

USDA Foods Distribution Program



Hawaii Child Nutrition Programs



HCNP



USDA Foods Distribution Program

- ▶ Direct Appropriations from Congress
- ▶ Surplus Removal Activities
- ▶ Price Support Activities



State of Hawaii

USDA Foods Distribution Program

- ▶ National School Lunch Program
- ▶ Summer Food Service Program
- ▶ Child and Adult Care Food Program
(In Hawaii, CACFP receives cash in lieu of commodities)





Federal Regulation 7CFR Part 250

DONATION OF FOOD FOR USE IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS AND AREAS UNDER ITS JURISDICTION

- ▶ Adequate facility
- ▶ Safeguard USDA Foods and USDA DOD Fresh Produce
- ▶ Use USDA Foods for the sole benefit of NSLP
- ▶ Maintain and submit reports
- ▶ Comply with Civil Rights & Nondiscrimination laws/regulations
- ▶ Conduct audits and reviews as required
- ▶ Maintain financial responsibility
- ▶ Vended meal services agreement/contract





Federal Regulation 7CFR Part 252

NATIONAL COMMODITY PROCESSING PROGRAM

- ▶ Food and Nutrition Service (FNS) and private processors enter into agreements to process and distribute designated commodity foods to eligible SFAs
- ▶ Processors must meet minimum requirements
- ▶ SFAs benefit by being able to purchase processed end products at a substantially reduced price
- ▶ SFAs are able to participate to the extent of their eligibility to receive commodity foods





Entitlement

- ▶
$$\frac{\text{Number of Reimbursed Lunches} \times \text{USDA FDP Meal Rate}}{\text{ENTITLEMENT}}$$

ENTITLEMENT

- ▶ Allocated Between SFAs Based on “Fair Share” of Entitlement



Ordering Foods



USDA Foods

- ▶ Brown Rice
- ▶ Cheddar Cheese
- ▶ Sliced Yellow Cheese
- ▶ White WW Flour





Improved Nutritional Value

- ▶ Canned Fruits Packed in Low Sugar Syrups, Natural Juices, or Water
- ▶ Low Fat Meats and Poultry
- ▶ Reduced Fat, Reduced Sodium Cheeses



Warehouse–SFA Agreement Delivery & Handling Fees

<u>Food Type</u>	<u>Per Unit/Case</u>		
	<u>Oahu</u>	<u>Hawaii/Maui/Kauai</u>	<u>Mol/Lan</u>
Dry	\$6.44	\$11.95	\$15.60
Temperature Controlled, Refrigerated, Frozen	\$7.83	\$13.05	\$16.53



USDA Foods Cost Example

1 case Yellow Sliced Cheese	\$ 57.90 / case
1 case Fine Ground Beef	\$122.00 / case
1 case Sliced Peaches	<u>\$ 42.30 / case</u>
Value Deducted from Entitlement	\$222.20
Frozen	\$ 7.83
Frozen	\$ 7.83
Dry	<u>\$ 6.44</u>
Your Out-of-Pocket Cost	\$ 22.10





Ordering USDA DOD Fresh Produce

- ▶ USDA DOD Fresh Produce Prices Used to Include a 4.6% Cost Recovery Rate
- ▶ The Cost Recovery Rate is Now Paid by USDA
- ▶ There are No Out-of-Pocket Fees





Food Safety - Holds

- ▶ Precautionary step
- ▶ Do not serve the product
- ▶ Physically segregate the food product to a separate area of storage that will isolate it from other foods

Reading a Product Label

**CLUCK OF
THE DAY
FOODS**



PO BOX 55, Anytown CA 12345
January 15, 2001

BREADED WHITE CHICKEN PATTIES

FULLY COOKED

INGREDIENTS: White chicken, enriched wheat flour (niacin, reduced iron, thiamine mononitrate, riboflavin), water, dried whole eggs, enriched yellow corn flour (niacin, reduced iron, thiamine mononitrate, riboflavin), salt, sodium phosphate, soybean oil, modified food starch, spices, nonfat dry milk, leavening (sodium bicarbonate, sodium aluminum phosphate, sodium acid pyrophosphate), dextrose, enriched yellow corn meal (niacin, reduced iron, thiamine mononitrate, riboflavin), mono and diglycerides, dried whey, sugar, dried yeast, sodium alginate, natural flavor. Fried in vegetable oil.

HEAT AND SERVE

HEATING INSTRUCTIONS:

	Deep Fat Fry 350°F	Conventional Oven 400°F	Convection Oven 375°F
Frozen	3-5 1/2 min.	12-15 min.	8-10 min.

Cooking recommendations should be used as a guide only - variations in time and temperature may be required for variations in quantities heated.

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KEEP FROZEN

20457

NET WT. 11.25 LBS.



Lot Number

**Establishment
Number**

**Product
Code**

**Run or
Code Number**





Release

- ▶ You will receive notification that a product on “hold” has been “released”
- ▶ A release means that after the investigation the food item has been found to be safe and can be used



Food Safety - Recalls

- ▶ Removal of the product to protect the public from food that may cause health problems or death
- ▶ Removal of a product that is mislabeled
- ▶ DO NOT SERVE THE PRODUCT
- ▶ PRODUCT MUST BE DESTROYED
(SFAs will receive instructions from HCNP)





Vendor Contract Verbiage

- ▶ USDA Foods received for use by your vendor are intended for use in that school year
- ▶ Vendor must credit you for the value of the USDA Foods received in the specified school year





Vendor Contract Verbiage

- ▶ Vendor will credit you the value of the USDA Foods through invoice reductions
- ▶ Ensure your vendor is crediting the value of the USDA Food as determined by the State Agency





Vendor Contract Verbiage

- ▶ Vendor must meet the general requirements for storage and inventory management
- ▶ Ensure your vendor does not charge you for USDA Foods





Vendor Contract Verbiage

- ▶ The SFA, State Agency, Comptroller General and Dept. of Agriculture may perform on-site reviews
- ▶ Vendor must maintain required records
- ▶ Extensions of contract are contingent on fulfillment of contract provisions



Vendor Contract Verbiage

- ▶ Your vendor must maintain records relating to:
 - ▶ USDA Foods and processed end products received
 - ▶ Documentation of credits





Vendor Contract Verbiage

- ▶ You must maintain records relating to:
 - ▶ USDA Foods and processed end products received and provided to your vendor
 - ▶ Documentation of credits
 - ▶ Actual USDA Foods value





Vendor Contract Verbiage

- ▶ You must ensure your vendor is in compliance
 - ▶ Monitor your food service operation
 - ▶ Conduct reconciliations

Contact Information

- ▶ HCNP

- Phone (808) 587-3600
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