



ACDA RA HANDBOOK

MANAGING USDA FOODS

SNA ANC

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USDA – THE ESSENTIALS – WHO DOES WHAT?

- ❑ **3 USDA Agencies impact the navigation of a successful USDA Foods program**

FOOD AND NUTRITION SERVICES (FNS)

- ❑ General oversight and regulation of domestic USDA food programs
- ❑ Calculates and tracks a state's entitlement
- ❑ Receives orders for USDA Foods
- ❑ Monitors the flow of USDA Foods
- ❑ Issues policy guidance on program issues



FARM SERVICE AGENCY (FSA)

- ❑ Purchase of nonperishable products
 - Examples: cereals, grains, peanut products, dairy products and oils

AGRICULTURE MARKETING SERVICE (AMS)

- ❑ Purchase of perishable products
 - Examples: red meat, fish, egg products, fruits and vegetables



ORIGINS AND PURPOSE OF THE RA HANDBOOK

- ❑ Began as initiative of the ACDA Processing Committee RA Representative
- ❑ Has evolved over the years and became somewhat unwieldy due to numerous changes to the USDA Foods program
- ❑ **New and Improved version is – WOW!**
 - Strictly online
 - Always up to date
 - Permits you to access only the topic of interest
 - All links are dynamic



FOOD DISTRIBUTION PROGRAM 2002

- 240 School Districts
- \$8 Million Entitlement
- Unspent \$\$ @ End Of School Year
- School Lunch Advisory Council (SLAC) Decided:
 - What USDA Foods (formerly known as Commodities) to Order for All School Districts
 - The Delivery Periods
 - What 5 Or 6 Further Processed Items will be Offered Under the Statewide Processing Contract



FOOD DISTRIBUTION PROGRAM 2002

- No Department of Defense (DoD) Fresh Program
- No Electronic Commodity Ordering System (ECOS)



2002 – HOW WE DID BUSINESS (POORLY...)

- Didn't Look at Recipient Agency (RA) Customers as Customers
- Poor Communication (RA, USDA Partners, Manufacturers & State Contracted Commercial Distributor)
- Monthly Allocated USDA Foods
- We Played The Anticipation Game! Offered Cases of USDA Foods from a Truck that Hadn't Arrived at the Distributor Yet. We Lost That Game Every time!
- We Didn't Monitor State Contracted Commercial Distributor Inventories Properly;
 - Had Lost USDA Foods
 - Short Shipped Often
 - Always Had Homeless USDA Foods



2002 - ME

- I Need to Learn This Crazy Program!
- How Can I Make This Better?!
- How Do I Run FDP, Property Management, State Employee Housing, State & Federal Surplus, Telecommunications & Move 250 DAS Staff?!



2003 - OUR PROJECT PLAN

- Listen to Our RA Customers!
- We Need To Get A Better Understanding of the USDA Foods Program
- Rollout ECOS to RA's
- Communicate! Communicate! Communicate!
- RFP – State Food & USDA Foods
- Schools Procure Further Processed Foods not State Contract



2003 - OUR PROJECT PLAN

- Upgrade Our Internal Software Application for Inventory & Billing (eCAFS)
- Abandon a Failed Attempt to a Pilot of ECOS with 5 School Districts for SY 04/05 – Disaster!
- Need To Create a System That Allows Us to Roll Trucks Up In ECOS and Have the Extra USDA Foods Available To All Customers (We Called It The Swap Post)



2003 – ECOS -OUR RA CUSTOMERS



- We Request Food 1 Yr Advance?!
- We Have Choice?!
- We Have to Use A Computer?!
- We Have to Go On the Internet?!
- We Receive Email Notifications Directly from ECOS?!
- No More Allocations?! We Have to Order Monthly On-line on Sysco's System?!
- We Must Pay Sysco Directly for the Storage and Distribution Of "Brown Box" USDA Foods?!
- **We Must Enter Into Contracts With Further Processors and Distributors for Further Processed Products?!**
- **What is FFS and NOI?!**
- We Can Request USDA Foods From the Swap Post?! What the Heck is the Swap Post?!!
- **What Will the FDP Folks Do While We're Doing All Their Work?!!**



2003 – FDP Staff

- Afraid of Losing Jobs
- Didn't Feel Appreciated
- No Vacation - Allocations
- Sick Time Up - Especially During Allocations
- Always Receiving Angry Calls From RA Customers, Vendors and Commercial Distributor



2003 – Further Processors & Commercial Distributors

- We Must Contract with RA's for End Products?!
- RA's Pay Distributor & Processor's Directly?!
- Distributors – What's FFS and NOI?!
- **What the Heck Are the FDP Folks Doing While We're Doing All Their Work?!**



TRAIN! TRAIN! TRAIN!

- USDA Regional & National Office Staff Attended & Presented @ Several Training Sessions for Our RA Customers
- We Had Vendor Meetings to Provide Information to Commercial Distributors and Further Processors About the Upcoming Changes
- Every RA Customer Had The Opportunity to Attend Any of the Informational Meetings and Any Of The Hands-On ECOS Trainings
- I Presented @ Every School Nutrition Association of CT (SNACT) Meeting They Would Let Me
- I Attended Every SNACT Board Meeting – Angry Customers Every time
- Emailed Monthly Newsletter – The Lunch-Line
- Became a Member of the National ACDA & SNA
- Worked with Counterparts in VA, NY, FL & WI



SCHOOL YEAR (SY) 2004/05

- Some RA's Decided Not To Participate
- Hands-On ECOS Training
- RA's Placed Requests in ECOS for SY 05/06
- RA's Ran ECOS Reports
- RA's Trained by Sysco for eSysco Monthly Ordering
- RA's Placed Monthly On-Line Orders on eSysco
- RA's Received Deliveries from Sysco for "Brown Box" USDA Foods
- RA's Received Further Processed Foods from Their Commercial Distributors
- **One Major Issue: USDA Didn't Purchase Some Chicken for Further Processing – This Caused Some RA's Concern About ECOS and Further Processing**
 - RA's Received Notification in ECOS – Didn't Understand
 - Some Further Processors Didn't Notify FDP, They Just Stopped Shipping
- First Ever USDA Processing Food Show
- Emailed Monthly Lunch Line Newsletter



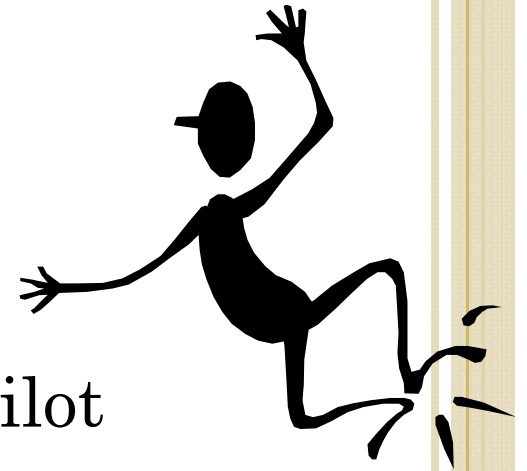
SY 2005/06

- RA's Allowed To Spend PAL on USDA Foods They Want
- **RA's Allowed to Spend up to 105% of Planned Assistance Level (PAL)**
- All RA's Have a Say about USDA Foods
- **RA's Expanded Menus Because of Options Through Further Processing**
- **ECOS Provided a Demand Driven System**
 - **RA's Requested More Raw Chicken in ECOS to The Chicken Further Processors That Shipped in SY 2004/05**
 - **Chicken Further Processors That Didn't Ship in SY 2004/05 Lost Customers in SY 05/06**
- **Commercial Distributors Expanded Business and Provided More Services to RA's Because of Further Processing**
- **RA's That Decided Not To Participate in Program Started Calling to Find Out More About ECOS and Processing**
- DoD Fresh Program Pilot – 1 School \$10,000
- Swap Post Items Are Available Throughout the School Year
- **Annual USDA Processing Food Show**
- Emailed Lunch Line Newsletter
- Hands-On ECOS Training – Open to All But Just New Directors Attended



SY 2006/07

- RA's Confident in ECOS and FDP
- DoD Fresh Program Expanded to 10 Pilot School Districts and \$100,000
- **Expanded Processing - 40 Further Processors & Thousands of End Products Available**
- I Visited 20 School Districts
- Lunch Line Newsletter
- **Hands-On Training For New Directors**
- USDA Started Talking About New System - Web Supply Chain Management (WBSCM)
- Swap Post Items Are Available Throughout the School Year



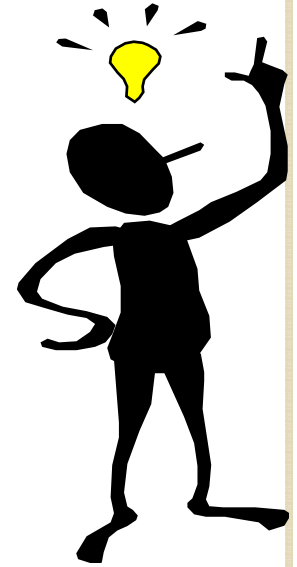
2008 – Excessive Inventory Balances



- Processing Exploded in the State 40 Processors and thousands of Products!
- The State Wasn't Really Monitor Inventory Balances at Further Processors
 - Some balances were 300 + Years
- RA's Didn't Really Understand their Procurement Responsibilities
- Processors Didn't Really Understand How the Program Worked in CT
- Brokers Didn't Really Understand their Responsibilities
- Distributors Didn't Really Understand Responsibilities



ACDA Processing Handbook



RA Procurement Training:

- *Procurement Compliance*
- *Approved Procurement Methods*
- *The Commodity Processing Procedure*
- *Product Specifications*
- *Value Pass Through Methods*
- *RA/Processor Agreements*
- *RA/Distributor Agreements*
- *RA Designation to Distributor as Authorized Billing Agent*
- *Inventory Management*



RA Processor/Distributor Agreements

- Clearly Identify Roles and Responsibilities
- Should be used in Addition to Procurement Solicitations



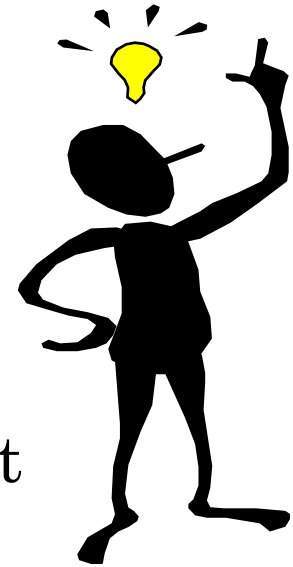
INVENTORY BALANCE

Carryover Policy –

Use it or Lose it by Nov 30th

- Forfeit Raw and put in State's Account
- Enforce Carryover Policy Every Year
- Communicate to Customers – Excessive Inventory is a Liability, not Asset
- USDA Policy Memo 064 Gives State Authority To Take Balance and not give RA back
Entitlement Management of Donated Food Inventories at Processors

– <http://www.fns.usda.gov/fdd/policymemo/pmfd064-MgmtofDonatedFoodInventoriesatProcessorsrev.pdf>



SY 11/12 WBSCM DEPLOYMENT



- Very Few Issues
- RA's Remain Confident in FDP and Now WBSCM
- eCAFS Billing and Inventory System -Upgraded to Support WBSCM Data Structure – Now Called weCAFS
- RA's Continue to Have the Option to Spend Up To 105% of Entitlement
- Swap Post Items Continue to be Available Throughout the School Year
- **RA's Properly Procuring Further Processed Products**
- **Inventory Balances Drastically Reduced at Further Processors**



THEN & NOW

2002



- Poor Communication
- Few USDA Foods Offered
- **Few Processed Items Offered**
- FSD's Felt Elite Few Making Decisions
- The Anticipation Game!
- Short Shipments
- Homeless USDA Foods
- Lost USDA Foods
- No DoD Program
- Schools Left Money On the Table
- USDA Foods Drove Menus – Not in a Good Way
- No Confidence In the Program

Today



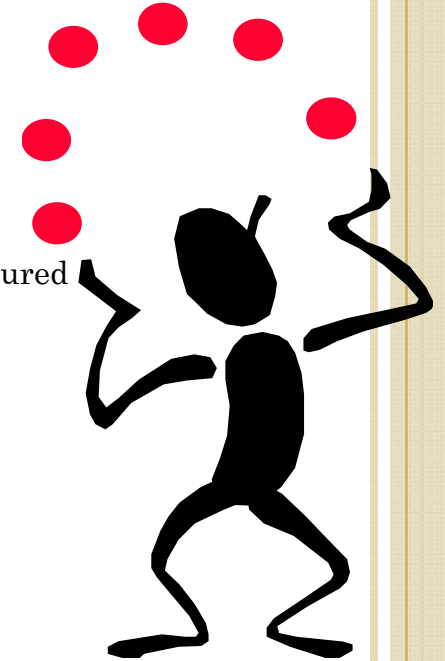
- **USDA Foods DRIVE THE MENUS!**
- Customers Feel They Have A Voice
- Customers Feel They Have Choice
- They Are Confident in FDP & WBSCM
- Customers Have the Option to Spend Up To 105% of Entitlement
- The Swap Post Items Available
- **Over 50 Further Processors Offer Thousands of Further Processed USDA Foods**
- **Annual Food Show and Training**
- **RA's Procuring Further Processed Products**
- **Manageable Inventories at Processors!**
- Lunch Line Newsletter
- RA's Love DoD!
 - Over 100 School Districts Participate
 - \$3.5 Million for SY 14!
 - Continue to Increase CT Grown - \$158,000 to date!



WHAT THE HECK IS FDP STAFF DOING NOW?

ANSWER:

- **Partner with States to Make Full Truck Loads going to Further Processors**
- **Monthly Performance Report (MPR) Monitoring at All Further Processors**
- **Reduce USDA Foods raw inventory at All Further Processors – Use It Or Lose It**
- Regularly Visit School Districts
- **DAS Managed Three Town RFP** – With Focus on Savings, CT Grown and CT Manufactured
- USDA Foods Initiative Grant for School Breakfast - \$2,500 Grant
- Produce Safety University – Hosting Aug. 2012
- USDA Foods State Emergency Notification System (SENS) Pilot
- USDA Foods Nutrition Labeling
- CSDE Team Nutrition – Training Grant
- More CT Grown in DoD - \$300,000 Goal for SY 2014!
- USDA Procurement Task Force – Topics 1 & 2 on NFSMI Website. Topic 3 Coming Soon!
- State Sharing – VT, WI, MA, & ME
- CT State Agency Sharing – CSDE, DSS, DoAG, DPH
- National Associations – ACDA & SNA
- Local Association and Committees – SNACT, CT Food Policy Council, CBET, Food Advisory Council
- Coordinate the Annual CT USDA Foods Show & Meeting
- Partner with CT Dept of Education and CT Dept of Agriculture for the Annual Know Your Farmer Know Your Food Meeting - CT Farmers Meet With AT Siravo (DoD Vendor) and School Food Service Professions
- Create Annual Catalogs in WBSCM of USDA Foods Available for Following SY
- Roll Trucks Up in WBSCM
- Perform Annual Physical Inventory and Reconciliation at Sysco
- Web Supply Chain Management (WBSCM) Training
- Monitor USDA Foods at Commercial Distributor
- Approve Summary End Product Data Schedules (SEPDS)
- Approve State Participation Agreements for Any New USDA Approved Further Processors



QUESTIONS?

