

2020 MISSOURI
USDA FOOD EXPO



Food & Nutrition Services

USDA Foods



Missouri Donated Food Program

Lisa Percival– Director, Food Distribution Program

Lisa.Percival@dese.mo.gov, 573-522-1974

Andrea Powell– Food Distribution Specialist

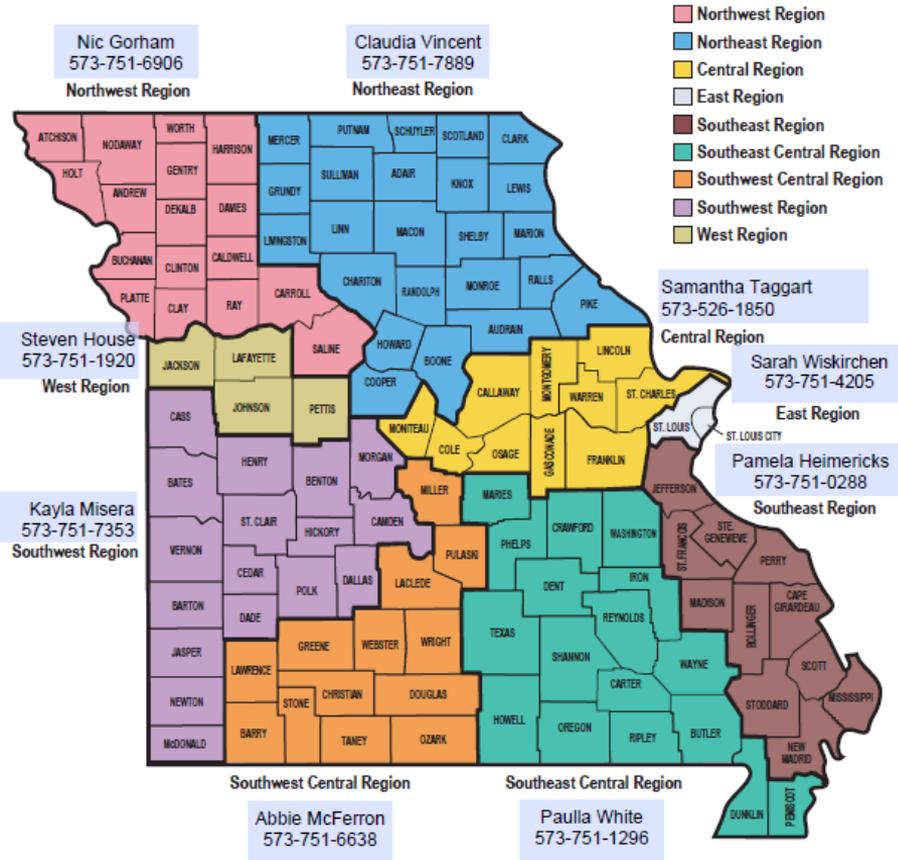
Andrea.Powell@dese.mo.gov, 573-751-7253

DeeDee Kilson – Food Distribution Program Associate

DeeDee.Kilson@dese.mo.gov, 573-751-1706



Nutrition Program Specialists



- **Ellen Rees**– Nutrition Program Manager
- **Chad Maize**– Lead Nutrition Program Analyst
- **Nic Gorham** – Northwest Region
- **Steven House** – West Region
- **Kayla Misera** – Southwest Region
- **Keely Hawkins** – Charter Schools
- **Abbie McFerron** – Southwest Central Region
- **Paula White** – Southeast Central Region
- **Pamela Heimericks** – Southeast Region
- **Sarah Wiskirchen** – East Region
- **Samantha Taggart** – Central Region
- **Claudia Vincent** – Northeast Region



FARMERS

USDA FOODS

FAMILIES

USDA purchases more than 2 billion pounds of food worth nearly \$2 BILLION from American farmers each year.

USDA helps support American Farmers, keeping local agriculture strong and stimulating the economy.

USDA FOODS are 100% American Grown, meeting the **highest safety and nutrition standards**.



USDA FOODS include high quality fruits, vegetables, dairy products, whole grains, lean meats, poultry and fish.

USDA works to ensure USDA FOODS meet the Dietary Guidelines for Americans, including reduced levels of fats, sodium and sugars.

Healthy Choices. American Grown.

To learn more about USDA Foods, visit:
www.fns.usda.gov/USDAFoods
www.fns.usda.gov/USDAFoods/mobile

USDA distributes USDA Foods to food banks, soup kitchens, disaster feeding organizations, Indian Tribal Organizations, charitable institutions and other feeding organizations, helping families stretch their food budgets and ensuring that all Americans have healthy foods within reach.

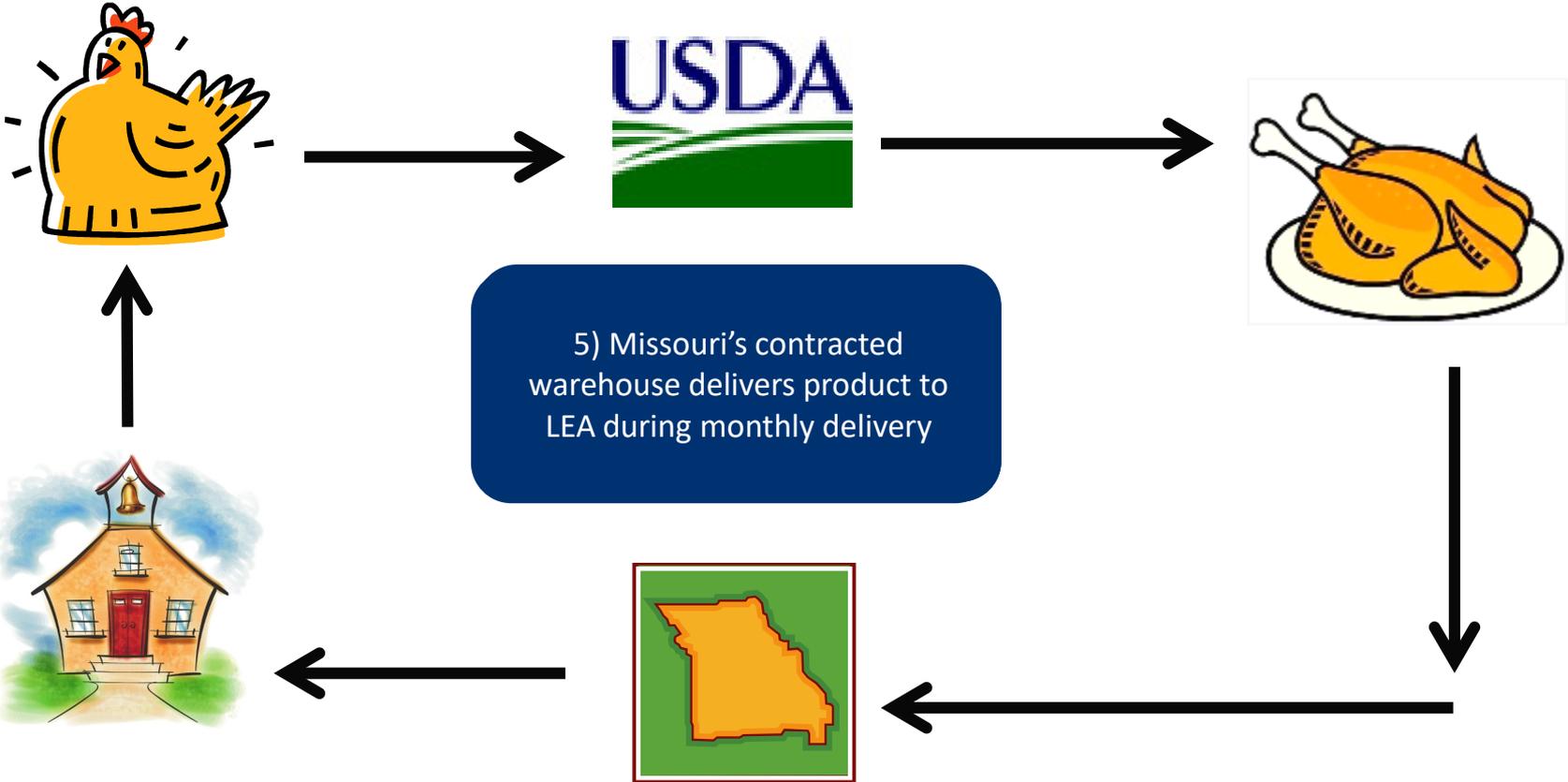
USDA foods are also offered to schools in order to help them provide healthy, high quality lunches to more than 32 million children daily.

Entitlement Spending Options

BROWN BOX

- Unprocessed or minimally processed items
- Demand Driven/ Annual Survey
- Entitlement only
- Procurement Process has been completed
- Delivered monthly by State Warehouse

USDA Brown Box



Entitlement Spending Options

BROWN BOX



FFS



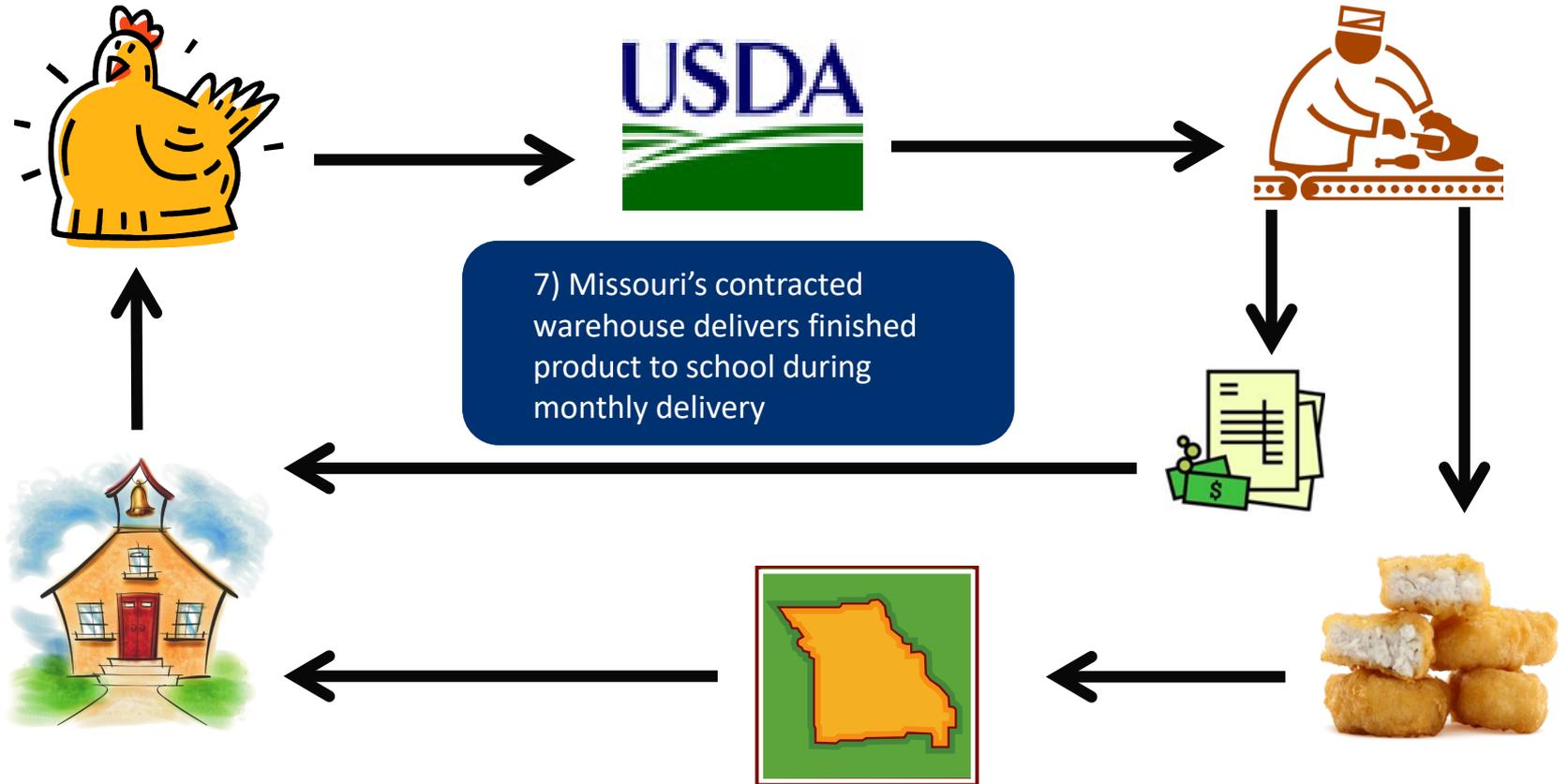
[Green Box]



[Blue Box]

- **Diverted convenient, ready-to-use products**
- **Entitlement + Processing Fee**
(labor, packaging, additional ingredients, overhead)
- **LEA completes procurement process**

Fee for Service (FFS)



Entitlement Spending Options

BROWN BOX



FFS



NOI



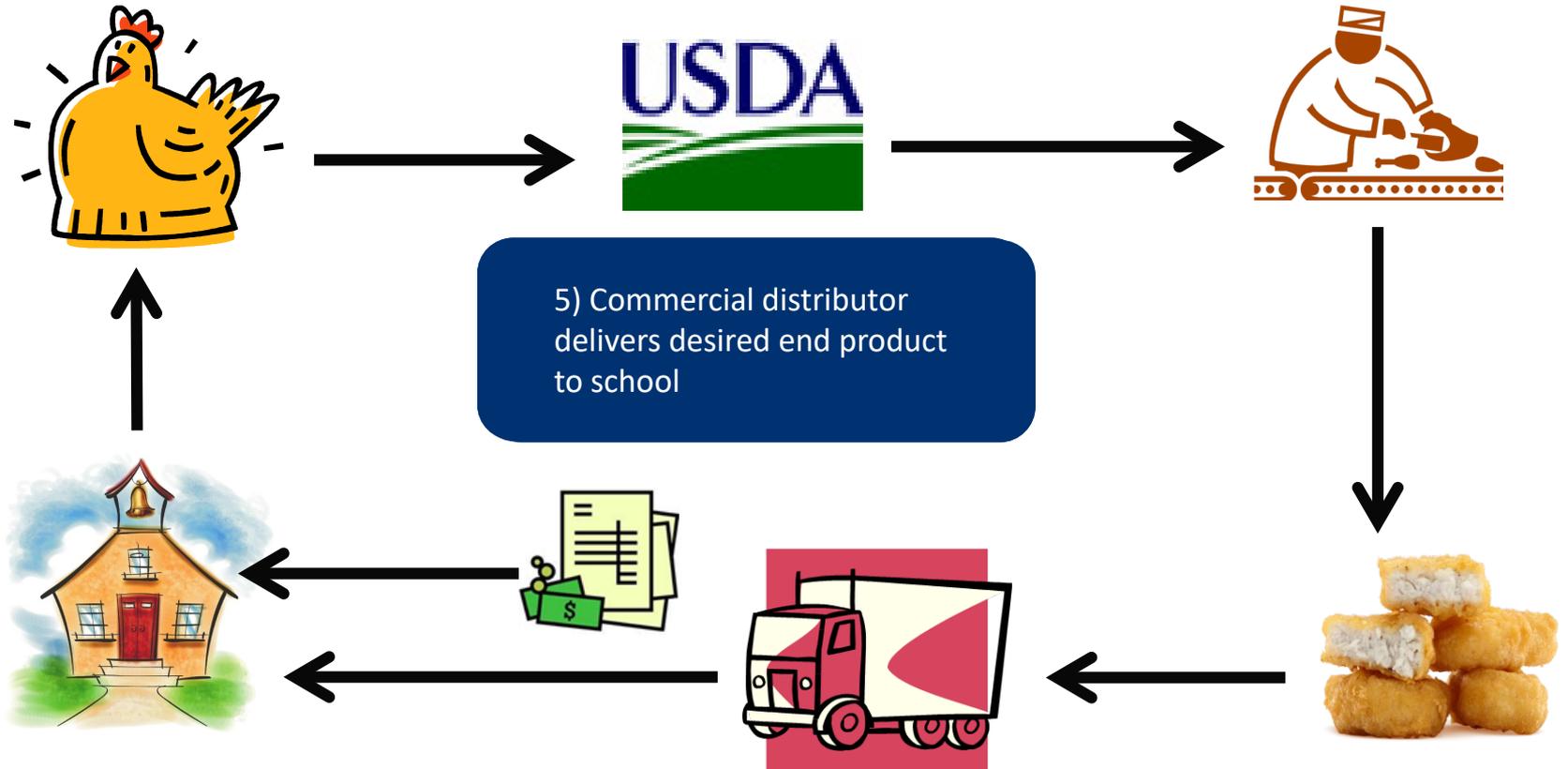
...ent, ready-to-use products

+ Processing Fee + Delivery

(labor, packaging, additional ingredients, overhead)

- LEA completes procurement process

Net Off Invoice (NOI)



Entitlement Spending Options

BROWN BOX

- Fresh fruits and vegetables



FFS

- 100% American grown



NOI

- Entitlement only



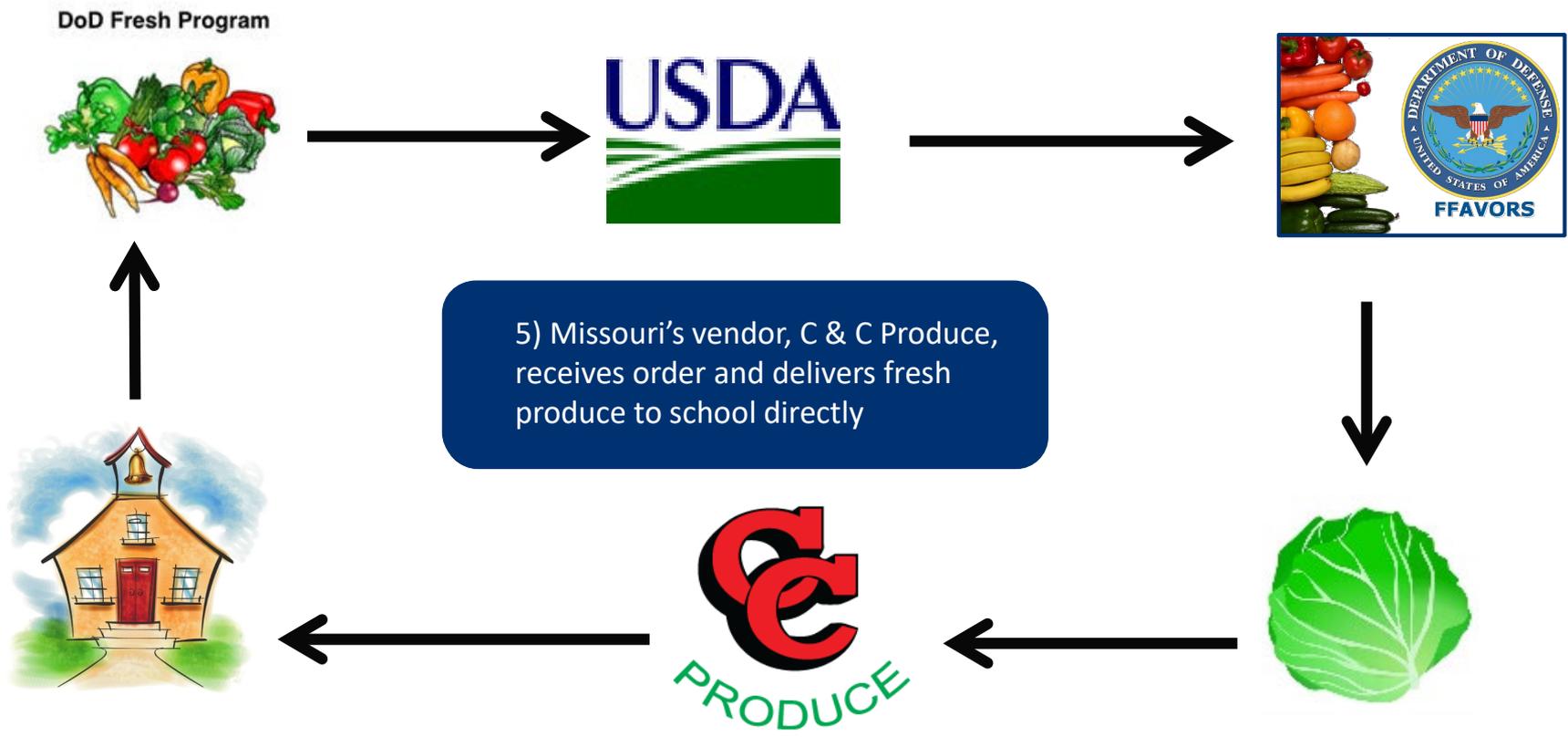
DoD FRESH

- School places orders through FFAVORS

- Fresh produce is delivered by C & C Produce



DoD Fresh Fruit and Vegetable Program





Procurement and USDA Foods



Procurement Question 1

DESE School District would like to process its USDA Foods bulk chicken into flaming hot chicken tenders. If it uses an approved processor through the state processing agreement does it have to be competitively procured?



Answer

- Yes, Federal dollars spent on further processing of USDA donated foods must always be competitively procured. Remember, state and national processing agreements are only agreements and do not replace the requirement for LEAs to competitively procure.



Question 2

- Is the LEA required to procure brown box items?

Procurement for USDA Foods



- **Answer: NO**
 - **Brown Box items are procured at the national level- USDA selects vendors for procurement of bulk donated food**
 - (Do not list brown box items/vendors on the LEA's procurement table during a Procurement Review)
- **School responsible for procurement of FFS and NOI items**
- **Federal/state/local procurement regulations apply to processed commodities**



Remember
procurement is
not limited to
USDA Foods
(Commodities)

Procurement Thresholds

Simplified Acquisition Threshold (SAT) (formerly Small Purchase Threshold)

Informal Purchasing Methods

Formal Purchasing Method

Micro-Purchase

\leq \$10,000
(equal or less)

Small-Purchase

$>$ \$10,000
 \leq \$250,000
(greater than \$10,000 and less than \$250,000)

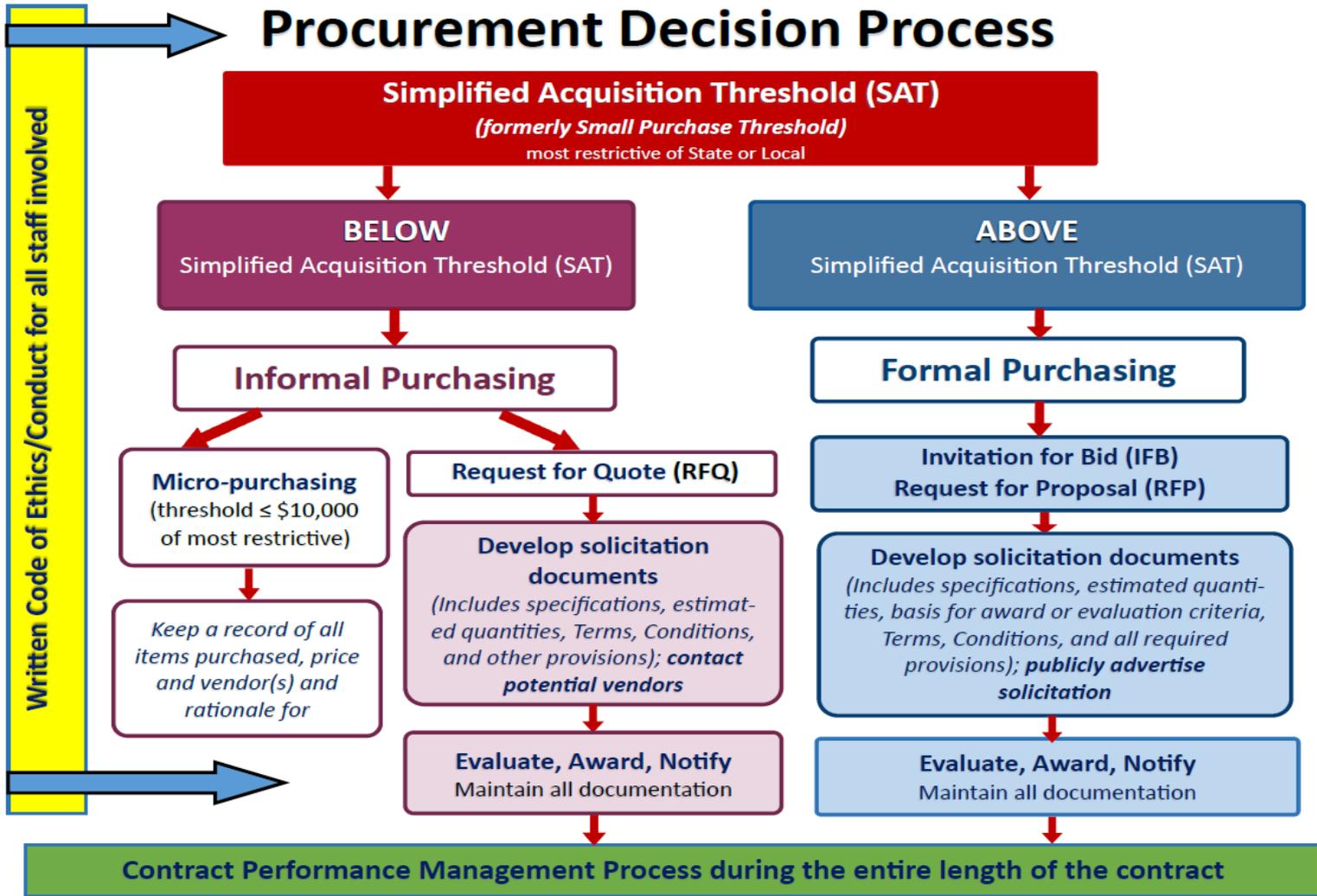
$>$ \$250,000
(greater than \$250,000)

The process begins by asking what is the aggregate dollar amount per purchase?

THRESHOLDS

You must use the strictest of Federal/state/local thresholds and rules

Procurement Decision Process



Written Code of Ethics/Conduct for all staff involved

Contract Performance Management Process during the entire length of the contract



Procurement Documentation

- Record of items purchased, price, vendor/processor, and rationale for all transactions equal or less than \$10,000
 - Most restrictive purchase threshold applies
 - Remember all micro-purchases must be distributed equitably among qualified suppliers
- Competitive quotes required if you spend below or equal to \$250,000. (Small Purchase Method)
- Formal bid required for amounts you spend above \$250,000. (Formal Purchase Method)

Procurement Question 2

White Salmon School District would like to process its USDA donated foods cheese into pizza. The district develops a solicitation. Then solicits and documents prices from three processors on the Food Distribution USDA Foods Packet.

Does this meet the regulatory requirement for free and open competition?

Answer

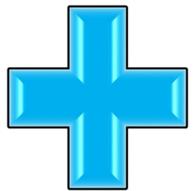
- Yes, as long as it is under the small purchase threshold.
- If it is over \$250,000?
 - No.
 - Why?



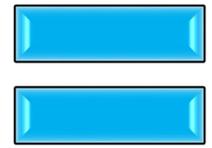
Remember the LEA is responsible for this step of procurement.

True Cost of Processed End Product

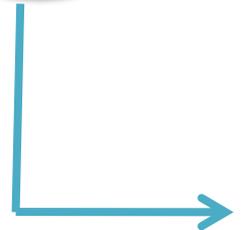
Total product cost



Value of USDA Food



True cost of processed end product



- **Ingredients to make end product**
- **Shipping and final delivery**
- **Storage**
- **Administrative costs**

Procurement: Processed End Products

LEA responsible for procurement of:

- Other ingredients + labor + packaging + overhead + other cost= YOUR PRICE TO PROCURE
- Donated food value credit included in final price

Procurement of Fully Cooked Beef Patty

Example:

DF Inventory Draw Down per Case		Value per lb of DF	=	Value of DF per Case	+	Case Price	=	Undiscounted Case Price
40.57 lbs.	X	\$1.4087	=	\$57.15	+	\$41.75	=	\$98.90

Your Entitlement!

Procured Price

Methods of Sale

Pass Through System:	Net-Off-Invoice	Fee for Service
Schools procure from:	Distributor 	Processor 
Pass through:	Distributor	Processor
How pass through is performed:	Discounted invoice (commercial product reduced by the DF- <u>net price</u>).	Donated food value is not included in Your Cost of processed end product

Evaluating Prices of End Products

Buying directly from processor on Fee for Service basis

Written Specification: Cheese Pizza	Processor A	Processor B	Processor C
Processing fee	\$90.00/case	\$80.00/case	\$85.00/case
Value of DF used in production	\$50.00/case	\$45.00/case	\$60.00/case
Total cost	\$140.00/case	\$125.00/case	\$145.00/case
CN servings per case	120	110	100
\$ per serving	\$1.167 ($\$140/120$)	\$1.136 ($\$125/110$)	\$1.45 ($\$145/100$)

Processor B has the lowest price per serving in this example: \$1.136 per serving.

Evaluating Prices of End Products

Buying through distribution-Net-Off-Invoice

Specification: Brand A or equivalent	Distributor A (Equivalent Brand)	Distributor B (Brand A)	US Foods, Inc. (Brand A)
Commercial Price	\$30.00/case	\$29.50/case	\$30.00/case
DF discount	USDA processing not involved	\$10.00/case	\$10.00/case
Net Price	\$30.00/case	\$19.50/case	\$20.00/case
CN servings per case	120	120	120
\$ per serving	\$0.25 (\$30/120)	\$0.246 (\$29.50/120)	\$0.25 (\$30/120)

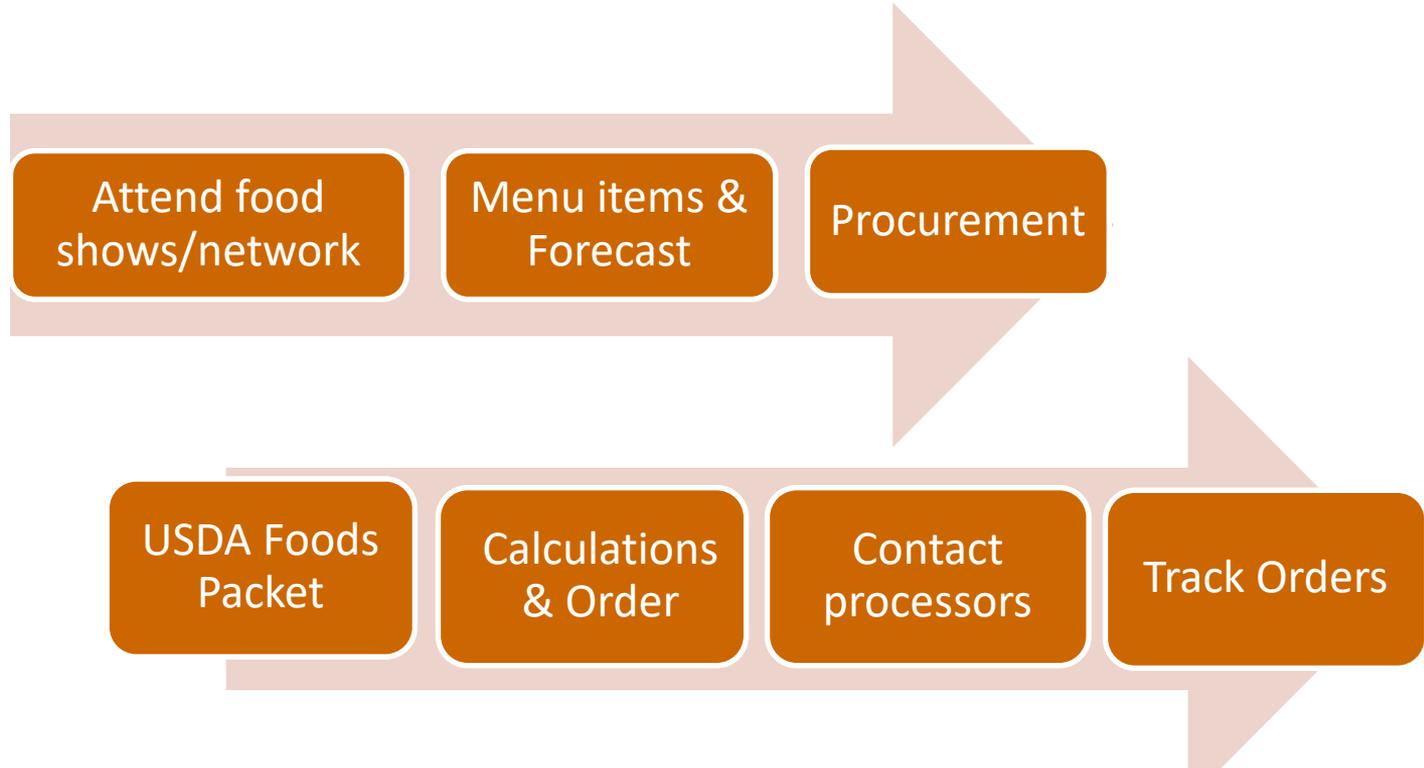
Distributor B has the lowest price per serving in this example.



Best Practices

- ✓ Is the USDA Food item a better deal than Commercial?
 - ✓ Processing Cost + Value-Pass-Thru (NOI or FFS) + Other Fees = Total Case Price
- ✓ Forecast!
- ✓ Food Service Procurement Plan

Procurement: Processing Timeline



Donated Foods Timeline

Month	USDA Pre-order	Processing Diversions/End Products
August to October		Update Procurement Plan and include Forecasted purchases for upcoming SY: commercial products and Donated Food (DF). Attend food shows, request samples for taste test, etc.
November		Donated Food Values are released from USDA Write product specification (informal) Develop bid documents- (formal)
December	Complete item selection survey	Obtain quotes- (informal) Solicit Bids (formal) Publish RFP (formal)
January to March	Entitlement released Complete USDA Foods Packet	Evaluate Quotes/bids/proposals (informal) Award Contracts (formal) Provide DESE an estimate of DF required for diversion
March - April		DESE Food Distribution orders full truckloads of donated food for pre-order and to fill banks (NOI & FFS)
January-June		Schools communicate with brokers, processors and distributors to finalize bids, agreements & contracts.
July	Value Letter of entitlement sent to LEA	Use letter to monitor how well entitlement was used in the previous SY
Ongoing		Monitor invoices from distributors and processors for value pass through; monitor balance in sponsor/single banks

Procurement Policy/Plan

- Procurement Plan is required to be updated and signed by board prior to each school year
- Board approved School Food Service procurement plan
 - Examples:
 - If local threshold is more restrictive than Federal/state may seek board approval for change in threshold for procurement out of food service account
 - Include special purchase practices which may include farm to school, special diets, etc.

Processing Vendors

- Processing Vendors will be included on a Procurement Review
- USDA commodity food items (brown box) are nationally procured
 - ❑ Do not list brown box vendors on the SFA procurement table

Vendors		
Type	Vendor Count	# Selected for Review
Micro Purchases	6	2
Small Purchases	0	0
Formal Contracts	0	0
FSMC Contracts	1	1
Processing Contracts	0	0

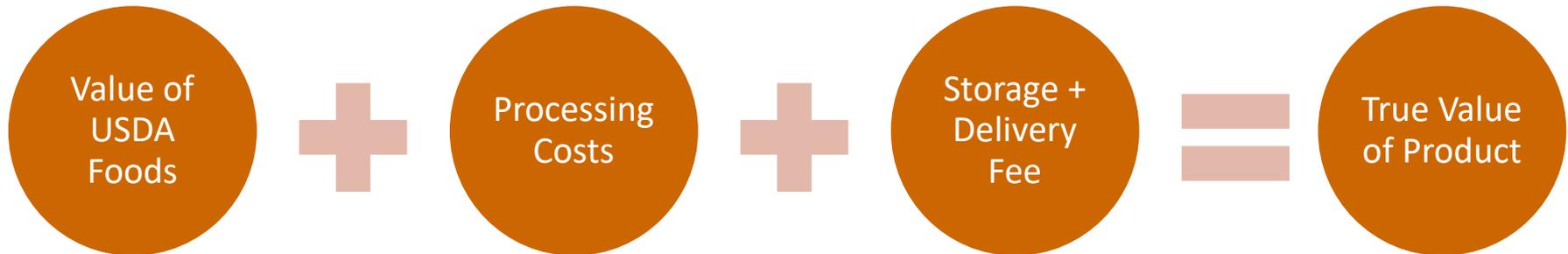
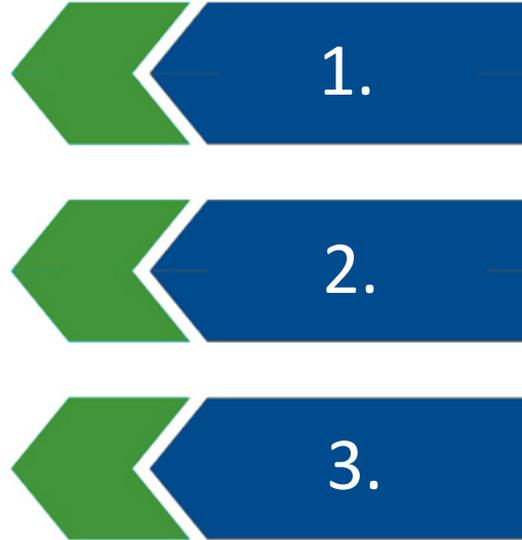


2020-21 USDA Foods Packet

USDA Foods Packet



- Plan & Forecast
- Procure Items & Analyze Costs
- Order Items



USDA Foods Packet



3. Order Items

USDA Foods

Home » Financial & Admin. Services » Food & Nutrition Services

- **USDA Foods Packet 2020-21** Updated 2/18/2020
- USDA Foods Forecasting Tool
- Processor/Broker Contact Information
- DOD Information
- Net-Of-Invoice
- **USDA Foods Packet Webinar**
- Commodity Expo Presentation Coming Soon
- Nutritional Facts for Processed Commodities
- USDA Donated Foods Newsletter
- Lanter Distributing Payment Information 7/22/2016
- Value of USDA Foods Distributed 2018-2019
- 2019 Brown Box Values
- USDA Foods Entitlement Letters 2018-2019

Lanter Distributing - 816-459-4823 ext. 4208 Contact Person: Lauren Reed

Financial & Admin. Services

- Accounting & Procurement
- Budget
- Career and Technical Education (CTE) Finance
- ESEA Finance
- Food & Nutrition Services
 - Food Safety/HACCP
 - Food Service Management
 - Free and Reduced Price Information
 - Guidance & Resources
 - Handbooks
 - HealthierUS School Challenge
 - Smart Snacks in Schools
 - Statistics
 - **USDA Foods**
 - USDA Memos

USDA Foods Packet



3. Order Items

USDA Foods Packet - 2020-21

Agreement Number:

Local Education Agency:

20-21 Packet Entitlement:

Food Service Director:

Phone Number:

Email Address:

Remaining Entitlement:

- ### -### format

1 to DESE

- Complete contact information

Brown Box Updates



- 10 case minimum for delivery/month

Remaining Entitlement to spend:

[Link to Totals Page](#)

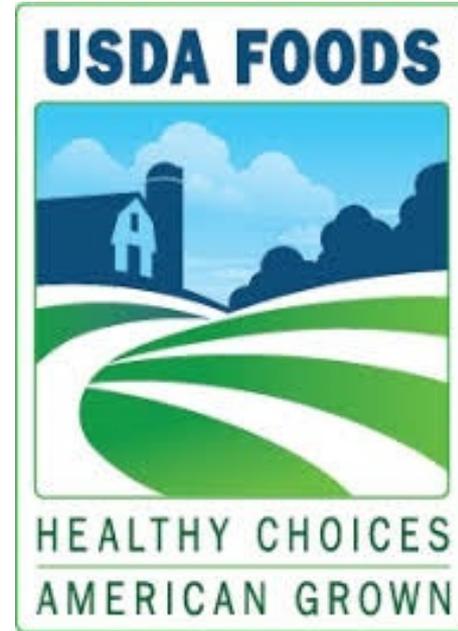
[Nutritional information](#)

Product Code Number	Product Description	Pack Size	Servings Per Case	Must select at least 10 cases	Must select at least 10 cases	Must select at least 10 cases	Meets the minimum case amount	Must select at least 10 cases				
				Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April
Fruits												
100206	Apple Slices, Unsweetened, Canned	6/#10 can	142	2			2		2	2		
100212	Mixed Fruit (Peaches, Pears, Grapes), Extra Light Syrup	6/#10 can	102				2					
100219	Peaches, Sliced, Extra Light Syrup	6/#10 can	108				6					
100225	Pears, Diced, Extra Light Syrup	6/#10 can	114									
100241	Peaches, Diced, Frozen	96/4.5 oz cup	96									

New Items:

- **Beef Crumbles (100134)**
 - Frozen, fully cooked ground beef
 - Delivered in 4 – 10 lb/packages

- **Beef Patty (110711)**
 - Frozen, fully cooked beef patty
 - 40 lb/case, credits for 2.2 oz portion



- **Approved processors offered their top 10 FFS items, by USDA Foods**
- **10 item minimum/monthly order for FFS**
- **Processing fee removed**
- **New Processors**



USDA Foods Packet

- DUE March 6, 2020, email to donatedfoods@dese.mo.gov
- Save the file with your agreement number in the file name
- Year – long commitment
- Any costs associated with products are required to be paid in full
- Do not spend more than your allocated entitlement



USDA Foods Delivery Procedures

Brown Box & FFS items

Delivery Expectations



HOLIDAYS INCLUDE:

Labor Day

Thanksgiving Break (Wed-Friday)

Christmas Break (varies by year)

Martin Luther King Jr. Day

President's Day

Good Friday

Monday after Easter

Delivery, August - April

Friday

3pm

tailgate delivery



Delivery Expectations



4 DAYS FROM DELIVERY

- Delivery Date
- Delivery Type
- Quantity of Food



2 DAYS FROM DELIVERY

- Specific Date
- Specific Time
(within a 2 hour window)
- Location of Delivery



DAY OF DELIVERY

- Receive Bill of Lading
- Verify products
- Sign delivery receipt

Delivery Best Practices



- **Be thoughtful**
- **Check truck cooler and freezer temperatures at time of delivery**
- **Match items to the delivery receipt/BOL**
 - Check for shortages and overages
 - Check product code and descriptions
- **Clearly mark discrepancies on receipt**
 - Total cases, Sign, and Date receipt



Delivery Best Practices

**IF NO DESCREPARNCIES
MARKED, YOU WILL NOT
HAVE DOCUMENTATION
TO ASSIST YOU IN
RECOUPING
SHORTED ITEMS**

DESCRIPTION

COUNT

CLEARLY MARK DESCREPARNCIES ON THE DELIVERY RECEIPT

ONLY ACCEPT ITEMS LISTED ON THE DELIVERY RECEIPT

Please Note



School Lunch Solutions (SLS) & National Food Group (NFG) offer items that are delivered by Lanter with USDA Donated Food

- **These products are not USDA donated food**
- **DESE-FNS has no information about commercial items**
- **LEAs are allowed to purchase these items**
 - **Separate Bill of Ladings**
- **Questions about SLS and NFG products contact:**
 - **SLS – John Pickert, 800-520-1399 x 1**
 - **NFG – Nick Goetz, 888-824-0700 x 1133**

QUESTIONS or CONCERNS DURING YOUR DELIVERY?



USDA FOODS DELIVERY FEEDBACK

Delivery discrepancies should be marked on driver's delivery receipt.

For additional support at time of delivery, please call:

573-751-2646

Monday – Friday, 7:00 am- 3:00 pm

For other USDA Foods complaints, please email:

donatedfoods@dese.mo.gov

Contact information



**8220 NE Underground Dr.
Kansas City, MO 64161**

Main Phone #: 816-459-4823

Main Fax #: 816-459-4871

Main Group email address: LanterMoSchools@lanterdist.com

(This address includes all the people listed below)



Additional Discussion

Complaints

- Submit to donatedfoods@dese.mo.gov
- Identify product, date of delivery, and the problem
- Include item code, expiration date, and pictures if possible
- Allow time for investigation

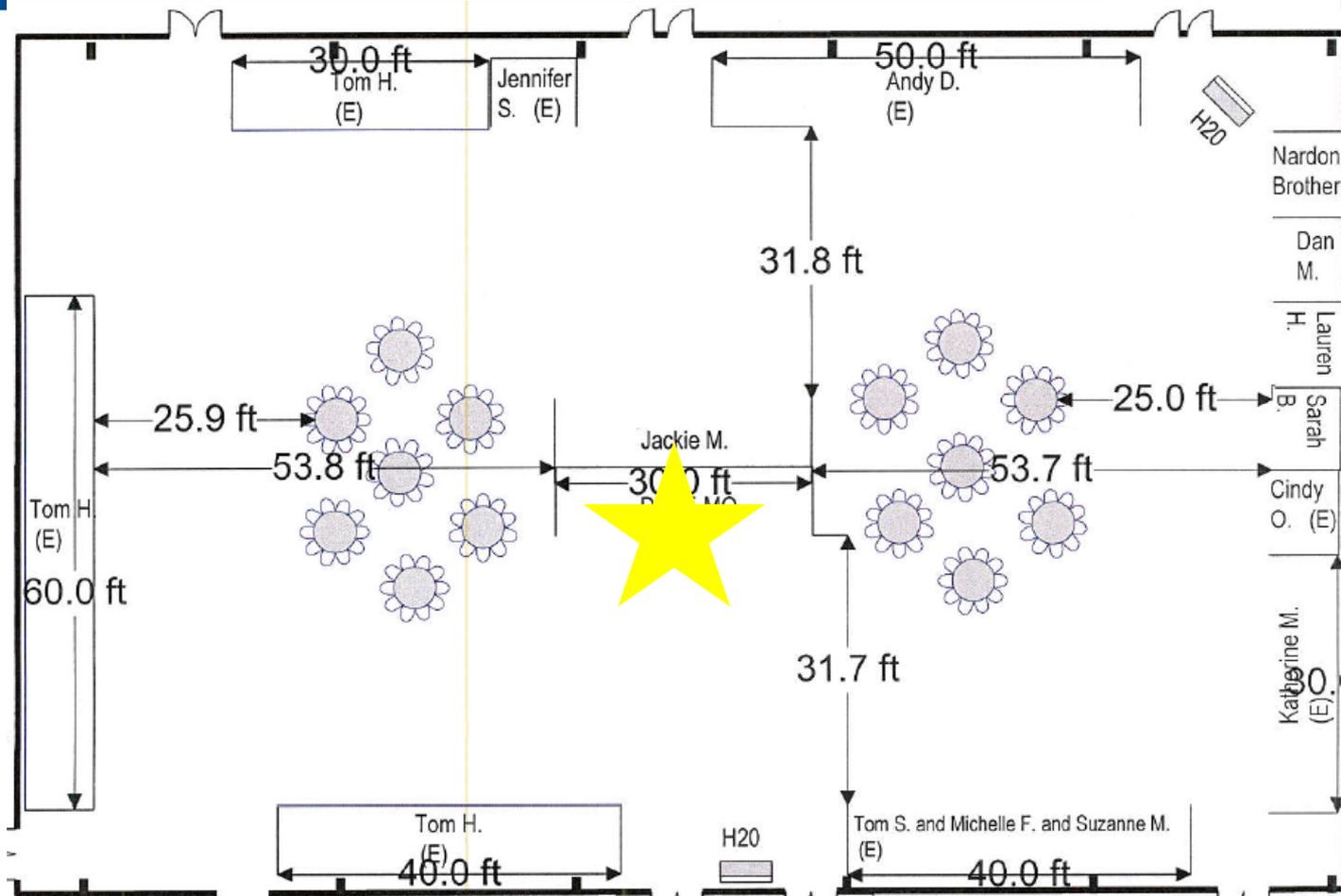


REMINDER:

**Only claim 2 hours of CEUs for
Food Show Events per year**

Food Expo

COME
VISIT THE
DESE, FNS
BOOTH



Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form.

To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights; 1400 Independence Avenue, SW Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. This institution is an equal opportunity provider.

Missouri Donated Food Program

Please contact us!

donatedfoods@dese.mo.gov

573-751-2646

Lisa Percival– Director, Food Distribution Program

Lisa.Percival@dese.mo.gov, 573-522-1974

Andrea Powell– Food Distribution Specialist

Andrea.Powell@dese.mo.gov, 573-751-7253

DeeDee Kilson – Program Specialist

DeeDee.Kilson@dese.mo.gov, 573-751-1706

