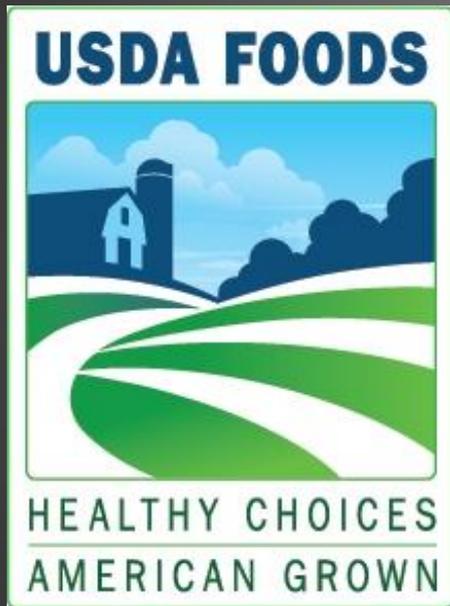
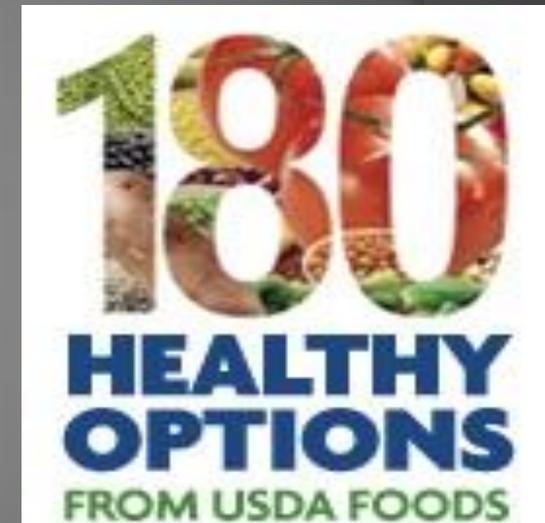


MO Department of Elementary and Secondary Education

Food & Nutrition Services



2016
Commodity
Expos
Feb. 10-12, 2016



Andy Dudenhoeffer

Director, DESE – FNS Food Distribution

Josh Winters

Food Distribution Specialist, DESE – FNS Food Distribution

Introductions

Karen Wooton – Coordinator – Food & Nutrition Services
karen.wooton@dese.mo.gov, 573-751-3526

Andy Dudenhoeffer– Director – FNS Food Distribution, DoD, FFVP, Commodity Shelf Newsletter, oversight of USDA DF
andy.dudenhoeffer@dese.mo.gov, 573-522-1974

Josh Winters– Food Distribution Specialist – FNS Food Distribution, Issues with processed products, Delivery issues
josh.winters@dese.mo.gov, 573-751-7253

DeeDee Kilson – Administrative Assistant, Monthly Performance Reports, Processing Packets reviews, Warehouse billing/inventory tracking
deedee.kilson@dese.mo.gov, 573-751-1706

Amy Halderman – Administrative Assistant, Monthly Orders, Filing, Data entry
amy.halderman@dese.mo.gov, 573-751-2646

Lanter Distributing: Joni Buck, Kim Ackerman, and Josh Drake
Kackerman@lanterdist.com, 816-459-4823

WHO REMEMBERS THIS GUY??



- Matthew Essner no longer works with DESE-FNS
- He resigned in September 2015
- He now is the Central Regional Sales Manager with Red Gold.



DESE-FNS Food
Distribution is now
ran by these two...



TRIVIA TIME!!

Where are the MO USDA Foods Stored?



TRIVIA QUESTION!!

Where are the MO USDA Foods Stored?

SUBTROPOLIS

The World's Largest Underground Business Complex.

FACT #1

SubTropolis is a comfortable 65° to 70° every day of the year.



"GUS"
GREAT UNDERGROUND SPACE

FACT #2

SubTropolis has nearly 5,000,000 square feet of leased warehouse space.



"GUS"
GREAT UNDERGROUND SPACE

FACT #4

SubTropolis is home to more than 50 companies like Hallmark and USPS.



"GUS"
GREAT UNDERGROUND SPACE

FACT #5

SubTropolis has over 1,500 people working underground each day.



"GUS"
GREAT UNDERGROUND SPACE

SUBTROPOLIS®
The World's Largest Underground Business Complex.™

DESE Visits Lanter Distributing





I'M QUITTING
DESE AND
BECOMING A
TRUCKER!



LANTER DISTRIBUTION'S OFFICE STAFF



IN THE WAREHOUSE...



DELIVERY OF USDA FOODS

- *Lanter Distributing is our MO contracted distribution/ warehousing facility.*
- *Lanter Distributing makes one monthly delivery/LEA.*
- *Lanter Distributing will notify 4 days in advance to inform LEA's when they will be delivering and what they are bringing.*

LANTER
DISTRIBUTING



DELIVERY OF USDA FOODS

- *Once a month delivery of USDA Donated Foods (DF) to LEAs of Missouri begins the first full week of August and will continue through April (9 deliveries per school year).*
- *LEAs must accommodate for the delivery of DF any time between 7 a.m. and 3 p.m. Monday through Friday except on:*
 - Labor Day (Sept. 5th)
 - Thanksgiving, the day before and after (Nov. 23-25)
 - Christmas Break
 - Martin Luther King Jr. Day (Jan. 18th)
 - Presidents' Day (Feb. 15th)
 - Good Friday (Mar. 25th)
 - Monday after Easter (Mar. 28th)
- *Deliveries are only required to be "tailgate", meaning that the truck driver only has to bring the delivered products to the tailgate of the trailer. From there, it is the LEA's responsibility to get the delivered products into the LEA.*
- **BE SURE TO MARK ANY DISCREPIANCIES ON THE DELIVERY RECIEPT!!!!**



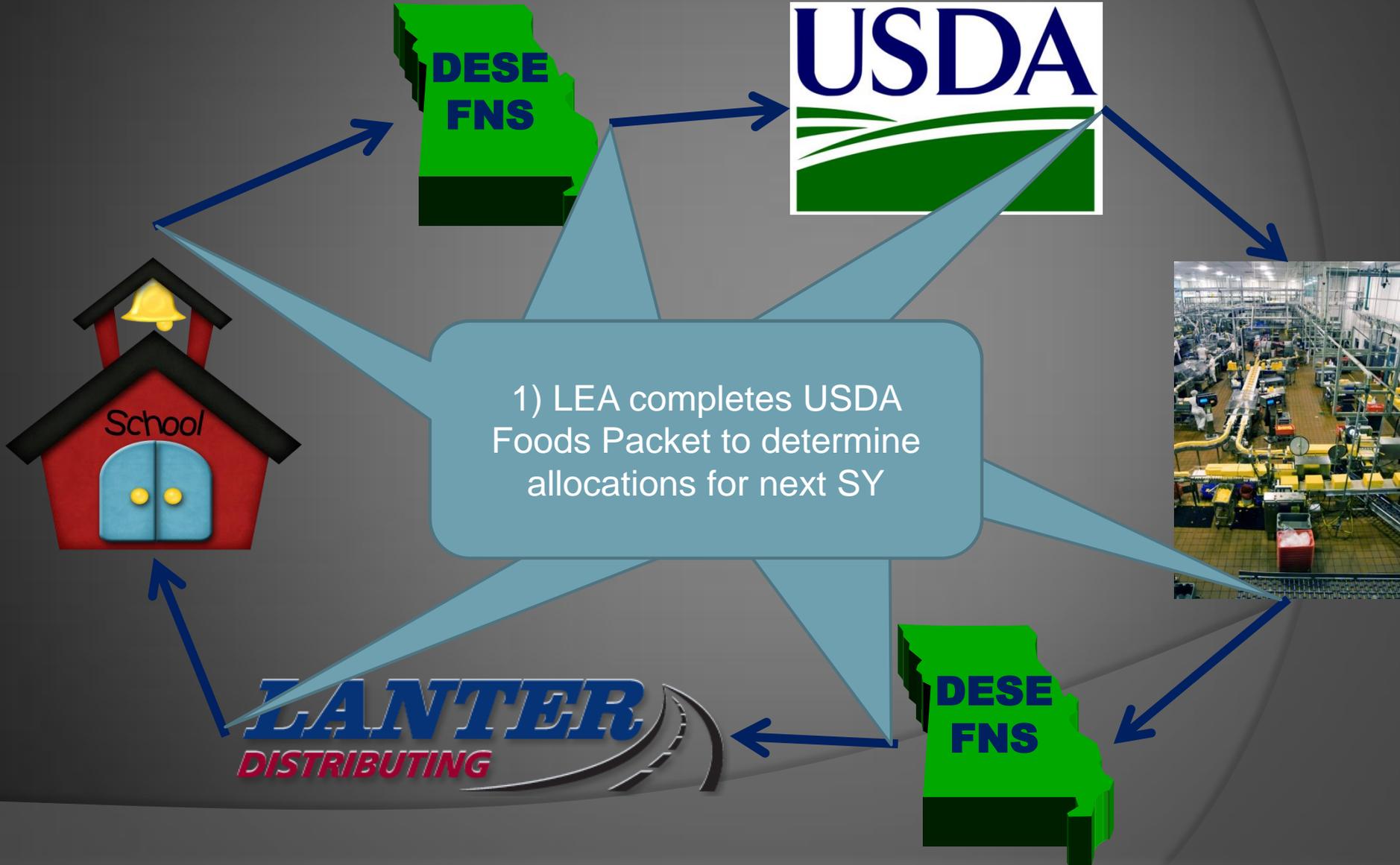
SY 16-17 Approved Processors



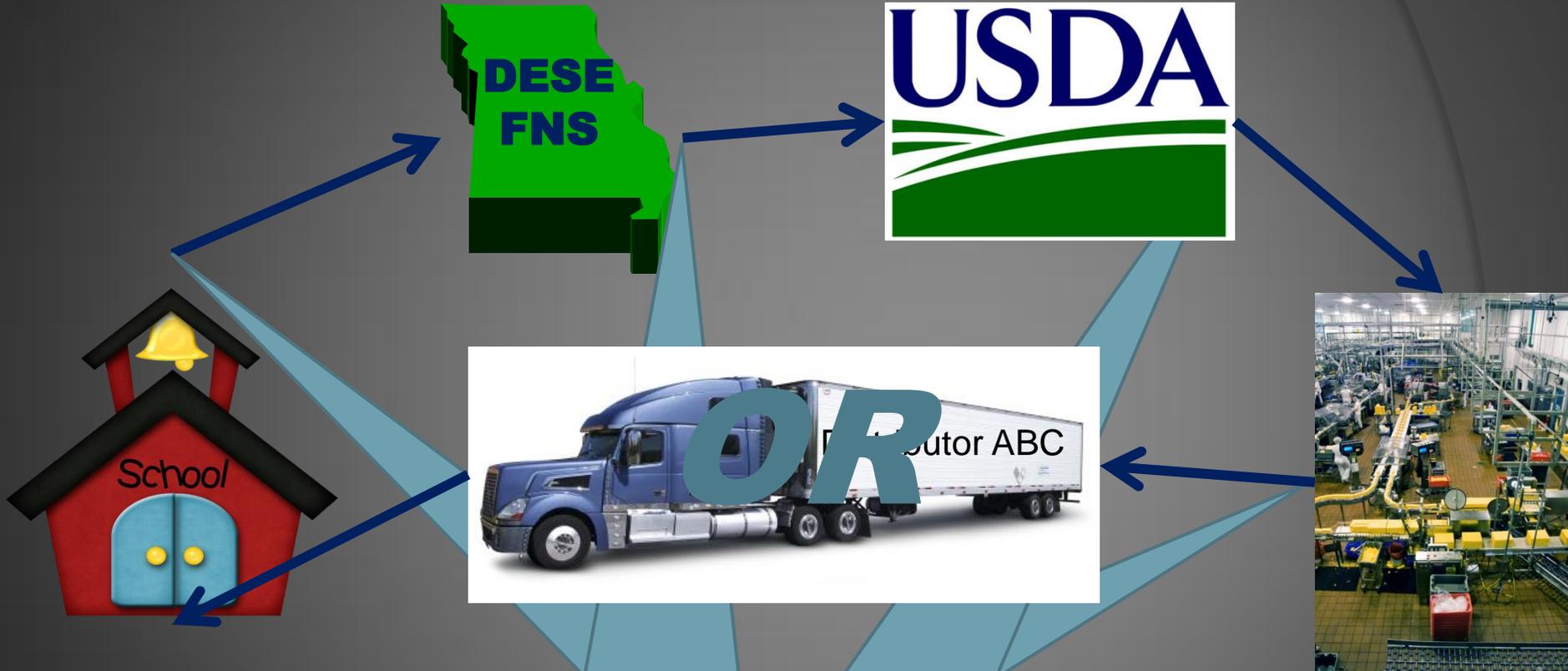
SY 16-17 Approved Processors



What's the procedures for Processing?

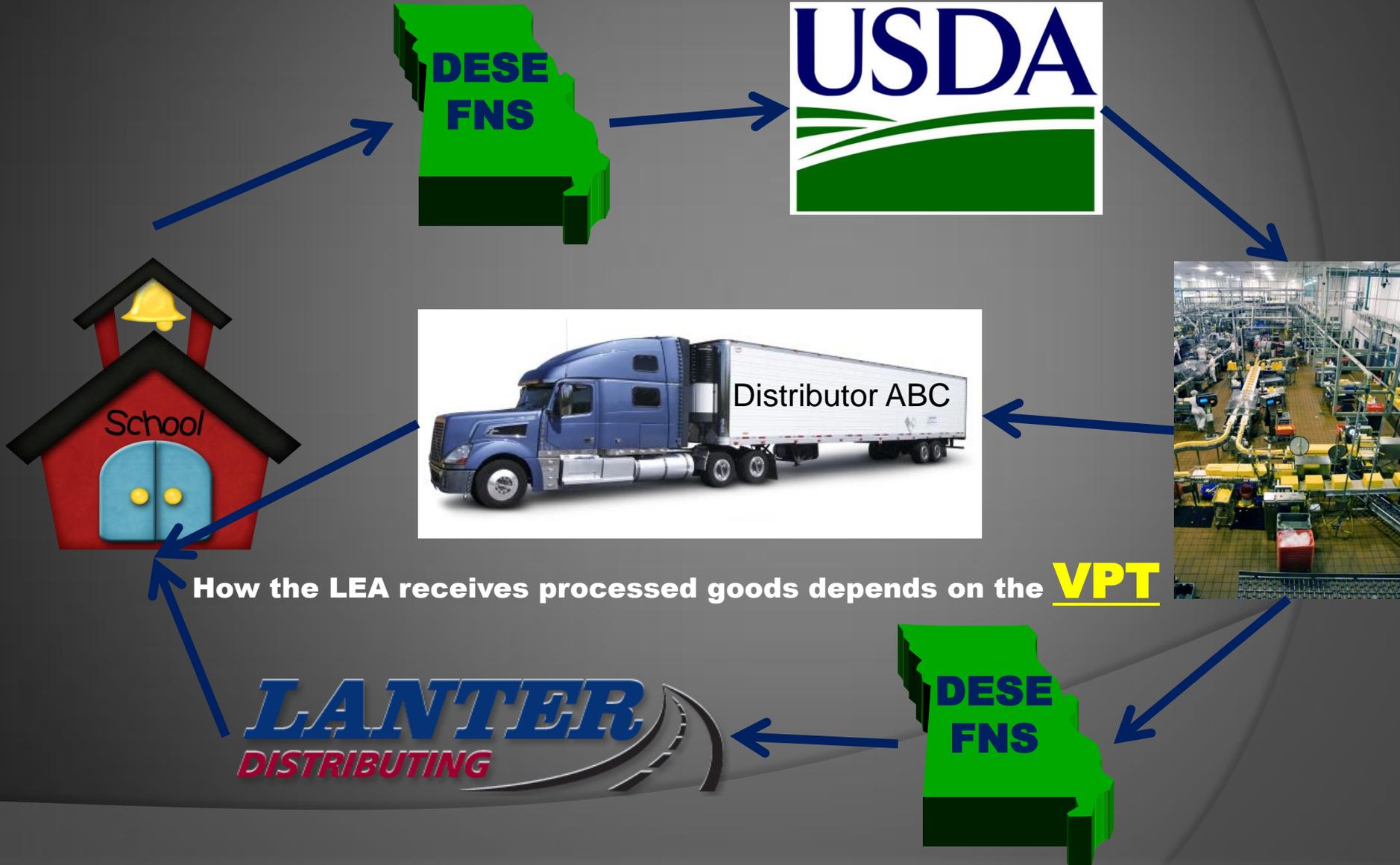


What's the procedures for Processing?



2) DESE compiles all MO LEA requests and submits orders to USDA via WBSCM

What's the procedures for Processing?



VPT – Value Pass Through Systems

(1)

- FFS – Fee For Service
 - Processor receives raw USDA Food, processes raw USDA Food into desired end product, only invoices customer Fee For Service
 - How you receive product on your Monthly delivery
 - Value is passed through by not charging for raw USDA Food

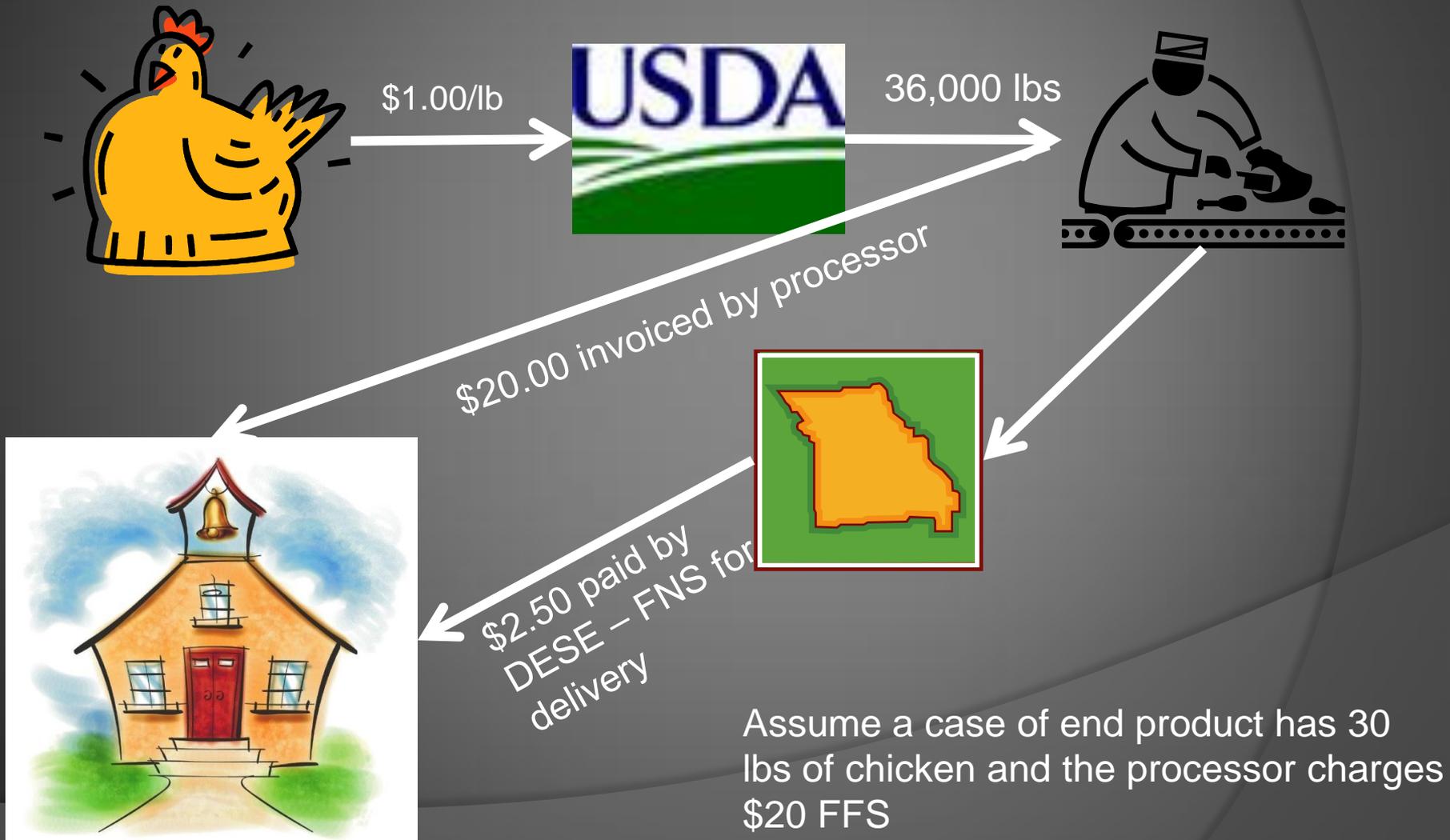
VPT – Value Pass Through Systems

(2)

- NOI – Net-Off-Invoicing
 - Processor receives raw USDA Food, processes raw USDA Food into desired end product, sells product to distributor for full price
 - Distributor up-charges for service
 - Distributor discounts product for raw USDA Food
 - Distributor is reimbursed value of USDA Food by processor who received the raw USDA Food
 - Customer pays distributor the bid price less the value of USDA Food
- Rebates – Rebates
 - Processor receives raw USDA Food, processes raw USDA Food into desired end product, sells product to distributor for full price
 - Distributor up-charges for service
 - Customer pays distributor the bid price
 - Customer submits rebate to processor for reimbursement of the value of the raw USDA Food

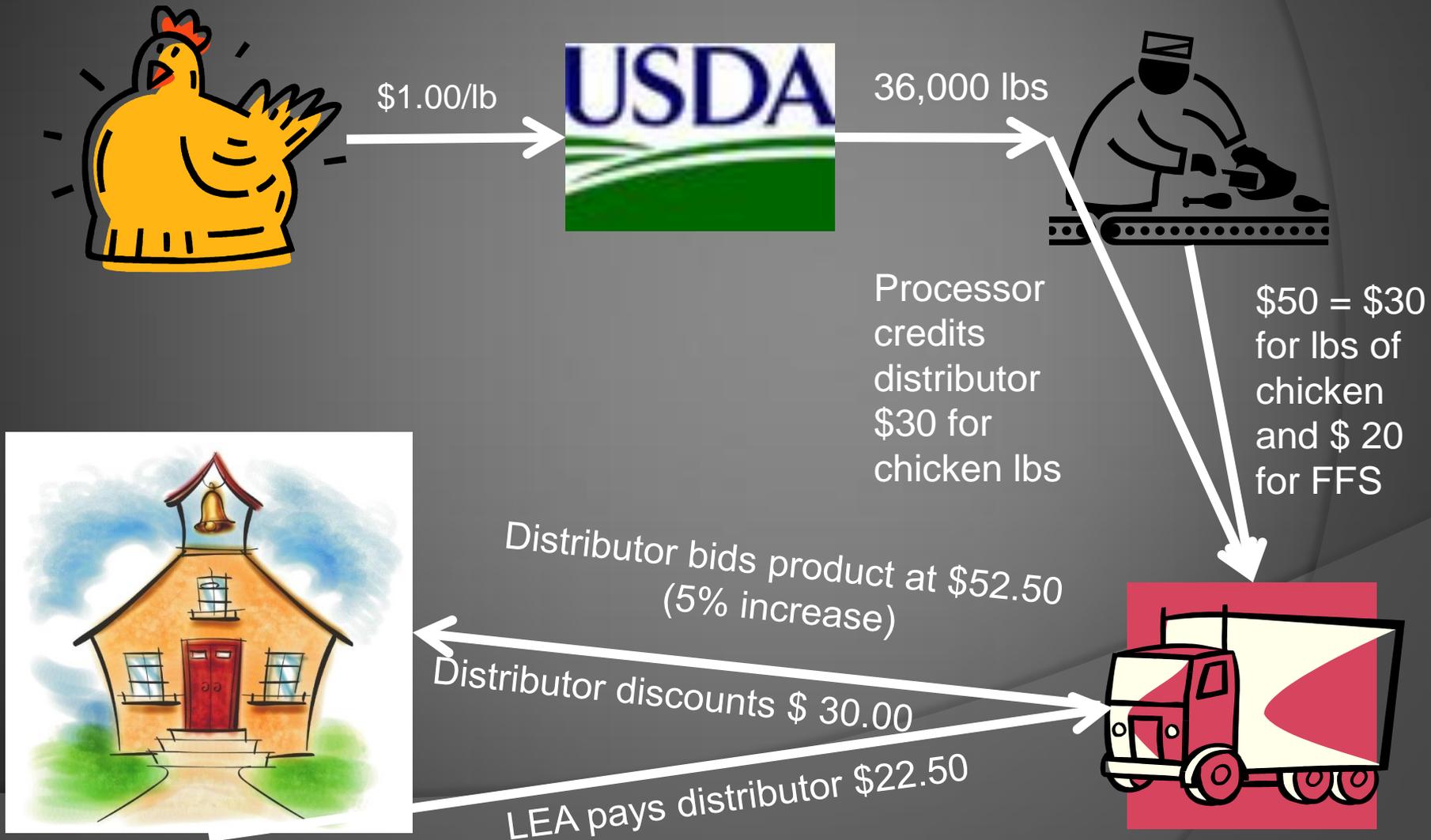
FFS

(hypothetical and assuming a “vacuum” scenario or everything equal)



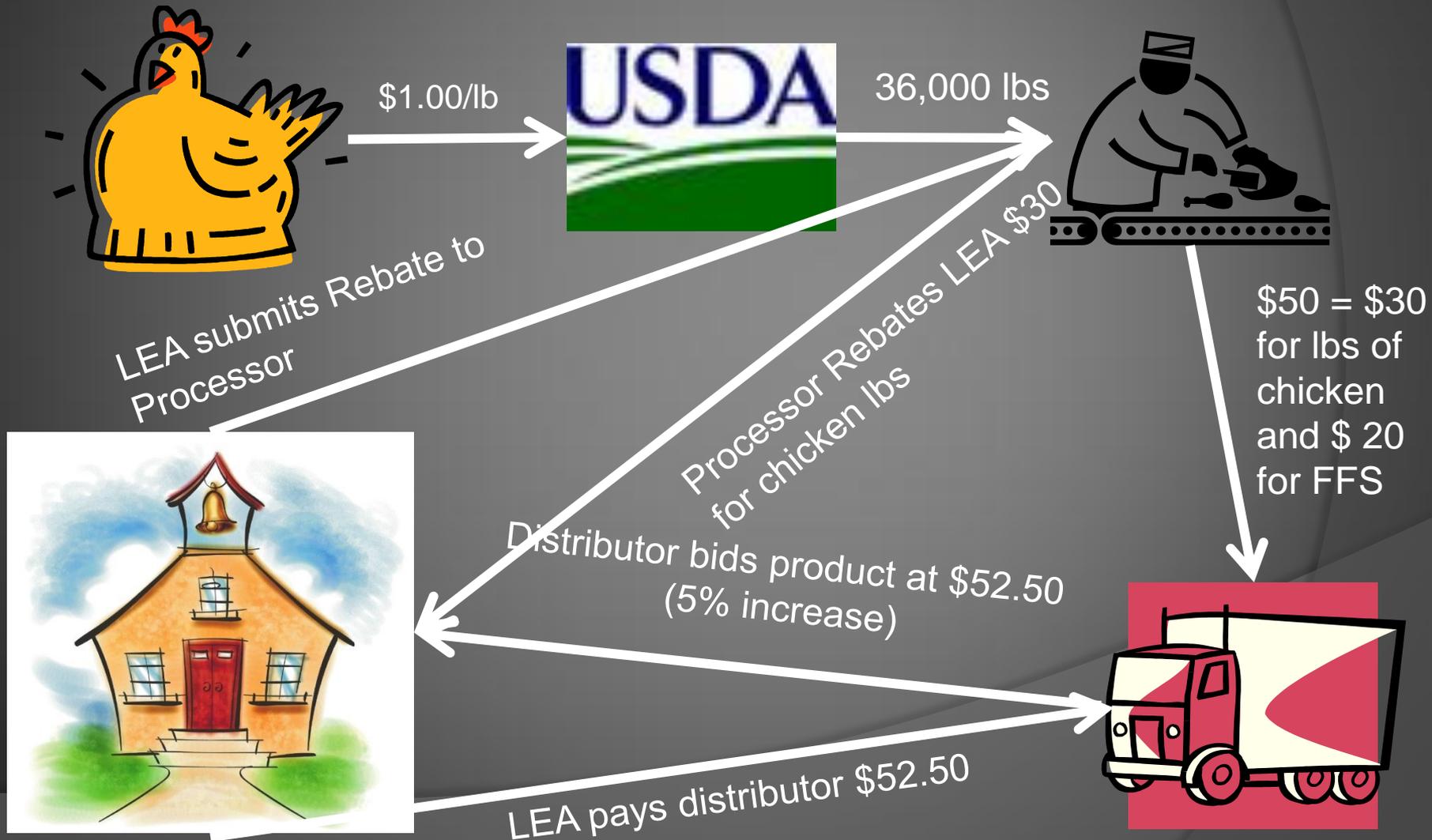
NOI

(hypothetical and assuming a “vacuum” scenario or everything equal)



Rebate

(hypothetical and assuming a “vacuum” scenario or everything equal)



NOI Timeline

- January – February – Calculate and Divert lbs via DESE – FNS annual Packet
- February – June – conduct commercial bid to determine price
- July – Assign distributor for each USDA Food on www.k12foodservice.com or www.processorlink.com
- July – October – Utilize at least 33% of diverted lbs for the school year
- November – Broker check-up with LEAs
- November – January – Utilize at least 66% of diverted lbs for the school year
- February – Broker check-up with LEAs
 - Plan orders for next school year to order on DESE – FNS annual Packet (see #1)
- February – June – Utilize 100% of diverted lbs for the school year for zero (0) balance
 - LEAs with under-utilization may lose lbs to be transferred to LEAs utilizing lbs responsibly and in need of additional lbs for the school year.

NOI Timeline cont.

- ⦿ Please Note: LEAs electing to participate in the Net-Off-Invoicing (NOI) or Rebate program **must** check with their commercial distributor to verify the actual items available through the distributor which are offered/approved by the processor for NOI. LEAs will have accounts established either on www.k12foodservice.com or www.ProcessorLink.com where they can log in to review their lb balances and make distributor changes.
- ⦿ Balance for a processor assigned to one distributor
- Using NOI/Rebate lbs early assures full value of entitlement will be received and will open the door for the possibility of additional lbs later in the school year from LEAs who are not responsibly using NOI/Rebate lb diversions.

USDA Foods Packet SY 16-17

- Elections by LEAs are based on Entitlement
- More “brown-box” options
- Department of Defense Produce available to anyone
- Open Order will continue to be ordered monthly
 - Only fruit, vegetables, grains/pastas, rice, oil, peanut butter, sun butter and cheese

USDA Foods Packet SY 16-17

- ⦿ Packet will be Completed and submitted electronically via Excel spreadsheet
 - No more printed copies or snail mail (> 50 pgs)
 - No more copying information into PDF documents
 - Submit completed packet to DonatedFoods@dese.mo.gov and receive a confirmation Email (like current Monthly orders)
 - Save file with Agreement #

USDA Foods Packet SY 16-17

- ◎ Only order items you will use – don't "spend" the \$\$ just b/c
 - Remaining Entitlement will go towards additional Open Order items for SY 16-17
- ◎ Rebate vs NOI
 - Same end result, different steps
 - Both have to divert lbs via USDA Foods Packet
 - No more "first come, first serve" Rebates
 - If a distributor offers NOI, more efficient than Rebate

“Brown Box” via USDA Foods Packet

(tentative dates subject to USDA availability)

- The only opportunity to order these items is via the USDA Foods Packet
- Total quantity calculated for each item will be split **evenly** over the listed delivery periods
 - Estimated quantities for each period are displayed when completing the USDA Foods Packet
 - Quantities and timing are not guaranteed – subject to USDA availability and the orders from ALL MO LEAs
- USDA Fact sheets are hyperlinked to the description
- Enter servings or cases
- Items are “free” – there are no processing fees

USDA Packet Demo

- ⦿ Calculator is set up to input # of servings for the entire 16-17 school year
 - Calculates lbs DF needed to produce servings
 - Calculates estimated entitlement to purchase lbs of DF
 - Calculates remaining Entitlement after each election
- ⦿ *Can only type in yellow cells – don't be scared*
- ⦿ Feel free to run hypothetical scenarios to determine the best products for your LEA
- ⦿ When satisfied, save with Agreement # and submit to DESE – FNS just like monthly Open Order

“Brown Box” via USDA Foods Packet

(tentative dates subject to USDA availability)

	A	B	C	D	E	F
					Agreement #:	
					Entitlement for USDA Foods (Brown Box):	
					14-15 USDA Foods Packet Ent Remaining:	
						TOTALS PAGE
6						
7						
8						
9	Product Code Number	SERVINGS SY 14-15	<u>or</u>	# of Cases SY 14-15	lb diversions for SY 14-15	Product Description (Product Nutritionals Hyperlinked)
10	100098		<u>or</u>			8 Piece Cut Up Chicken (Raw)
11	100101		<u>or</u>			Chicken, Diced, Fully Cooked, IQF
12	100117		<u>or</u>			Chicken, Fajita Strips, Fully Cooked, IQF
13	100121		<u>or</u>			Turkey Breast, Deli-Style, Cooked, Frozen
14	100122		<u>or</u>			Turkey Breast, Smoked, Deli-Style, Cooked, Frozen
15	100123		<u>or</u>			Turkey, Whole, Raw, Frozen
16	100125		<u>or</u>			Turkey Roasts, Boneless, Ready-to-Cook, Frozen
17	100126		<u>or</u>			Turkey Ham, H2O Add, Fully Cooked, Frozen
18	100158		<u>or</u>			Ground Beef, Fine, Raw, LFTB Free, Frozen
19	100173		<u>or</u>			Pork Roast, Boneless, Trimmed, Frozen
20	100184		<u>or</u>			Pork Ham, H2O Add, Boneless, Fully Cooked, Frozen
21	100187		<u>or</u>			Pork Ham, SLICED, H2O Add, Boneless, FC, Frozen
22	100188		<u>or</u>			Pork Ham, DICED, H2O Add, Fully Cooked, Frozen
23	100201		<u>or</u>			Catfish Strips, Breaded, Oven Ready, IQF
24	100877		<u>or</u>			Chicken, CANNED w/ Broth, FullyCooked, De-boned
25	110080		<u>or</u>			8 Piece Oven Roasted Chicken

Either Servings or # of Cases **NOT BOTH!!**

for either servings or # of cases (not both) for Brown Box

“Brown Box” via USDA Foods Packet

(tentative dates subject to USDA availability)

Automatically Calculates

		TOTALS PAGE										Delivery Schedule (subject to change)	Total Requested Cases	
Planned # of Del. SY 14-15			Aug. 14	Sept. 14	Oct. 14	Nov. 14	Dec. 14	Jan. 15	Feb. 15	Mar. 15	Apr. 15	Totals		
7	Estimated Delivery Schedule	100098												
9		100101												
9		100117												
9		100121												
9		100122												
9		100123												
9		100125												
9		100126												
9		100158												
8		100173												
8		100184												
8		100187												
8		100188												
9		100201												
7		100877												
7		110080												
		Total Cases/Month:	0	0			0	0	0	0	0	0	0	
												0		

Can Manually Enter Delivery Period
Once Formula is gone, will not come back

USDA Packet Notes

- Poultry – white, dark, and natural proportion options

	Product Code Number	Servings SY 15-16	lbs for Processing SY 15-16	Product Description
Natural Proportion Items	2178-04			Netted Raw Breast & Thigh Roast (2.29 oz)
	6399-30			Savory Turkey Meatball (2.57 oz)
	6401-40			Savory Turkey Crumble
	6402-40			Italian Crumble
	2847-28			Cooked Turkey Gravy (4 oz)
	2853-28			Cooked Turkey Spaghetti Sauce (4.89 oz)
	6397-40			Fully Cooked Turkey Sausage Chorizo Crumble (2.29 oz)
	6398-40			Fully Cooked Turkey Taco Crumble (2.24 oz)
	2854-28	1,500	295.26	Cooked Turkey Chili (4.23 oz)
	2858-28			Cooked Turkey Sloppy Joe (4.94 oz)
2856-28			Cooked Turkey Taco (2.97 oz)	
W-White	2099-21	2,000	337.32	Oven Roasted Skinless Turkey Breast (4 oz)
	2098-21			Sliced Oven Roasted Turkey Breast (3 oz)
	2303-24			Sliced Smoked Turkey Breast (3 oz)
	2303-24			Pre-Sliced Browned Turkey Breast Steak
B-Dark	6126-20			Hot Dogs - Turkey Franks, 8 per lb.
	2156-34			New World Turkey Pot Roast (3.22 oz)
	2096-12			Sliced Italian Combo, Salami, Pepp...
	2565-21	1,635	337.32	Cooked Turkey Ham (3.06 oz)
	2031			Canadian...
	6148-31			Cooked Turkey Burger...
	2025-24			Turkey Ham Slicing Log (3.01 oz)
	2872-28			Diced Turkey in Brown Gravy (3.06 oz)
	2130-08			Sliced Pepperoni Coin Size (2.67 oz)
	2840-28			Cooked Turkey Taco Meat (2.97 oz)

Natural Proportion Items calculated the same as all other items by svgs. Do not have to offset lbs.

White calculated 1st by svg

White and Dark lbs must be Equal

After White lbs determined, offset lbs by entering DARK lbs. Can be all one product or spread amongst products

USDA Packet Notes

- ◉ [Nutritional Information](#) hyperlinked on bottom right corner
- ◉ [Contact Information](#) for each vendor posted to web
- ◉ No longer have predetermined amounts – can spread however you would like – does not have to be even
- ◉ Detailed [instructions](#) posted to web
- ◉ Enter your Agreement # with hyphen
- ◉ Due Date = Friday February 26th, 2016

- ◉ Processed items area full year commitment
 - PAY YOUR INVOICES – shortages are monitored by DESE and reconciled at the end of the SY

Department of Defense Fresh Program

- Began as a pilot program and LEAs were grandfathered in
- Grown over the years and changes have been made by the Department of Defense
 - One long-term contracted vendor for **ALL** of MO
 - C & C Produce in Kansas City
 - All produce orders are submitted via FFAVORS
 - Prices may be higher than purchasing commercially
- Utilizes Entitlement and must be elected via the USDA Foods Packet

DoD vs FFVP

DoD

- ⦿ Began as a pilot program and LEAs were grandfathered in
- ⦿ Grown over the years and changes have been made by the Department of Defense
 - One long-term contracted vendor for **ALL** of MO
 - C & C Produce in Kansas City
 - All produce orders are submitted via FFAVORS
 - Prices may be higher than purchasing commercially
- ⦿ ***Utilizes Entitlement and must be elected via the USDA Foods Packet***

FFVP

- ⦿ Grant-based program
- ⦿ Annual Application
- ⦿ ***Elementary School Only***
- ⦿ Notification sent to Elementary Schools >50% F/R
- ⦿ Grant determined per enrolled student
 - Between \$50-\$75 per student
- ⦿ Monthly claims submitted to DESE for reimbursement
- ⦿ ***Conducted outside breakfast and lunch but during school day***

School Lunch Solutions and Opportunity Buysnot USDA DF

- School Lunch Solutions and National Food Group (formerly United Commodity Group) may offer your LEA additional commercial items to purchase
 - Delivered by Lanter *with* USDA DF, but not USDA DF
 - LEAs can purchase any items from SLS or NFG, but DESE – SFS receives no information about commercial items
 - Separate Bill of Ladings will be issued by Lanter
 - Any problems with SLS or NFG items should be directed to:
 - SLS – John Pickert, 800-520-1399 ext 1
 - NFG – Nick Goetz: 888-824-0700 ext. 1133

Who's Confused??



NOI SNA FFS ACDA AMS 6 ¢ Cert
ProcessorLink DoD FSA Rebates
Open Order WGR
Monthly Orders
MFFS VPT FFVP
Processing Packet
FFAVORS K12Foodservice.com
WBSCM

Commodities vs USDA Foods

Abbreviations – Acronyms

- ACDA – American Commodity Distribution Association
- AMS – Agriculture Marketing Service
- DoD – Department of Defense
- FFAVOR – Fresh Fruit and Vegetable Order Receipt System
- S – Fee For Service
- FFS – Fresh Fruit and Vegetable Program
- FFVP – Farm Service Agency
- FSA – Modified Fee For Service
- MFFS – Net-Off-Invoicing
- NOI – School Nutrition Association
- SNA – Value-Pass-Through
- VPT – Whole Grain Rich
- WGR – Web Based Supply Chain Management
- WBSCM

Contacts

Karen Wooton – Director – Food and Nutrition Services
karen.wooton@dese.mo.gov, 573-751-3526

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