/5 lb bag	ST
Potatoes, For Processing to Frozen	100506	Bulk Pounds	ST
Potatoes, For Processing to Dehydrated	110227	Bulk Pounds	ST
Salsa, Low-sodium, Canned	100330	6/#10 can	RO
Salsa, Low-sodium, Pouch	110186	6/106 oz pouch	RO
Spaghetti Sauce, Low-sodium, Canned	100336	6/#10 can	RO
Spaghetti Sauce, Low-sodium, Pouch	110177	6/106 oz pouch	RO
Spinach, Chopped, No Salt Added, Frozen (IQF)	110425	20 lb case	DG
Sweet Potatoes, Cubes, No Salt Added, Frozen	110562	6/5 lb bag	RO
Sweet Potatoes, Crinkle Cut Fries, Low-Sodium, Frozen	110721	6/5 lb bag	RO
Sweet Potatoes, Light Syrup, No Salt Added, Canned	100317	6/#10 can	RO
Sweet Potatoes, For Processing	100980	Bulk Pounds	RO
Tomato Paste, No Salt Added, Canned	100327	6/#10 can	RO
Tomato Paste, For Processing	100332	2850 lb totes	RO
Tomato Sauce, Low-sodium, Canned	100334	6/#10 can	RO
Tomato Sauce, Low-sodium, Pouch	110187	6/106 oz pouch	RO
Tomatoes, Diced, No Salt Added, Canned	100329	6/#10 can	RO

**KEY:**

DG - Dark Green vegetable subgroup
OTH - Other vegetable subgroup
RO - Red/Orange vegetable subgroup
ST - Starchy vegetable subgroup
ADD'L - Product credits towards additional vegetables
IQF - Individually Quick Frozen
K - Kosher Certification Required
USDA Food for Processing <sup>1</sup>

Note: USDA Foods entitlement may also be used to order a variety of fresh fruits and vegetables for weekly delivery through the USDA DoD Fresh Fruit and Vegetable Program. Contact your State Distributing Agency if you are interested in participating in this program.

<sup>1</sup>Other USDA Foods found on the Foods Available List can also be used for the processing program.



## USDA Foods Available List for School Year 2024-2025 for Schools and Institutions



USDA Foods Description	WBSCM #	PACK SIZE
<b>BEEF PRODUCTS</b>		
Beef, Canned	100127	24/24 oz can
Beef, Crumbles w/SPP, Cooked, Frozen	100134	4/10 lb bag
Beef, Fine Ground, 100%, 85/15, Frozen*	100158	40 lb case
Beef, Fine Ground, 100%, 85/15, LFTB OPT, Frozen	110261	40 lb case
Beef, Patties, 100%, 85/15, 2.0 MMA, Frozen	110349	40 lb case
Beef, Patties, 100%, 90/10, 2.0 MMA, Frozen	110346	40 lb case
Beef, Patties, Lean, 2.0 MMA, Frozen	100163	40 lb case
Beef, Patties w/SPP, 85/15, 2.0 MMA, Frozen	110348	40 lb case
Beef, Patties w/SPP, Cooked, 2.0 MMA, Frozen	110322	40 lb case
Beef, Patties, Cooked, 2.0 MMA, Frozen	110711	40 lb case
Beef, Boneless, Chilled	100155	20/2000 lb combo
Beef, Boneless, Special Trim, Frozen	100156	60 lb case
Beef, Coarse Ground, 100%, Frozen	100154	60 lb case

\*States and school districts that prefer irradiated beef can request this option. Please contact the appropriate FNS program specialist to place an order.

<b>PORK PRODUCTS</b>		
Ham, 97% Fat Free, Water-Added, Cooked, Frozen	100184	4/10 lb hams
Ham, 97% Fat Free, Water-Added, Cooked, Diced, Frozen	100188	8/5 lb or 4/10 lb bag
Ham, 97% Fat Free, Water-Added, Cooked, Sliced, Frozen	100187	8/5 lb package
Pork, Canned	100139	24/24 oz can
Pork, Leg Roast, Frozen	100173	36-42 lb case
Pork, Pulled, Cooked, Frozen	110730	8/5 lb or 4/10 lb bag
Pork, Boneless Picnic, Frozen	100193	60 lb case

<b>POULTRY PRODUCTS</b>		
Chicken, Boned, White Meat, Canned	100877	12/50 oz can
Chicken, Cut-up, Frozen	111361	4/10 lb bag
Chicken, Diced, Cooked, Frozen	100101	8/5 lb or 4/10 lb bag
Chicken, Fajita Seasoned Strips, Cooked, Frozen	100117	6/5 lb or 3/10 lb bag
Chicken, Grilled Fillet-Style, 2.0 MMA, Cooked, Frozen	110921	6/5 lb or 3/10 lb bag
Chicken, Oven Roasted, Cut-up, Cooked, Frozen	110080	3/10 lb bag
Chicken, Unseasoned Grilled Strips, Cooked, Frozen	110462	6/5 lb or 3/10 lb bag
Chicken, Large Birds, Chilled	100103	Bulk Pounds
Chicken, Legs, Chilled	100113	Bulk Pounds
Turkey, Deli Breast, Frozen	100121	4/10 lb logs
Turkey, Deli Breast, Sliced, Frozen	110554	8/5 lb package
Turkey, Deli Breast, Smoked, Frozen	100122	4/10 lb logs
Turkey, Deli Breast, Smoked, Sliced, Frozen	110910	8/5 lb package
Turkey, Deli Ham, Smoked, Frozen	100126	4/10 lb logs
Turkey, Deli Ham, Smoked, Sliced, Frozen	110911	8/5 lb package
Turkey, Roast, Frozen	100125	4/8-12 lb roasts
Turkey, Taco Filling, Cooked, Frozen	100119	10/3 lb or 6/5 lb bag
Turkey, Thighs, Boneless, Skinless, Chilled	100883	Bulk Pounds
Turkey, Whole, Chilled	100124	Bulk Pounds

USDA Foods Description	WBSCM #	PACK SIZE	SUBGROUP
<b>LEGUMES</b>			
Beans, Baby Lima, Low-sodium, Canned	100371	6/#10 can	LG
Beans, Black, Low-sodium, Canned	100359	6/#10 can	LG
Beans, Black-eyed Pea, Low-sodium, Canned	100368	6/#10 can	LG
Beans, Garbanzo, Low-sodium, Canned (K)	100360	6/#10 can	LG
Beans, Great Northern, Low-sodium, Canned	100373	6/#10 can	LG
Beans, Kidney, Dark Red, Low-sodium, Canned	100370	6/#10 can	LG
Beans, Pink, Low-sodium, Canned	100369	6/#10 can	LG
Beans, Pinto, Dry	100382	12/2 lb bag	LG
Beans, Pinto, Low-sodium, Canned	100365	6/#10 can	LG
Beans, Pinto, Dry	110381	2000 lb totes	LG
Beans, Refried, Low-sodium, Canned	100362	6/#10 can	LG
Beans, Small Red, Low-sodium, Canned	100366	6/#10 can	LG
Beans, Vegetarian, Low-sodium, Canned	100364	6/#10 can	LG

<b>NUTS and SEEDS</b>		
Peanut Butter, Smooth	100396	6/5 lb unit
Peanut Butter, Individual Portion, Smooth	110854	120/1.1 oz unit
Peanuts, Raw, Shelled	110700	44,000 pound unit
Sunflower Seed Butter, Smooth (K)	100935	6/5 lb unit

<b>EGG PRODUCTS</b>		
Eggs, Liquid Whole, Frozen	100046	6/5 lb carton
Eggs, Liquid Whole, Frozen	110845	12/2 lb carton
Eggs, Patties, Cooked, 1.0 MMA, Round, Frozen	111751	25 lb case
Eggs, Liquid Whole, Chilled	100047	Bulk Tanker

<b>FISH PRODUCTS</b>			
Alaska Pollock, Frozen	110601	49.5 lb block	
Alaska Pollock, Whole Grain-Rich Breaded Sticks, Frozen	110851	8/5 lb or 4/10 lb bag	WG
Catfish, Whole Grain-Rich Breaded Fillet Strips, Frozen	100201	8/5 lb or 4/10 lb bag	WG

KEY:
LG - Legumes vegetable subgroup
WG - Whole Grain or Whole Grain-rich
USDA Food for Processing <sup>1</sup>
SPP - Soy Protein Product
K- Kosher Certification Required
MMA- Meat/Meat Alternate
LFTB OPT - Lean Finely Textured Beef Optional

<sup>1</sup>Other USDA Foods found on the Foods Available List can also be used for the processing program.

This list is subject to change based on market availability. Please refer to the WBSCM catalog which contains the most up to date list of available USDA Foods.

January 2024





## USDA Foods Available List for School Year 2024-2025 for Schools and Institutions



USDA Foods Description	WBSCM #	PACK SIZE
<b>YOGURT</b>		
Yogurt, High-Protein, Vanilla, Chilled (K)*	111750	6/32 oz tub
Yogurt, High-Protein, Blueberry, Chilled (K)**	110400	24/4 oz cup
Yogurt, High-Protein, Strawberry, Chilled (K)**	110401	24/4 oz cup
Yogurt, High-Protein, Vanilla, Chilled (K)**	110402	24/4 oz cup

\*Available in less than truckload quantity. Minimum order per delivery location is 300 cases.  
 \*\*Available in less than truckload quantity. Minimum order per delivery location is 420 cases.

USDA Foods Description	WBSCM #	PACK SIZE
<b>CHEESE</b>		
Cheese, American, White, Pasteurized, Sliced, Chilled	100019	6/5 lb package
Cheese, American, Yellow, Pasteurized, Loaves, Chilled	100017	6/5 lb package
Cheese, American, Yellow, Pasteurized, Sliced, Chilled	100018	6/5 lb package
Cheese, Blended American, White, Reduced Fat, Sliced, Chilled	100037	6/5 lb package
Cheese, Blended American, Yellow, Reduced Fat, Sliced, Chilled	100036	6/5 lb package
Cheese, Natural American, Barrel, Chilled	110242	500 lb barrel
Cheese, Cheddar, White, Shredded, Chilled	100002	6/5 lb bag
Cheese, Cheddar, Yellow, Reduced Fat, Shredded, Chilled	100012	6/5 lb bag
Cheese, Cheddar, Yellow, Shredded, Chilled	100003	6/5 lb bag
Cheese, Cheddar, Yellow, Sliced, Chilled	111110	12 lb case
Cheese, Cheddar, White, Chilled	110253	40 lb block
Cheese, Cheddar, Yellow, Chilled	110254	40 lb block
Cheese, Mozzarella, Lite, Shredded, Frozen	100034	30 lb case
Cheese, Mozzarella, Low Moisture Part Skim, Loaves, Frozen	100022	8/6 lb package
Cheese, Mozzarella, Low Moisture Part Skim, Shredded, Frozen	100021	30 lb case
Cheese, Mozzarella, Low Moisture Part Skim, String, Chilled***	110396	360/1 oz package
Cheese, Mozzarella, Low Moisture Part Skim, Chilled	110244	Processor Pack
Cheese, Pepper Jack, Shredded, Chilled	111220	4/5 lb bag

\*\*\*Available in less than truckload quantity. Minimum order quantity is 840 cases, which can be split between up to 3 delivery locations with a minimum order of 210 cases per delivery location.

USDA Foods Description	WBSCM #	PACK SIZE
<b>OIL</b>		
Oil, Vegetable	100439	6/1 gallon bottle

USDA Foods Description	WBSCM #	PACK SIZE	SUBGROUP
<b>GRAINS</b>			
Flour, 100% White Whole Wheat	110857	8/5 lb bag	WG
Flour, 100% White Whole Wheat	110855	50 lb bag	WG
Flour, 100% Whole Wheat	100409	50 lb bag	WG
Flour, All Purpose, Enriched, Bleached	100400	8/5 lb bag	
Flour, White Whole Wheat/Enriched 60/40 Blend	110211	8/5 lb bag	WG
Flour, White Whole Wheat/Enriched 60/40 Blend	110208	25 lb bag	WG
Flour, Bakers Hard Wheat, Bleached	100417	Bulk Pounds	
Flour, Bakers Hard Wheat, Unbleached	100418	Bulk Pounds	
Flour, Bakers Hard Wheat, Unbleached	100413	50 lb bag	
Flour, Bakers Hard Wheat, Hearth, Unbleached	100420	Bulk Pounds	
Flour, Bread	100912	Bulk Pounds	
Flour, High Gluten	110482	50 lb bag	
Oats, Rolled, Quick Cooking	100465	12/42 oz tube	WG
Pancakes, Whole Grain or Whole Grain-Rich, Frozen	110393	144 count/case	WG
Pasta, Macaroni, Whole Grain-Rich Blend	110501	2/10 lb bag	WG
Pasta, Penne, Whole Grain-Rich Blend	110520	2/10 lb bag	WG
Pasta, Rotini, Whole Grain-Rich Blend	110504	2/10 lb bag	WG
Pasta, Spaghetti, Whole Grain-Rich Blend	110506	2/10 lb bag	WG
Pasta, Spaghetti, Enriched	100425	20 lb case	
Rice, Brown, Long Grain, Parboiled	101031	25 lb bag	WG
Rice, Brown, Long Grain, Parboiled	100500	24/2 lb bag	WG
Rice, Long Grain, Parboiled	100494	25 lb bag	
Tortillas, Whole Grain or Whole Grain-Rich, 8 inch, Frozen	110394	12/24 count	WG

<b>KEY:</b>
WG - Whole Grain or Whole Grain-Rich
K- Kosher Certification Required
USDA Food for Processing <sup>1</sup>

<sup>1</sup>Other USDA Foods found on the Foods Available List can also be used for the processing program.

This list is subject to change based on market availability. Please refer to the WBSCM catalog which contains the most up to date list of available USDA Foods.

January 2024



- Minimally Processed = Agricultural products that retain their inherent character



Source: Processing Resource Handbook – A Guide to USDA Foods for Recipient Agencies, Revised December 2019, American Commodity Distribution Association



- Value Added = Food that has been further processed to reduce labor, preparation, and/or cooking time of the product, and may contain other ingredients like seasonings





## Examples of Direct Delivery Foods

### Dry Storage

- Canned Fruits, Vegetables, & Legumes
- Dried Fruits (Bulk & IW)
- Dry Pasta and Rice
- Dry Beans/Legumes
- Wheat Flour and Rolled Oats
- Peanut Butter and Sunflower Butter





# Frozen

- Chicken
- Beef
- Pork
- Fish
- Deli Meats
- Vegetables
- Fruits
- Pancakes & Tortillas
- Egg Patties





## Refrigerated

- Sliced Cheese
- Shredded Cheese
- Loaf Cheese
- String Cheese
- Yogurt
- Fresh Apples



# USDA Foods Database

- The [USDA Foods Database](#) is available for state agencies and school districts to access up-to-date, vendor-specific nutrition, allergen and ingredient information for direct delivered USDA Foods for child nutrition programs offered on the USDA Foods Available List.
- You must download the Excel file to use it.

USDA Food and Nutrition Service U.S. DEPARTMENT OF AGRICULTURE		USDA Foods in Schools Product Information		
<b>Food Category:</b>	Cheese	<b>Material Code:</b>	100018 Cheese, American, Yellow, Pasteurized, Sliced, Chilled	
<b>Product Description:</b>	This item is a pasteurized, processed yellow American cheese. This product is delivered refrigerated with six 5-pound loaves per case and 160 1/2-ounce slices per loaf.			
<b>Vendor Name</b>	Bongards Creameries			
<b>Brand Name</b>	Bongards®			
<b>GTIN</b>	10071078011394			
<b>PRODUCT INFORMATION</b>				
<b>Serving Size</b>	2 slices (1 ounce)			
<b>Grams per Serving</b>	28			
<b>Servings per Case</b>	480			
<b>CN Crediting</b>	1 ounce processed cheese credits as 1 ounce equivalent meat/meat alternate			
<b>NUTRIENTS</b>				
<b>Calories (kcal)</b>	100			

# Considerations for Direct Delivery



**PROS**



**WHOAS**



# Considerations for Direct Delivery



**USDA  
PROCUREMENT AND  
MEETS BUY AMERICAN  
REQUIREMENT**



**MINIMUM  
TRUCKLOAD  
QUANTITIES &  
NO "LOCAL" FOODS**

# Considerations for Direct Delivery



**LARGE  
CATALOG &  
VARIETY OF FOODS**



**CHOICES  
VARY BY  
STATE &  
FLAVOR PROFILES  
MAY VARY**



# Considerations for Direct Delivery



**UTILIZES  
ANNUAL  
ENTITLEMENT**



**STATE  
FEES  
MAY APPLY**



# Considerations for Direct Delivery



**USDA  
FOODS  
DATABASE**



**MAY  
CONTAIN  
ALLERGENS**

# Pros

- **USDA Procures**
- **Ready to Use Foods**
- **Meets Buy American Requirements**
- **Large Catalog of Available Foods**
- **Utilizes Annual Entitlement Value**
- **USDA Foods Database**

# Woahs

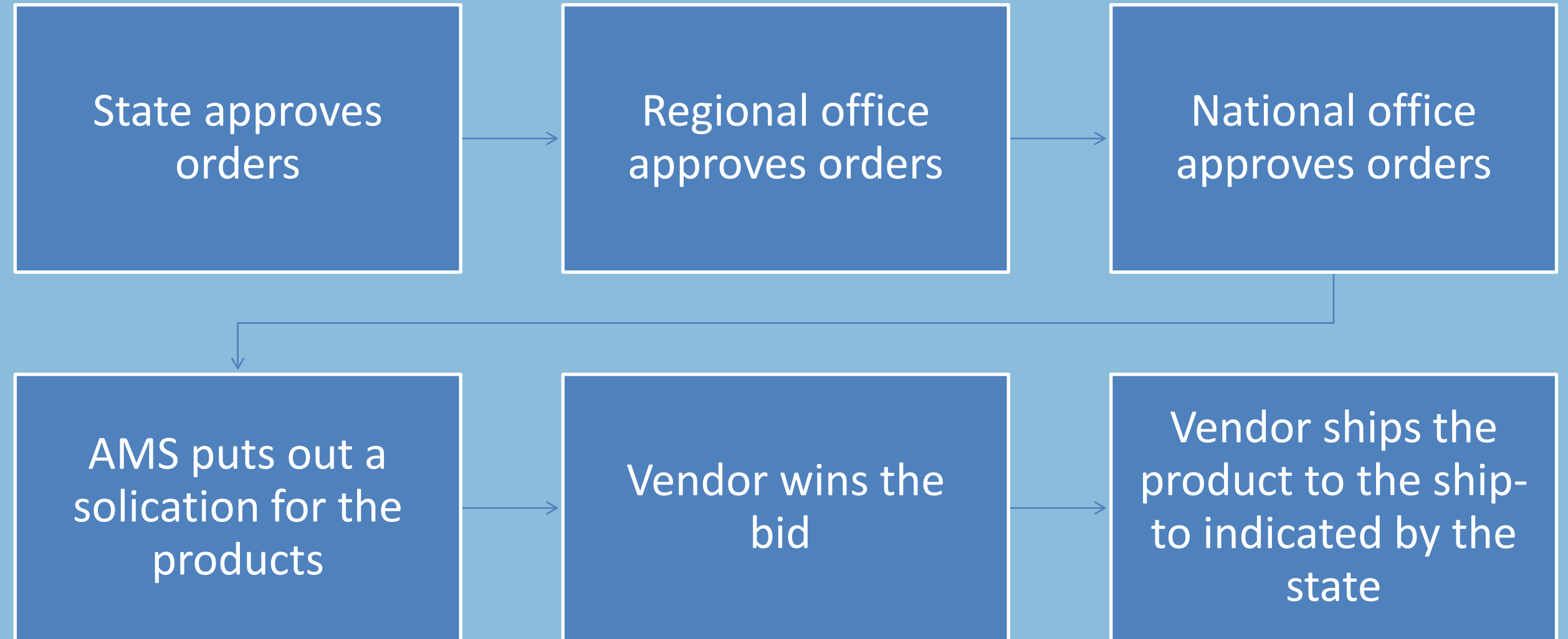
- **Minimum Truckload Quantity**
- **Flavor Profiles May Vary**
- **No Option for “Local” Foods**
- **Foods Available Vary by State**
- **State Fees May Apply**
- **May Contain Allergens**



## How do I order Direct Delivery?

- Depends on your state
  - SFA order through WBSCM
  - Order through software and then the state will enter the orders into WBSCM
  - Ordering for the next school year takes place in Feb/March

## What Happens Next?



## How to become a vendor for USDA

<https://www.ams.usda.gov/selling-food/becoming-approved>

# Receiving and Food Storage

- USDA Ship-to
  - Direct Ship – Recipient Agency Warehouse
  - State Owned Warehouse
  - State Contracted Warehouse/Distributor
  - Pickup/Delivery Service





# Requirements for Direct Delivery – Receipting in WBSCM

The screenshot shows a web browser window with the address bar displaying 'portal.wbscm.usda.gov'. The page header includes the USDA logo and 'United States Department of Agriculture Web Based Supply Chain Management' on the left, and the 'WBSCM' logo on the right. Below the header is a navigation menu with tabs for 'Home', 'Operations', 'Admin', 'Reports', and 'Help'. Under 'Operations', there are sub-tabs for 'Order Processing', 'Complaint Administration', and 'Recall Administration'. The 'Order Processing' sub-tab is active, and a left-hand sidebar menu is open, showing options like 'File Uploads/Downloads', 'Catalog Maintenance', 'Order Management', 'Entitlement Management', 'Shipment Receipts' (expanded), 'Enter Shipment Receipt' (selected), 'Upload Shipment Receipt', and 'NW Delivery Calendar'. The main content area shows a breadcrumb trail: 'Operations > Order Processing > Shipment Receipts > Enter Shipment Receipt'. The page title is 'Welcome to Enter Shipment Receipt'. A note states: 'All required fields are marked with a red asterisk (\*). Dates are formatted as: MM/DD/YYYY.' Below this is an 'Order Search' section with the text: 'WBSCM has the ability to receipt Sales Orders, Delivery Documents, and Purchase Orders. To search please enter your order number and click "Search".' A form field for '\* Order Number:' is followed by a 'Search' button.

# Key Considerations for Direct Delivery

- What is Offered in Your State?
- Do You Already Purchase Commercial Product?
- Entitlement Level?
- Ability to Receive and Store?
- How Flexible is Your Menu?

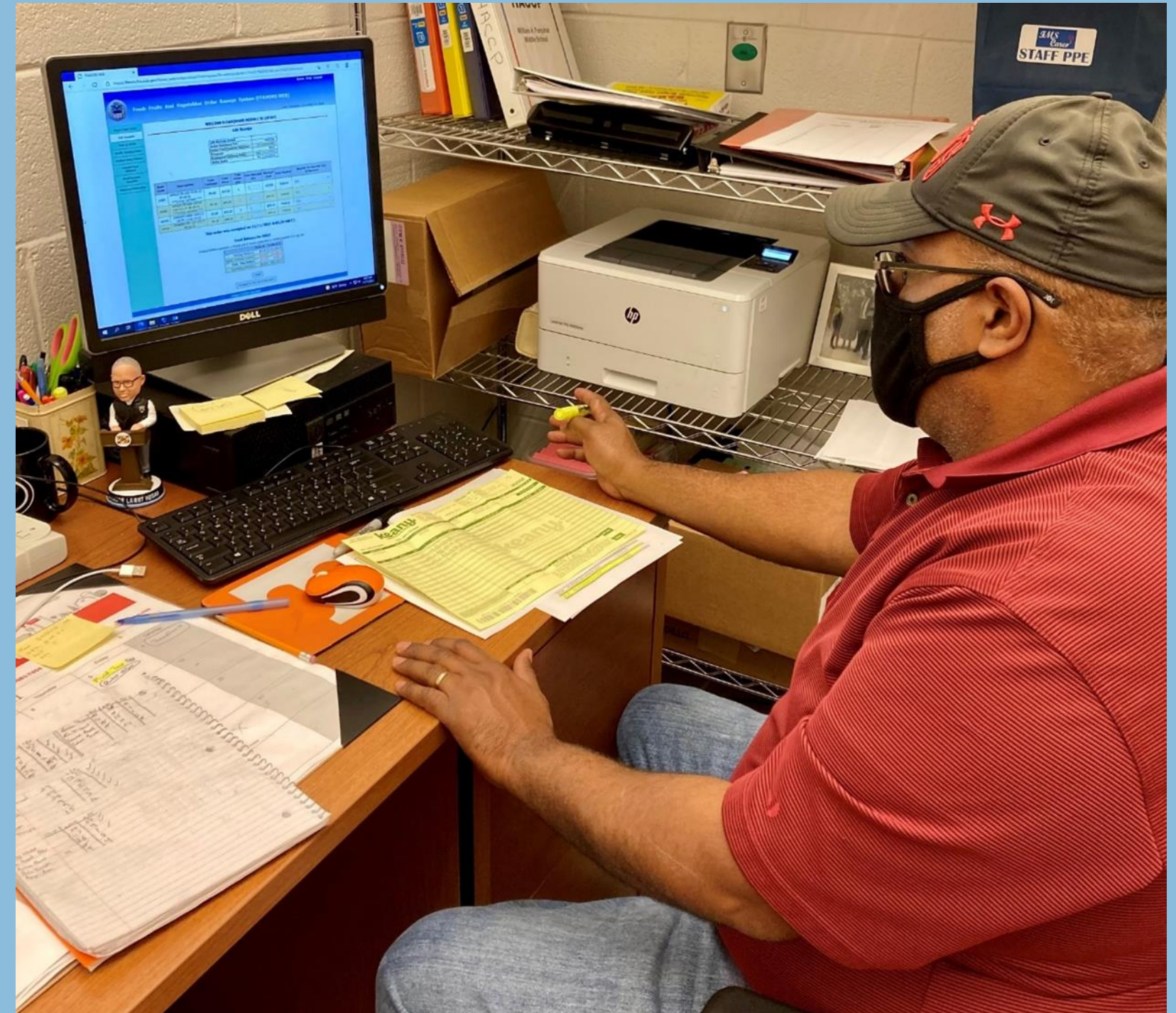


# USDA DOD Fresh

# What is DOD Fresh?

A program that allows school districts to utilize their USDA Foods entitlement dollars to purchase fresh produce

This program has been dramatically expanded over the past several years at





# USDA Department of Defense (DoD) Fresh Fruit and Vegetable Program

- USDA DoD Fresh operates through a partnership between the USDA and the DoD Defense Logistics Agency (DLA), as well as the state distributing agencies in each participating state.
- Entitlement is administered by the State.

# Contracts



- Prior to contract expiration, the USDA/DoD/DLA request State's input for new contract solicitation
- Delivery periods  
6:00 a.m. – 2:30 p.m.
- Delivery order minimum is \$150.00
- Key drops not allowed



# Local Produce

- Vendors are encouraged, when seasonally available, to source local products
- If a vendor does not include the state where the product is from, that item will not be listed in the FFAVORS catalog
- FFAVORS usage report provides state of origin information
- DLA defines local as within that state and bordering states

# Fresh Fruit and Vegetable Order Receipt System (FFAVORS)

Help Logout

Fresh Fruits And Vegetables Order Receipt System (FFAVORS WEB)

Date: Friday, March 1, 2024

State Account Representative Homepage

Last Login: Friday, March 1, 2024 8:41:27 AM  
Please read the latest USDA market report [here](#).

Welcome, GABRIELLE VIENS

Please select from the following options:

**Orders**  
[Past Due Receipts](#) \*\* You have receipts that are past due.

**Budget**  
[School Budget](#)  
[Summer Food Budget](#)  
[Import NSLP Budget](#)  
[Import SFSP Budget](#)

**Customers**  
[Existing Customers / Request New](#)

**Reports**  
[Usage](#)  
[Budget Balance/Spent](#)  
[Catalog](#)  
[Organization/POC](#)  
[User](#)  
[Delivery Day](#)

**My Profile**  
[My Profile](#)  
[System Emails](#)  
[HelpDesk](#)

**Please Read (updated on 01/07/2024)**

The following changes have been made to FFAVORS:

- User profiles that have never logged in will be systematically locked after 3 months. Systematic locking of profiles after 13 months of inactivity will also continue for user profiles that have logged in. In either case, the user whose profile is being locked will receive an email when this occurs.
- A new *Import SFSP Budget* link will appear if your state/district is set up to order SFSP. Import SFSP works the same as Import NSLP, providing an alternative to import budget information rather than using the SFSP budget screen. See the link on the Import page for more details.

If you have questions, please ask your FFAVORS account representative or email the FFAVORS help desk at [sm.fn.ffavors@usda.gov](mailto:sm.fn.ffavors@usda.gov).

- Order
- Receipt
- Run Reports

<https://fns-prod.azureedge.us/sites/default/files/media/file/FFAVORS-FAQ-111323.pdf>



# State Responsibilities

- Communicate USDA Foods options to schools
- Provide USDA allocation amounts and school delivery location information
- Monitor school spending and reallocate entitlement as needed
- Report unresolved issues to USDA

# State Responsibilities

## Adding New School

### Locations:

- Compile list of schools to be added to FFAVORS
- Use template provided by FNS
  - Available on USDA Foods Partner Web

## USDA DoD Fresh Program New Site Requests

All requests must be sent to [USDADoDFresh@usda.gov](mailto:USDADoDFresh@usda.gov)

April 1  
(New School Year)

June 1

August 1

October 1

December 1

February 1



# USDA DoD Fresh Allocation Requests/Changes:

SDAs must report USDA DoD Fresh Entitlement allocations to  
[USDADoDFresh@usda.gov](mailto:USDADoDFresh@usda.gov)

Submission Date

Submission of USDA DoD Fresh Entitlement Allocation for School Year

April 1

USDA DoD Fresh Allocation Increase/Decrease Requests

January 7, March 7, May 7

# Recipient Responsibilities

- Place produce orders that meet delivery order minimum of \$150.00
- Inspect produce at time of delivery or within contracted period
- Reject produce that does not meet U.S. No 1 or is non-domestic
- *Receipt in FFAVORS within 5 days*

# Recipient Responsibilities



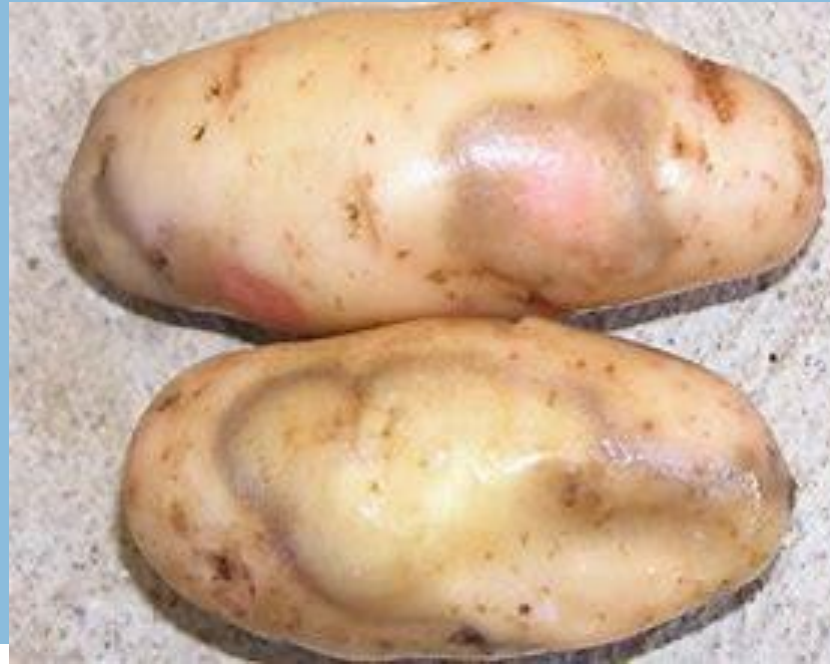
- Report issues with produce quality, condition, availability, or delivery
- Notify vendor of school holidays/closures in a timely manner
- Monitor allocation balance in FFAVORS
- Utilize allocation within school year



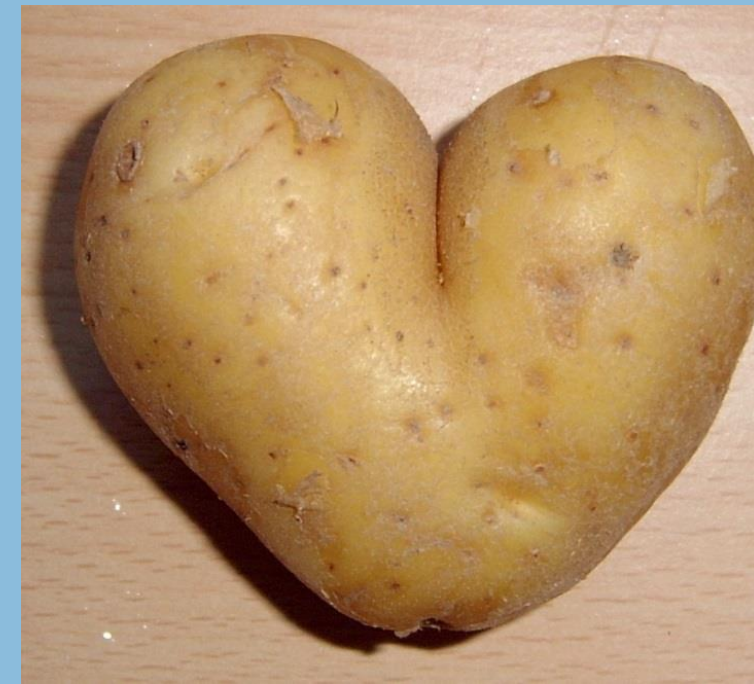
# Receiving Produce

- Order produce in season
- Inspect produce at time of delivery
- Verify that correct amount and type of produce ordered is what is delivered
- *Reject non-domestic produce*
- Check produce quality and condition
- Take photos of any issues

# Decay



# Misshapen





# Receiving Produce

- Report issues with produce quality, availability, condition, or delivery within one (1) business day to:
  - Produce Vendor
  - DLA representative
  - State Distributing Agency (SDA)





# Receiving Produce



- Document issues on delivery document and in FFAVORS when receipting produce order
- If issues are not resolved or continue, contact: [USDADoDFresh@usda.gov](mailto:USDADoDFresh@usda.gov)

# Reporting Program Complaints

- Document and report complaints; DLA needs documentation to hold vendor accountable to contract requirements
- If issues are not reported, actions may not be taken to correct issue, and issues may continue
- Documenting issues improves the program

Program Activity	Responsible Entity
<b>USDA DoD Fresh Allocation Requests</b>	<ul style="list-style-type: none"> <li>• <i>SFA to submit request to SDA</i></li> <li>• <i>SDA to submit state request to FNS, but enters SFA amounts directly into FFAVORS</i></li> </ul>
<b>USDA DoD Fresh Site Addition Requests</b>	<ul style="list-style-type: none"> <li>• <i>SFA to submit requests to SDA</i></li> <li>• <i>SDA submits request to FNS and/or enters directly into FFAVORS</i></li> </ul>
<b>Add/ Update FFAVORS User &amp; POC</b>	<ul style="list-style-type: none"> <li>• <i>SFA to submit request to SDA</i></li> <li>• <i>SDA to DLA Representative</i></li> </ul>



Program Activity	Responsible Entity
USDA DoD Fresh Complaints: (Product quality, product availability, and delivery issues)	<ul style="list-style-type: none"> <li>• <b><i>DLA Representative, Vendor, SDA</i></b></li> </ul>
Recurring USDA DoD Fresh Complaints	<ul style="list-style-type: none"> <li>• <b><u><a href="mailto:USDADoDFresh@usda.gov">USDADoDFresh@usda.gov</a></u></b></li> </ul>
Requests to add new produce items	<ul style="list-style-type: none"> <li>• <b><i>DLA Representative, Vendor, SDA</i></b></li> </ul>
FFAVORS Questions, eAuthentication process, or Login Problems	<ul style="list-style-type: none"> <li>• <b><u><a href="mailto:FFAVORS@fns.usda.gov">FFAVORS@fns.usda.gov</a></u></b></li> </ul>

# USDA DoD Fresh DLA Representatives

<https://fns-prod.azureedge.us/sites/default/files/resource-files/dodfresh-dla-contact-61223.pdf>

USDA DoD Fresh DLA Service Representatives						
<b>Northwest</b> Sartre Woltjen Branch Chief <a href="mailto:Sartre.woltjen@dla.mil">Sartre.woltjen@dla.mil</a> 215-737-3678	<b>North Central</b> Nancy Thomas Branch Chief <a href="mailto:Nancy.Thomas@dla.mil">Nancy.Thomas@dla.mil</a> 267-272-3310	<b>Northeast</b> Chris Ludwig Branch Chief <a href="mailto:Christopher.Ludwig@dla.mil">Christopher.Ludwig@dla.mil</a> 215-737-5896	<b>Southwest</b> Wanda Kinsey Branch Chief <a href="mailto:wanda.kinsey@dla.mil">wanda.kinsey@dla.mil</a> 215-737-8766	<b>South Central</b> Lisa Perry Harley Branch Chief <a href="mailto:lisa.perry@dla.mil">lisa.perry@dla.mil</a> 610-517-4957	<b>Southeast</b> Jermaine Alexander Branch Chief jermaine.alexander@dla.mil 215-737-4249	<b>Pacific</b> Nicholas P. Boninfante Branch Chief <a href="mailto:nicholas.boninfante@dla.mil">nicholas.boninfante@dla.mil</a> 215-737-0484
<b>ID/MT/OR/WA</b>  Tessie Vez <a href="mailto:tessie.vez@dla.mil">tessie.vez@dla.mil</a> 253-261-7171	<b>IL - Ryan Doyle</b> <a href="mailto:ryan.p.doyle@dla.mil">ryan.p.doyle@dla.mil</a> 215-737-8716  <b>IA/MN/NE - Chris Powell</b> <a href="mailto:christopher.powell@dla.mil">christopher.powell@dla.mil</a> 215-737-2540  <b>ND/SD</b> Vickie Lewis <a href="mailto:Vickie.lewis@dla.mil">Vickie.lewis@dla.mil</a> 757-537-5573	<b>DE/DC/IN/KY/MD/NY/NJ/OH/PA/WVA</b>  Vera Strilchuk <a href="mailto:vera.strilchuk@dla.mil">vera.strilchuk@dla.mil</a> 410-977-0003	<b>Northern CA/NV/NM/El Paso, TX</b>  Genaro Cordova <a href="mailto:genaro.cordova@dla.mil">genaro.cordova@dla.mil</a> 559-267-3993	<b>OK/TX</b>  Sylvia Muniz <a href="mailto:sylvia.muniz@dla.mil">sylvia.muniz@dla.mil</a> 817-538-1546	<b>NC/SC/TN</b> NC Erica Diplacido <a href="mailto:Erica.diplacido@dla.mil">Erica.diplacido@dla.mil</a> 215-737-2646 SC Nino Minniti <a href="mailto:Nino.Minniti@dla.mil">Nino.Minniti@dla.mil</a> TN Sean Reilly <a href="mailto:Sean.reilly@dla.mil">Sean.reilly@dla.mil</a> 215-970-4833	<b>Alaska</b>  Sharon Pollard <a href="mailto:Sharon.pollard@dla.mil">Sharon.pollard@dla.mil</a> 215-737-5486 Michael Green <a href="mailto:Michael.green2@dla.mil">Michael.green2@dla.mil</a>
<b>CO/UT/WY</b>  Karen Kenton <a href="mailto:karen.kenton@dla.mil">karen.kenton@dla.mil</a> 303-961-1235	<b>WI</b> Sharon Roth <a href="mailto:Sharon.roth@dla.mil">Sharon.roth@dla.mil</a> 215-737-2542	<b>CT/MA/ME/NH/RI/VT</b> David Lucht <a href="mailto:david.lucht@dla.mil">david.lucht@dla.mil</a> 508-829-9164	<b>AZ/Southern CA</b>  Mike Espinoza <a href="mailto:michael.espinoza@dla.mil">michael.espinoza@dla.mil</a> 619-666-1728	<b>San Antonio, TX</b>  Hermila Duran <a href="mailto:hermila.duran@dla.mil">hermila.duran@dla.mil</a> 210-332-3610	<b>AL/FL/PR/VI</b>  Todd Baxley <a href="mailto:todd.baxley@dla.mil">todd.baxley@dla.mil</a> 904-483-6239	<b>Hawaii</b>  Richard Holm <a href="mailto:Richard.holm@dla.mil">Richard.holm@dla.mil</a> 808-786-2190
	<b>KS/MI</b> Allyshia Johnson <a href="mailto:Allyshia.Johnson@dla.mil">Allyshia.Johnson@dla.mil</a> 267-971-1401  <b>MO</b> Jannatul Hasan <a href="mailto:Jannatul.m.hasan@dla.mil">Jannatul.m.hasan@dla.mil</a> 610-638-8024	<b>VA</b> Keston Stephens <a href="mailto:keston.stephens@dla.mil">keston.stephens@dla.mil</a> 862-273-1617 Antonio Cambria <a href="mailto:antonio.cambria@dla.mil">antonio.cambria@dla.mil</a> 267-971-7124 Vera Strilchuk <a href="mailto:Vera.Strilchuk@dla.mil">Vera.Strilchuk@dla.mil</a> 410-977-0003		<b>AR</b> Colleen Lang <a href="mailto:Colleen.Lang@dla.mil">Colleen.Lang@dla.mil</a> 267-853-7560 <b>LA/MS</b> Sinclair Taylor <a href="mailto:Sinclair.Taylor@dla.mil">Sinclair.Taylor@dla.mil</a> 215-737-0611	<b>AL/GA</b> Todd Baxley <a href="mailto:todd.baxley@dla.mil">todd.baxley@dla.mil</a> 904-483-6239	<b>Guam</b> Jack Miklas <a href="mailto:jack.miklas@dla.mil">jack.miklas@dla.mil</a> 215-737-2892
June 5, 2023						



# Benefits of DOD Fresh

- Negotiated pricing done at the State Level
- Direct delivery to the school
- Weekly ordering
- Slightly larger variety of types of produce





# Requirements of DOD Fresh

Cautions when ordering:

- Produce must be from USA – meaning no bananas or pineapples
- Orders must be in the system at least four business days before delivery
- Orders must be “receipted” within one week of delivery



# Resources

- **USDA DoD Fresh Program Team:**

[USDADoDFresh@usda.gov](mailto:USDADoDFresh@usda.gov)

- **USDA DoD Fresh Fruit & Vegetable Program website:**

<https://www.fns.usda.gov/usda-foods/usda-dod-fresh-fruit-and-vegetable-program>

- **FFAVORS FAQs & Tips**

<https://fns-prod.azureedge.us/sites/default/files/media/file/FFAVORS-FAQ-111323.pdf>

# Resources

- **USDA DoD Fresh: The Basics for Schools webinar:**  
<https://www.fns.usda.gov/fdd/usda-dod-fresh-fruit-and-vegetable-program-basics-schools>
- **FFAVORS Customer Ordering Manual**  
[https://ffavors.fns.usda.gov/ffavors\\_web/usdaproduce/Customer%20User%20Manual.pdf](https://ffavors.fns.usda.gov/ffavors_web/usdaproduce/Customer%20User%20Manual.pdf)
- **USDA & DLA Partnering for a Healthy Future video:**  
<https://youtu.be/FsV949uEJpo>





Questions are the path to learning





# Processing Basics

## 7 CFR 250

7 refers to: Agriculture

CFR: Code of Federal Regulations

Part 250 refers to: “Donation of Foods for Use in the United States, Its Territories and Possessions and Areas Under Its Jurisdiction”

18913

**Rules and Regulations** Federal Register  
Vol. 83, No. 84  
Tuesday, May 1, 2018

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents.

**DEPARTMENT OF AGRICULTURE**  
**Food and Nutrition Service**  
**7 CFR Part 250**  
**[FNS-2017-0001]**  
**RIN 0584-AE38**  
**Revisions and Clarifications in Requirements for the Processing of Donated Foods**

**AGENCY:** Food and Nutrition Service (FNS), USDA.  
**ACTION:** Final rule.

**SUMMARY:** This rule revises and clarifies requirements for the processing of donated foods in order to: Incorporate successful processing options tested in demonstration projects into the regulations, ensure accountability for donated foods provided for processing, increase program efficiency and integrity, and support vendor and State operability. The rule requires multi-State processors to enter into National Processing Agreements to process donated foods into end products, permits processors to substitute commercially purchased beef and pork of U.S. origin and of equal or better quality for donated beef and pork, and streamlines and modernizes oversight of inventories of donated foods at processors. The rule also revises regulatory provisions in plain language, to make them easier to read and understand.

**DATES:** This rule is effective July 2, 2018.

**FOR FURTHER INFORMATION CONTACT:** Kiley Larson or Erica Antonson at Food Distribution Division, Food and Nutrition Service, 3101 Park Center Drive, Room 506, Alexandria, Virginia 22302, or by telephone (703) 305-2680.

**SUPPLEMENTARY INFORMATION:**

**I. Background and Description of Comments Received**

In a proposed rule published in the Federal Register on January 5, 2017 (82 FR 1231), Food Nutrition Service (FNS) proposed to amend Food Distribution regulations at 7 CFR part 250 to revise and clarify requirements for the processing of donated foods, in order to formalize processing options already being used in current practice, incorporate input received from processors and State and local agencies administering child nutrition programs, and rewrite much of 7 CFR part 250 Subpart C in a more user-friendly, “plain language” format. The Department of Agriculture (the Department or USDA) provides donated foods to State distributing agencies for distribution to recipient agencies (e.g., school food authorities) participating in the National School Lunch Program (NSLP) and other child nutrition or food distribution programs. In accordance with Federal regulations in 7 CFR part 250, distributing agencies may provide the donated foods to commercial processors for processing into end products for use in NSLP or other food programs.

For example, a whole chicken or chicken parts may be processed into precooked grilled chicken strips for use in NSLP. The ability to divert donated foods for further processing provides recipient agencies with more options for using donated foods in their programs. Program regulations ensure that State and recipient agencies, and program recipients, receive the full benefit of the donated foods provided to such processors for processing into end products.

FNS solicited comments through April 5, 2017, on the provisions of the proposed rulemaking. These comments are discussed below and are available for review at [www.regulations.gov](http://www.regulations.gov). To view the comments received, enter “FNS-2017-0001” in the search field on the main page of [www.regulations.gov](http://www.regulations.gov). Then click on “Search.” Under “Document Type”, select “Public Submission”.

FNS received 31 written comments regarding the proposed provisions from three associations and advocacy groups, eight State agencies, one recipient agency, thirteen private companies, and six individuals who did not identify an affiliation with an organization. Twelve of the comments received were duplicates of the comment submission from the American Commodity Distribution Association (ACDA). Two comments were supportive of the rule as proposed, in its entirety. The majority of the comments were supportive but recommended changes to add clarity and consistency to the language in the regulations.

Some commenters were supportive of the rule but opposed to a specific provision. There were no comments in opposition of the proposed rule as a whole.

Most commenters in support of the proposed rule indicated they were in favor of the clarifying changes and the consolidation of requirements previously tested in demonstration projects. Commenters also supported measures in the proposed rule to reduce administrative and reporting burdens on State distributing agencies and to streamline participation for industry stakeholders processing USDA Donated Foods.

Most commenters requested further clarification and guidance on the proposed rule and the provisions being changed. Specifically, commenters requested clarification on:

- The terminology used in the rule to ensure clear understanding of the intent and meaning of proposed provisions and requests to include commonly-used industry terms;
- The roles and responsibilities of FNS, State distributing agency, recipient agency, processor, and distributor staff in implementing some of the proposed provisions;
- The rationale behind some of the proposed provisions, including the allowable duration of some agreements required in the proposed rule;
- Whether certain entities, such as commercial entities using USDA Donated Foods in the preparation of meals, are designated as processors under the proposed rule;
- The process by which FNS establishes and disseminates the replacement value for USDA Donated Foods; and
- The method of oversight and enforcement that would be used for some of the proposed provisions including the proposed requirement for processors and distributors to enter into agreements with each other and the proposed requirement for any credit for

# Processing Basics

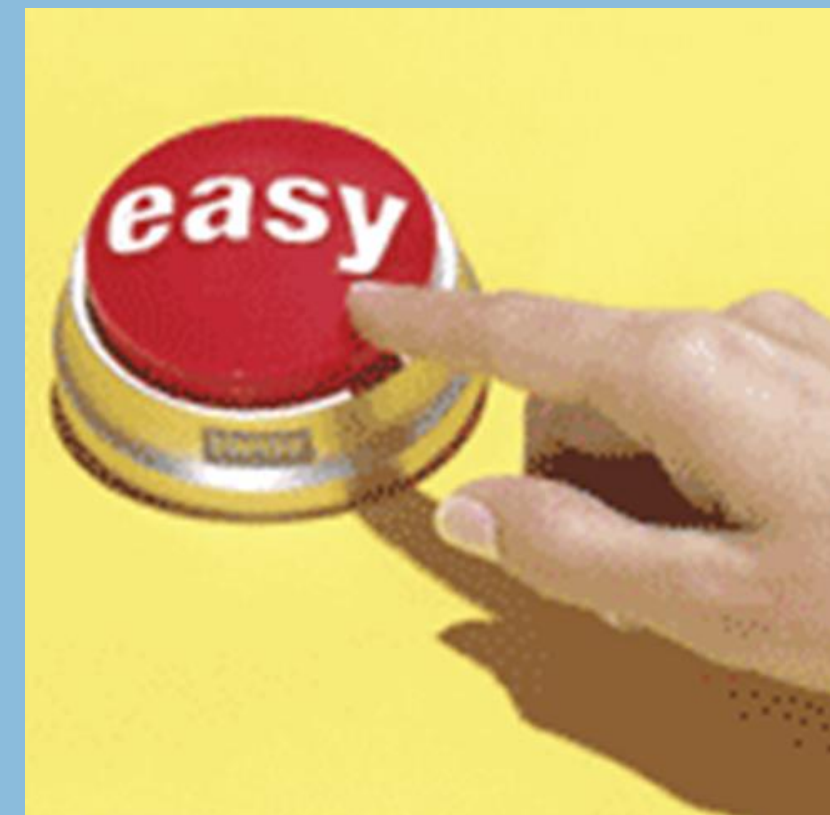
USDA Foods processing allows state distributing agencies and eligible recipient agencies to contract with commercial food processors to convert raw bulk USDA Foods into more convenient, ready-to-use end products.

USDA Foods processing is governed by regulations contained in the Code of Federal Regulations at [Title 7, Part 210 and 250,](#)



# Critical Components of Processing

- Agreements
- Bonds
- EPDS
- SEPDS
- Commodity Calculators
- WBSCM
- Value Pass Through Systems
- Transfers
- Inventory Management
- Roles and Responsibilities



# Agreements

- National Processing Agreement (NPA)
- State Processing Agreement (SPA)
  - In-State Processing Agreements
- Processor/Distributor Agreement



# Agreements

- Processor/Distributor Agreement
  1. The financial liability for the replacement value of donated foods.
  2. Not less than monthly reporting by the Distributor of end products.
  3. Specify which Value Pass Through Method the two parties are operating under.





# Bonds



# Performance Bond or Irrevocable Letter of Credit

- Multi-State Processors shall provide a bond or letter of credit, payable to USDA, FNS to guarantee the Processor shall faithfully account for, return, or pay for all donated food received or carried forward, either as physical or book inventory.





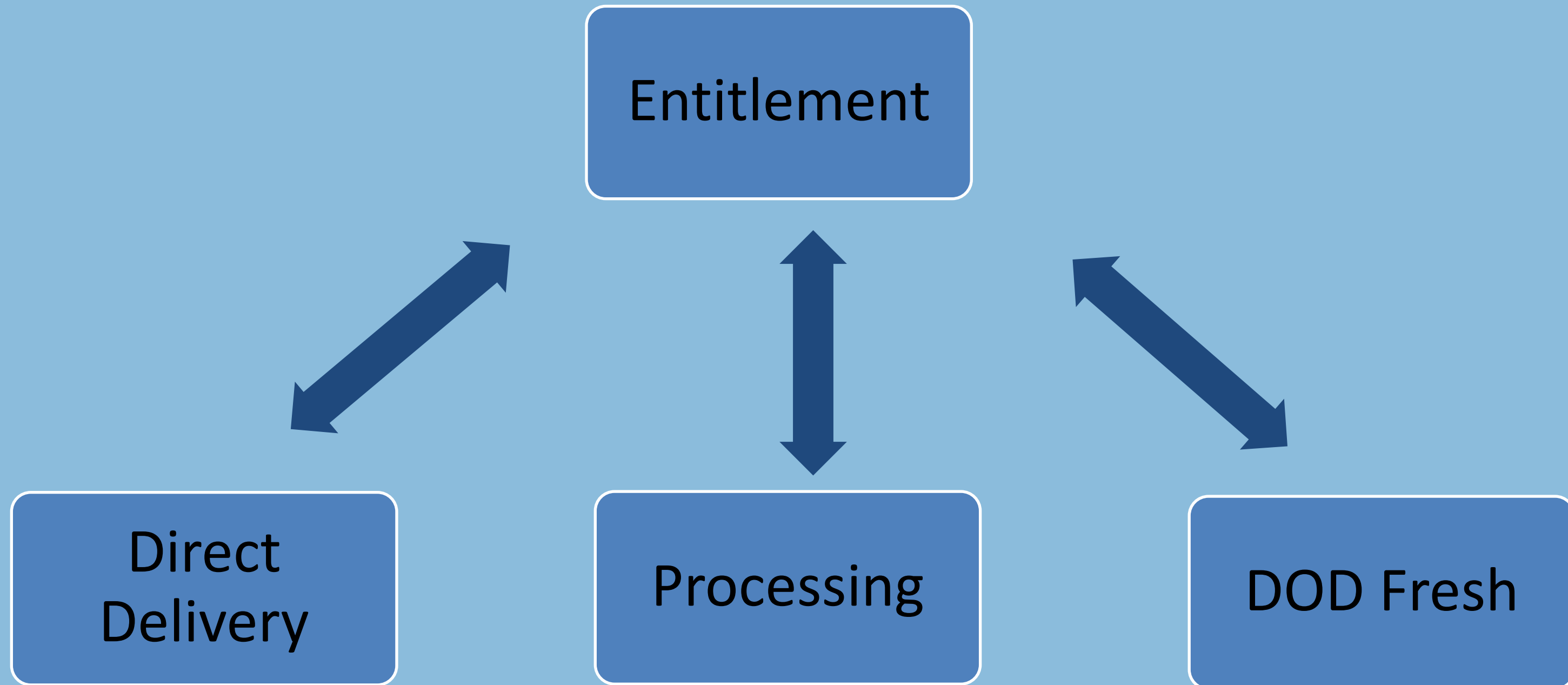
# Flow of Work

- Recipes and Menus Set
- Sales Forecast
- Communication with Manufacturers and Distributors



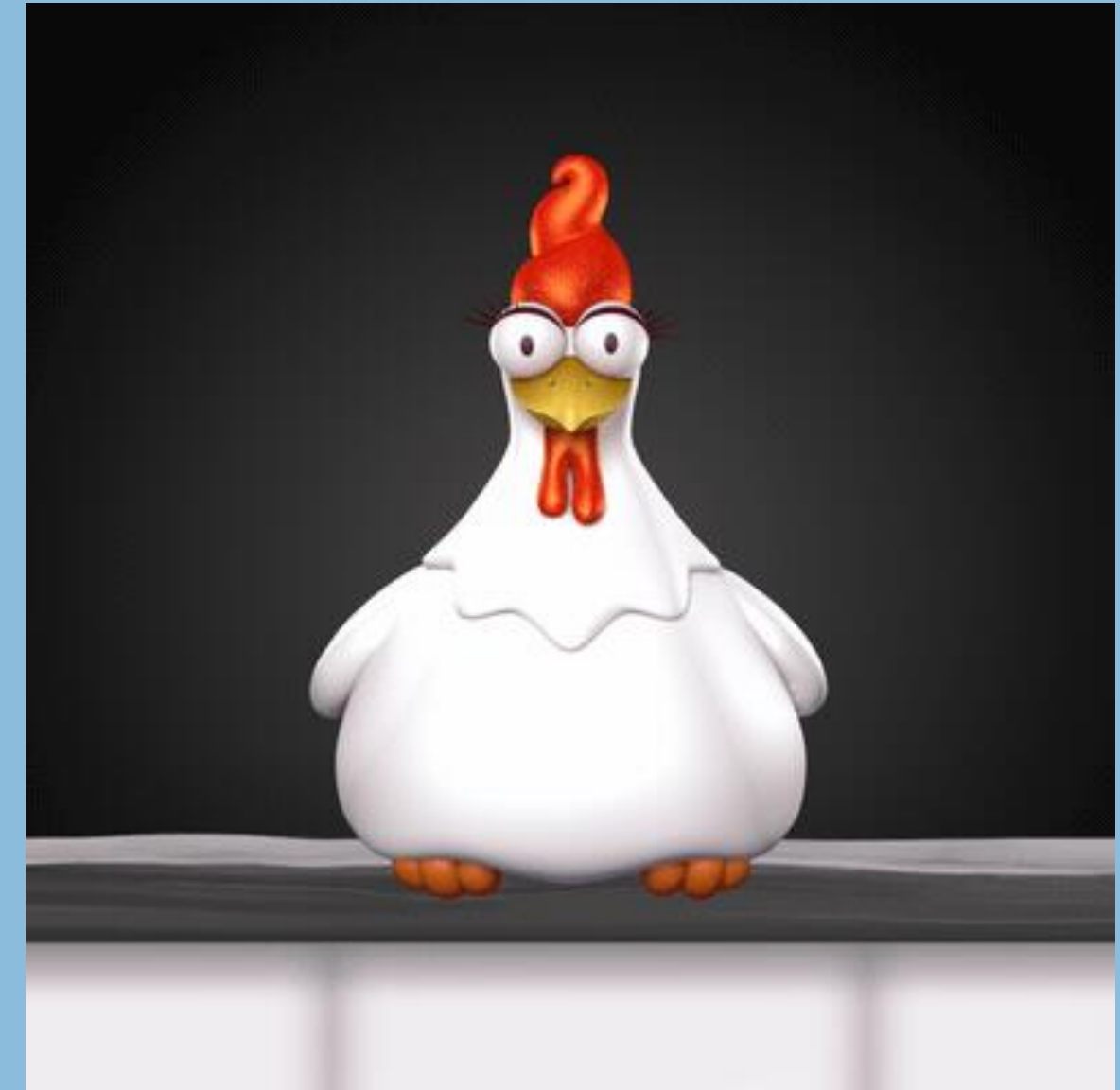


# Decision Process



# Using All Your Money

- **Constant Tracking**
  - **Processor Link – K12 Foodservice**
  - **Self Made Workbooks**
- **White Meat / Dark Meat Conundrum**



# End Product Data Schedules (EPDS) & Summary End Product Data Schedules (SEPDS)





# EPDS

- The processor must submit an end product data schedule, in a standard electronic format dictated by FNS, for approval before it may process donated foods into end products.



# EPDS

- On the end product data schedule, the processor must describe its processing of donated food into an end product, including the following information:
  - (1) A description of the end product;
  - (2) The types and quantities of donated foods used
  - (3) The types and quantities of other ingredients
  - (4) The quantity of end product produced
  - (5) The processing yield of donated food



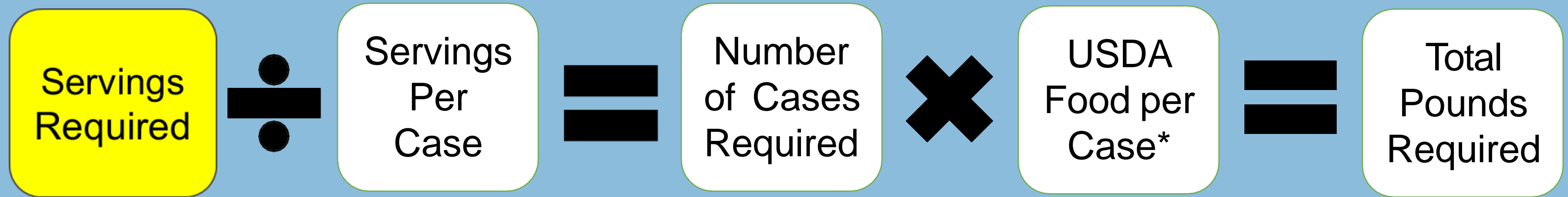
# SEPDS

NPA SEPDS								Cheese Processor				
Summary End Product Data Schedule												
Information Certified as Accurate by USDA												
School Year	Product Status A=Approved N=New R=Revised X=Expire	End Product Code	End Product Description	Net Weight Per Case	Servings Per Case	Net Weight per Serving	WBSCM USDA Foods Material Code	WBSCM USDA Foods Material Description	USDA Foods Inventory Drawdown per case	USDA Foods Value per pound	USDA Foods Value per case	USDA Approval Date
SY19	A	123	WG 16" Cheese Pizza	19.50	48 CTS	6.50	110244	CHEESE MOZ LM PT SKM UNFZ PROC PK(41125)	11.3300	\$1.6291	\$18.46	11/21/2017
SY19	A	3343	WB IR Wedge Pizza	20.13	14 CTS	23.00	110244	CHEESE MOZ LM PT SKM UNFZ PROC PK(41125)	12.0100	\$1.6291	\$19.57	11/21/2017
SY19	A	9911	WG Bagel Pizza	22.50	18 CTS	20.00	110244	CHEESE MOZ LM PT SKM UNFZ PROC PK(41125)	12.7500	\$1.6291	\$20.77	11/21/2017
SY19	A	888	WG Veggie Pizza	19.50	48 CTS	6.50	110244	CHEESE MOZ LM PT SKM UNFZ PROC PK(41125)	11.0400	\$1.6291	\$17.99	11/21/2017

# The Commodity Calculator

- Should be offered by ALL Processors
- Determines Total Raw Pounds needed to **divert!**
- Select the items you want to serve
  - Enter the number of portions needed for each service
  - Enter the frequency it's on the menu
  - The calculator determines how many pounds to divert

# Using a Commodity Calculator





# The Commodity Calculator

Item #	Description		Average Finished Case Weight	CN Serving Size (oz.)	M/MA per Serving	Eq. Grain	Estimated Number of Servings Desired	÷	Approx. FULL Servings Per Case	=	Number of Finished Cases	X	USDA Foods per Case	=	Pounds Needed
<b>ABC Processor</b>		USDA Foods material													
5705	Cheddar Cheese Sauce	110242	30.00	1.82	1.00	--	26,300	÷	263.0	=	100	X	15.00	=	1500.00
5708	Beef Patties	100154	30.00	1.82	2.00	--	52,600	÷	263.0	=	200	X	15.00	=	3000.00
5715	Turkey Patties	100883	30.00	1.90	2.00	--	75,600	÷	252.0	=	300	X	8.10	=	2430.00



Order Processing

Order Status Report

Detailed Navigation

- Multi-Food Received Shipment Report
- Received Shipment Report
- Requisition Status Report
- Redistribution/Redonation Detail Report
- Order Status Report**
- NW Delivery Calendar Report
- Stocks at Subcontractor

Portal Favorites

Reports : Input Criteria

Execute | Print PDF Output

Order Status Report

[Reset Values](#)

[Show Variants](#)

Program:	<input type="text"/>					
Req. Delivery Date:	<input type="text"/>		To	<input type="text"/>		
Material:	<input type="text"/>		To	<input type="text"/>		
Sold-To Party:	<input type="text"/>		To	<input type="text"/>		
Ship-To Party:	<input type="text"/>					
Region Code:	<input type="text"/>		To	<input type="text"/>		
Purchasing Group:	<input type="text"/>					
Status:	<input type="text"/>					
Order Type:	<input type="text"/>					
Order Number:	<input type="text"/>		To	<input type="text"/>		
Incl. Re-Dist./Re-Don. Docs ?:	<input checked="" type="checkbox"/>	YES				
Shipment Receipt Date:	<input type="text"/>		To	<input type="text"/>		



Order Status Report

Back Forward

Detailed Navigation

- ▢ Entitlement Management
- Order and Shipment Quantities and Dates
- Top 10 Materials
- Sales Volume for Product Hierarchy
- Order Discrepancy Report between Order and Shipment
- Customer Business Partner Relationship
- Goods Receipt Detail Report
- Material Outlay Report
- **Order Status Report**
- NW Delivery Calendar Report
- Stocks at Subcontractor
- International Transportation Report
- Multi-Food Received Shipment Report
- Multi-Food Requisition Report
- Domestic Price Support Report
- Received Shipment Report
- Requisition Status Report
- Redistribution/Redonation Detail Report
- Value of Commodities Received - Domestic
- Value of Materials Received - Multi-Food
- Value of Materials Received - Domestic
- Domestic Ship-To Contacts Report
- Incomplete Sales and Distribution

Portal Favorites

- Domestic Order Entry
- Maintain Direct-Ship Delivery Periods
- Mass Order Update
- Order Status Report

Order Status Report

Go Back | Print PDF Output

View: Processor's Bulk SOs | Export

Sold-To Party	Sold-To Name	Sold-To State	Ship-To Party	Ship-To Name	Material	Material Desc.	Sales Order #	SO Item #	Requested Del. Date	Program	Requested Qty.	Sales Unit	Allocation # / Corr.	Cost / LB	Net Dollar Value	Status Text
4000436	DC State Education Office	DC	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000303178	300	04/15/2017	NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305620	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305621	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305622	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305623	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305624	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305625	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305626	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305627	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305628	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305629	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305630	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305631	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305632	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305633	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305634	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305635	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305636	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305637	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305638	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305639	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305640	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305641	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305642	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305643	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305644	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305645	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305646	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305647	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305648	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305649	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by
4000554	OK Dept. of Human Services	OK	5001740	TY SON FOODS INC	100103	CHICKEN LARGE CHILLED -BULK	5000305650	100		NSLP	36,000.000	LB		0.90	32,248.80	Approved by



# Purpose of Value Pass-Through Systems

- ▶ “To ensure that the recipient agency receives credit for the value of donated foods contained in end products.”
- ▶ “All systems of sales utilized must provide clear documentation of crediting for the value of the donated foods contained in the end products.”

# Value Pass Through Systems

- The underlying principle for Value Pass Through (VPT) systems is to ensure that recipient agencies receive the full value of the USDA Foods in products they receive from further processors.
- Once you figure out the value of USDA Foods in an end product, there are options to make sure that you receive it!

# Value Pass Through Systems

- Rebates/Refunds
- Direct Discount
- Net Off Invoice
- Fee For Service (FFS)
- Approved Alternative method



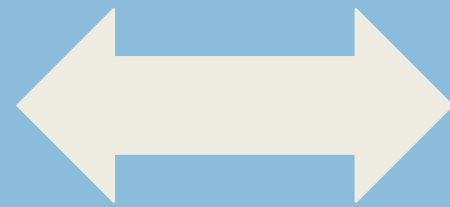
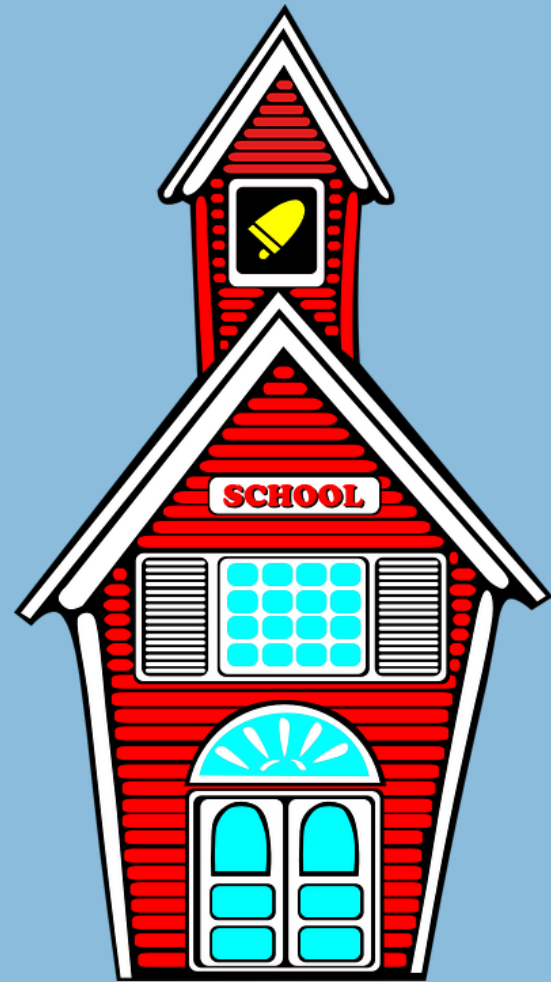


# Rebate/Refund System

A recipient agency (RA) purchases a processor's end products at the full commercial price and receives from the processor a payment equivalent to the value of USDA foods contained in the end products.



# Rebate/Refund System



# Rebate/Refund System

## Example: Loaf of bread

Commercial Price

\$1.00

USDA Foods Value

\$0.10

## School

- Pays Distributor \$1.00 plus any storage + delivery fee
- Submits Refund Application
- Receives Check For \$0.10



# Rebates – Pros and Cons

- Check received makes it clear that you are getting your value
- Some manufacturers accept velocity reports to simplify the refund process
- Cumbersome submission process
- Lots of paperwork
- Inventory draw does not show until refund is paid
- Who wants to write all those checks!!!

# Direct Discount

- A recipient agency (RA) purchases end products directly from a processor at an established commercial price minus the value of USDA foods contained in the end products.
- Processor invoices RA at the net price.
- Inventory reduced when RA is invoiced.

# Direct Discount

Commercial Price	\$75.00
Less Value of USDA Foods	- 15.00
Discounted price to you:	\$60.00





# Direct Discount

## Example: Loaf of bread

<input type="checkbox"/> Commercial Price	\$1.00
<input type="checkbox"/> USDA Foods Value	- \$0.10
<input type="checkbox"/> School Pays	= \$0.90

# Indirect Discount

- NET OFF INVOICE
- Processor sells end products to a commercial Distributor
- Distributor sees the District has pounds in the tracking website for that USDA Food and gives a discount to the District
- Distributor bills back to the Processor for the dollar value of the discount they gave to the District.



# Indirect Discount or NOI



- Distributor Delivers Product To Schools
- USDA Foods Value Is Credited On Invoice
- Inventory Drawdown Upon Delivery To School
- Title Transfer Upon Delivery To School
- Distributor Sends Transaction To Processor's Tracking System
- Distributor Bills Back to the Processor For USDA Foods Value



# Indirect Discount or NOI

## Example: Loaf of bread

- Commercial Price  
\$1.00
- Commodity Value  
\$0.10
- Receives Bread On Delivery  
From Distributor
- Invoice States Cost Of \$1.00  
With A Credit Of \$0.10 +  
storage/delivery fees
- School Pays Distributor \$0.90
- Processor Reimburses  
Distributor \$0.10

# Closed SKU NOI

- Distributor Delivers Product To Schools
- USDA Foods Value Is Credited On Invoice
- Inventory Drawdown Upon Delivery To School
- Title Transfer Upon Delivery To School
- Distributor Sends Transaction To Processor's Tracking System
- Distributor Bills Back to the Processor For USDA Foods Value



# Closed SKU NOI

## Example: Beef Patty

- Commercial Price: \$125.71/cs
  - Commodity Value: \$88.99/cs
  - Net price: \$36.72/cs
- Receives beef patties on delivery From Distributor
  - Invoice States Cost Of \$125.71 With A Credit Of \$88.99 + storage/delivery fees
  - School Pays Distributor \$36.72
  - Processor Reimburses Distributor \$88.99



# Fee for Service

Three kinds of Fee for Service:

- 1) Processor invoices RA and ships directly to RA
- 2) Processor invoices RA and ships to authorized Distributing agent
  - Fee for Service through a Distributor
- 3) Processor invoices Distributor and ships to Distributor
  - Modified Fee for Service

# Direct Fee For Service

- School Places Order With Processor
- Processor Charges School For All Product Costs  
Minus Commodity Value
- School Determines Delivery Location
- Inventory Drawdown Upon Delivery
- Title Transfer Upon Delivery

# Direct Fee For Service

## Example: Loaf of bread

- Commercial Price  
\$1.00
- Commodity Value  
\$0.10
- School orders from Processor and tells Processor delivery location
- Processor delivers
- School pays Processor \$0.90



# Fee for Service Through a Distributor

- School Places Order With Processor
- Order Delivered To Awarded Distributor
- School Pays Processor For End Products
- School Pays Distributor For Storage And Delivery
- Inventory Drawdown Upon Delivery To Distributor
- Title Transfer Upon Delivery To Distributor

# Fee for Service Through a Distributor

## Example: Loaf of bread

- Fee for Service Price charged to the District From the Processor \$0.90
- Distributor to invoice their storage and delivery fees
- School orders from Processor to deliver to their contracted Distributor
- Distributor delivers to School
- School pays Processor \$0.90
- School pays Distributor Contracted Delivery Rate

# Modified Fee for Service

- Distributor Places Order With Processor For One Or A Group Of Schools at a Fee for Service Price
- Processor Delivers To Distributor With No Knowledge Of What Schools Product Is Intended For Final Delivery
- Distributor Assigns Two Item Numbers And Slots For Product, Commercial And Commodity



# Modified Fee for Service

- School Orders From Distributor
- Distributor Delivers To School
- Processor or Distributor uploads to Processor's Tracking Website at time of bulk shipment to the Distributor
- Title Transfers upon transaction upload – at time of delivery to the Distributor

# Modified Fee for Service

## Example: Loaf of bread

- Fee for Service Price  
\$0.90
- USDA Foods Value  
\$0.10
- School orders product from Distributor
- Pays Distributor \$0.90 for End Item plus any storage and delivery fees

# Modified Fee for Service

- Distributors Can Not Have Title Of USDA Foods
- Processors Do Not Know What Schools Receive Product Until After Delivery
- Schools Making Distributor Authorized Agent





# Approved Alternative Method

- Must be part of the SPA
- Must be approved by FNS



# Transfers

## USDA Transfer Request Form:

- State to State
- Processor to Processor
- Must be complete with all required signatures!

### USDA Foods Transfer Request

<b>State-to-State</b> Releasing State: AB Receiving State: CD Processor: XYZ Processor
<b>Processor-to-Processor</b> Physical <input type="checkbox"/> Paper <input type="checkbox"/> Authorization Number (State Use): _____ State Signature: _____
Releasing Processor: _____ Receiving Processor: _____
Recipient Agency: _____ RA Number: _____ Contact Name: _____ RA Signature: _____

Sales Order Number	SO Item Number	Material Code	Material Description	Quantity (Cases/Lbs)	SDA (Sold-To Party BP)	Entitlement Adjustment	
						YES	NO
500012345	100	100001	Mixed Cherries	20,000	500000	X	
For Paper Transfers:	\$ value and check amount						

#### RELEASING STATE OR PROCESSOR

Releasing State Signature \_\_\_\_\_ Date 01 / 01 / 2011 Phone: 555-555-5555  
 E-Mail Address: person@ab.state.us

Processor Signature (if applicable) \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Phone: \_\_\_\_\_  
 E-Mail Address: \_\_\_\_\_

#### RECEIVING STATE OR PROCESSOR

Receiving State Signature \_\_\_\_\_ Date 01 / 01 / 2011 Phone: 444-444-4444  
 E-Mail Address: person@cd.state.us

Processor Signature (if different from above) \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Phone: \_\_\_\_\_  
 E-Mail Address: \_\_\_\_\_

#### FNS USE ONLY

USDA/FNS Specialist: FNS Specialist Date 01 / 01 / 2011 Phone: 703-703-7037  
 E-Mail Address: fnsspecialist@fns.usda.gov

# Commodity Dollars are Real Money

**Commodity Dollars**

**=**

**Food Cost Dollars**

**Best Value to Individual RA's**





# Time for our panel!





# ACDA ANNUAL CONFERENCE

**Coming Together to Nourish the Nation**



**April 21 - 24, 2024**  
**Marriott St. Louis Grand**  
**St. Louis, Missouri**