

# Conquering Your Fears in Working with USDA Foods!!

With Jose and Carole  
February 11, 2021

*There are two kinds of people....  
There are two kinds of FOOD!*



People:

Left Handed/Right Handed  
Glasses/No Glasses!  
Gold Suits! No Gold Suits!

FOOD:

Commercial  
Commodity

# Commercial vs. Commodity

Example: Beef Patties

Commercial:

FULL PRICE

\$0.42 / serving

Commodity:

We use USDA Foods - Price SAVINGS!!!

\$0.14 / serving

**ALOHA! PRICE SAVINGS!!!**

# What are USDA Foods?



## New Words for Today:

- ▶ Reimbursement
- ▶ Entitlement



What's the difference?

# School Year July - June Entitlement ESTIMATE !

**MOST RECENT COMPLETE PRIOR YEAR MEALS**

**X**

**PROJECTED MEAL RATE  
(INCLUDES 12% ADJ.)**

**+/-**

**PRIOR YEAR BALANCE**

**=**

**TOTAL ENTITLEMENT PROJECTION**

# 3 Ways to Spend Your Entitlement Dollars:

1.



**USDA DoD Fresh**

2.



**Direct Delivery Foods  
(aka Brown Box)**

3.



**Processing/Diversion**

# USDA Foods Programs

## DOD Produce Program



# Direct Delivery vs. Processing



**VS.**

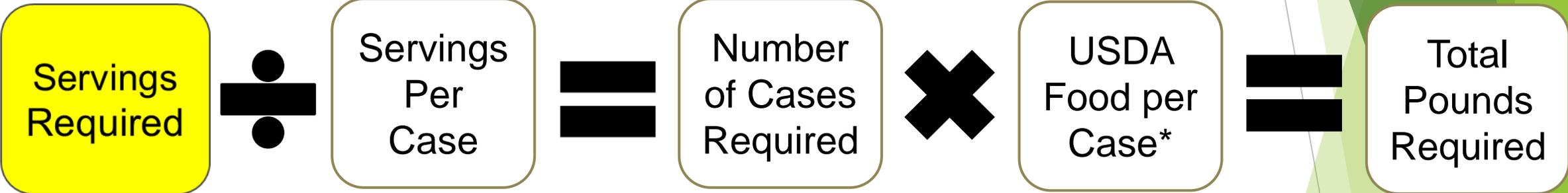


# Commodity Calculator

- Offered by many Processors
- Determines Total Raw Pounds needed to **divert!**
- Select the items you want to serve
  - Enter the number of portions needed
  - Enter the frequency it's on the menu
  - The calculator tells you how much to divert



# Using a Commodity Calculator





LET'S CREATE GREAT DISHES TOGETHER:

### SY 21-22 USDA Foods / Cost Calculator

### Coarse Ground Beef (100154)

Instructions:		Summary:		Notes:								
<b>Step 1:</b> Enter your <i>Estimated Number of Servings Desired</i> in column A		Pounds Needed:	911									
<b>Step 2:</b> That's it! You're done! Thank you!		PAL Expenditure:	\$2,447									
Item #	Description	Additional Info.	Average Finished Case Weight	CN Serving Size (oz.)	M/MA	Estimated Number of Servings Desired	Approx. FULL Servings Per Ca	Number of Finished Cases	USDA Foods per Case	Pounds of 100154 Needed	USDA Foods Value per Case	PAL Expenditure
<b>Taco Filling</b>												
CP5249	PREMIUM Beef Taco Filling	(Allergen Free) Meals-To-Go	30.00	2.71	2.00	5,000	177	29	31.40	910.60	\$84.37	\$ 2,446.73

USDA Foods Group	WBSCM Material Code	Material Description	Pounds from Worksheets	LOG-IN to your K12 Account & <ENTER> your Carry Over Lbs. below:	TOTAL Pounds Needed	USDA Price List (per lb.)	PAL Expenditure
BEEF	100154	BEEF COARSE GROUND FRZ CTN-60 LB	911	0	<b>911</b>	\$2.6870	<u>\$2,447</u>
PORK	100193	PORK PICNIC BNLS FRZ CTN-60 LB	0	0	<b>0</b>	\$1.4477	<u>\$0</u>

# 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.

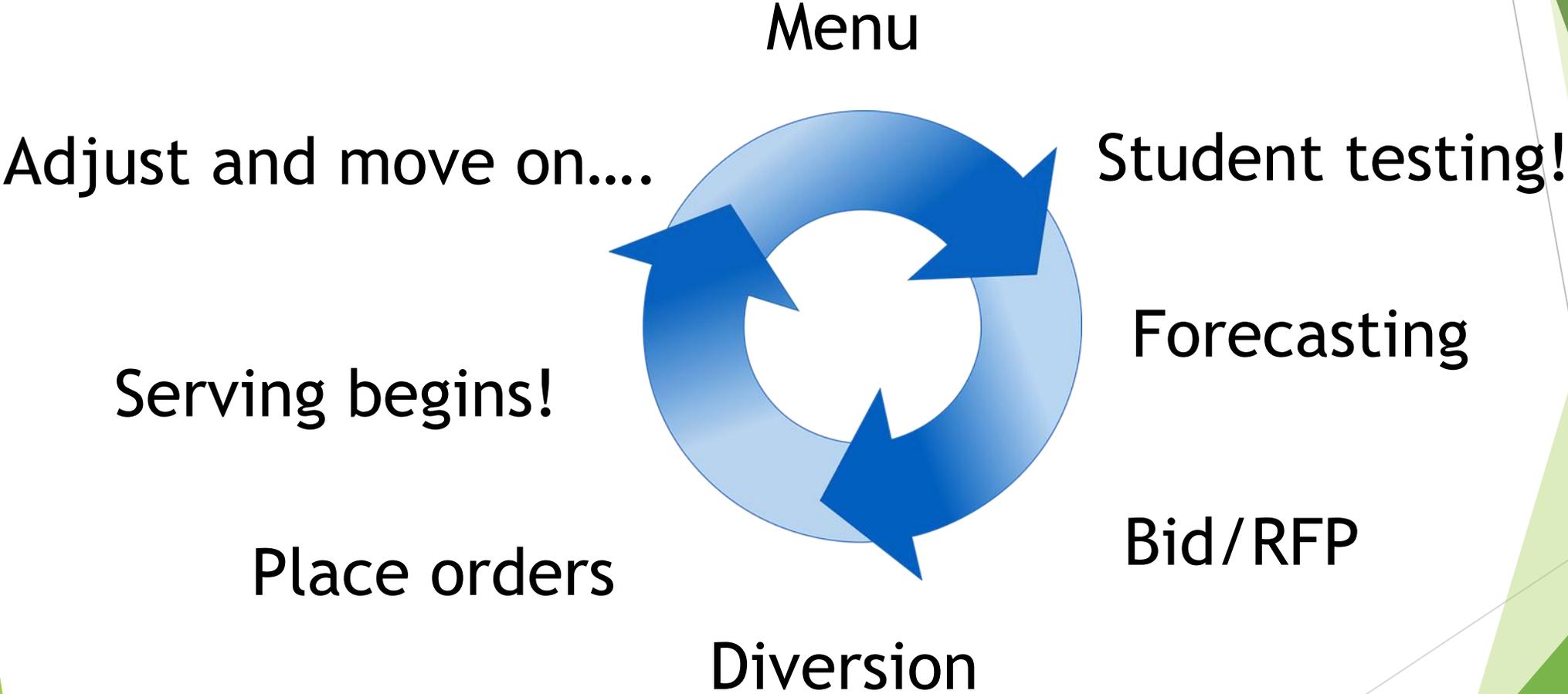
Once you figure out the value of USDA foods in product, there are options to make sure that you receive it!

# Value Pass Through (VPT) Systems

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



# The Flow.....



# Who's Driving the Bus?

State Agency = Bus

USDA = Bus Driver

District = Along for Ride



# Questions?



*Questions are the path to learning*