AGENDA FOR 1-29-21

Coop News
Website Reminders
TDA Procurement Update
USDA Foods Update
Commodity Processing of USDA Foods
Processing Renewal
Processorlink
RFPs for 2021
Newly Awarded Vendors
Upcoming Conferences
Annual Child Nutrition & Product Expo
RFPS FOR 2021-2022

- **BOTTLED DRINKING WATER, COOLERS, & OTHER RELATED PRODUCTS (DS Services & Nestle Waters)** – Current contract expires 6/19/21
- **BREAD PRODUCTS (Kurz & Co.)** – Current contract expires 7/31/21
- **DAIRY AND OTHER RELATED PRODUCTS (Borden Dairy)** – Current contract expires 7/31/21
- **SITE BASED PIZZA PROGRAM (Smart Mouth Foods)** – Current contract expires 7/31/21
- **ICE CREAM PRODUCTS (JP Ice Cream, La Costenita, Paleteria El Pibe, Masters, & Yumi Ice Cream)** – Current contract expires 7/31/21
- **COMMODITY PROCESSING OF USDA FOODS** – will begin this bid process in the fall of 2021 FOR SY22-23
NEWLY AWARDED VENDORS

Emergency Feeding RFP#20/048TP

*New vendors

- Albie’s Foods*
- Alpha Foods Co
- Asian Food Solutions
- Bake Crafters
- Cebev LLC/Juice Bowl*
- Chef’s Corner Foods*
- ConAgra Foods
- Devin Distributing*
- Fat Cat Bakery*
- Gordon Food Service
- Hadley Farms Bakery*
- Heart of Texas Biscuits*
- Integrated Food Service
- JTM Food Group
- Labatt Food Service
- MCI Foods/Los Cabos
- ModernMD*
- Out of the Shell dba Yang’s 5th Taste
- Revolution Foods*
- Rich Chicks
- SA Piazza & Assoc.
- Schreiber Foods*
- Schwan’s Food Service
- SoloFresco Brands*
- Tasty Brands
- The Fathers Table*
- Tyson Prepared Foods
- UNO Foods
2021 UPCOMING CONFERENCES

- SNA INNOVATIVE SOLUTIONS SHOWCASE – Feb. 1–March 31 – VIRTUAL
  www.schoolnutrition.org/virtualexpo

- TASBO ENGAGE ANNUAL CONFERENCE – Feb. 15-March 5 – VIRTUAL
  www.tasbo.org

- LEGISLATIVE ACTION CONFERENCE (LAC) – March 8 -10 – VIRTUAL
  https://schoolnutrition.org/meetings/lac/2021/

- NATIONAL CACFP ASSOCIATION CONFERENCE- April 20-22 - VIRTUAL

- ACDA ANNUAL CONFERENCE- April 25-28/ Sheraton New Orleans Hotel; New Orleans, LA
  www.commodityfoods.org/2021ACDAconference

- TASN 2021 Partnership Collaboration Summit – Child Nutrition 2.0 – April 28-30/ Fairmont Austin; Austin, TX
  www.tasn.net

- TASN ANNUAL CONFERENCE- June 20 -22, 2021/San Antonio Convention Center; San Antonio, TX
  www.tasn.net

- SNA ANNUAL NUTRITION CONFERENCE (ANC) – July 11-13/ Chicago, IL
  www.schoolnutrition.org/meetings/anc/2021
CP ANNUAL NUTRITION AND PRODUCT EXPO 2021!!!

- Location:
  - Humble Civic Center

- Date:
  - Wednesday, October 6th, 2021

Director Appreciation Dinner

- Location:
  - TBA

- Date:
  - Tuesday, October 5th, 2021 at 6:30 pm
Click the Member Login tab

Submit username and password

Check box – “Login to Food Area Only”
  - For a new user account click the blue link at the bottom – “Set up a new account” and follow the steps

Food Members Dashboard
1. Current Vendors
2. Commodity Processing of USDA Foods
3. Pricing
4. In-Active Contracts Due Diligence
5. Resources
6. Child Nutrition Labels/Product Info
7. Procurement/Annual Review
8. Buy American Provision
PROCUREMENT REVIEWS
PROCUREMENT REVIEWS

- New Process with Coops + Auditors – SY 19-20
  - Documents
    1. Original scoring sheets from evaluators
    2. All renewals
    3. ALL NON_AWARDED Vendor Proposals
    4. Any Amendments
    5. Original entire RFP document
    6. IED/CPA + all backup documentation

- Coop sent out a “cheat sheet” to help you complete the PR questions

- Buy American – update new RFPs
This falls on the CEs to make this determination

Justify EVERY non-domestic food product purchased

Use the Buy American form on Square Meals (and CP website) and staple to the invoice

Your Distributor can provide you a cost comparison
QUESTIONS???
USDA FOODS AVAILABLE

- USDA Food Program
  - USDA makes available, nationally, approx. 180 foods for the NSLP program. TDA makes available 145, of the 180, CE’s via the TXUNPS Annual, Periodic and Processing Surveys.
  - TDA orders USDA Food for the NSLP based on school demand
  - Purpose of USDA Foods is to support agriculture markets and to provide nutritious, USDA-purchased food to applicable CEs (e.g. public schools, private schools & residential child care institutions).
  - All CEs participating in National School Lunch Program (NSLP) are eligible to receive USDA donated commodities through the Food Distribution Program (FDP).
  - For SY2021-2022, TDA has assessed the USDA Foods items that stand the best chance of building truckload quantities, per frequency of months made available in the school year and per FDP region.
HOW IS MY ENTITLEMENT FOR SY21-22 CALCULATED?

Total Lunches Served – TLS (from previous year’s data – SY18-19)

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TDA’s Estimated “Rate of Assistance”

= Estimated Entitlement

Various months throughout the year: TDA makes adjustments based on the “weighted average” approach with the cost of commodity trucks as they are received into the state.

*The Rate of Assistance is posted on Square Meals.
USDA FDP: Food Types

Where do I spend my Entitlement???

**Entitlement Foods**
- Reg. USDA Foods
- Processed Commodities
- DoD Fresh Fruit & Vegetable Program
- DoD Farm to School

**Bonus Foods/Surplus**

**NOTE:** Bonus foods do not use entitlement dollars!!!
QUESTIONS TO ASK YOURSELF

- How you spend your entitlement depends on several factors that are specific to your district:
  - Do you have a large walk-in freezer?
  - Do you have small storage areas?
  - Can you manage a once-a-month delivery of product OR do you require a once-a-week delivery?
  - Do you have the trained kitchen staff with the ability to handle raw foods or do you need to order pre-cooked or ready-to-serve/heat & serve products?
  - Are you in such a remote area that some vendors won’t deliver to your district?
  - Should you only process commodities OR only purchase Reg. USDA Foods OR Both?
  - Should you participate in the DoD Fresh Fruit and Vegetable Program or Farm to School Program?
  - What is the best value for your money?
    - If going through a distributor such as Labatt or GFS there will be a markup on processed commodities.
    - If going through the contracted warehouse (Houston Food Bank) you will pay a delivery fee per case.
USDA FDP: TX-UNPS
REMINDER: IMPORTANT DEADLINES

- TX-UNPS FDP DEADLINES FOR SY 2021-2022
  - **Monday, Feb. 1st** – Contract Packet & Checklist Items must be completed and submitted
  - **Friday, Feb 5th**-Target date for re-distribution of recommended processing pounds by processors
  - **Monday, Feb. 8th** – DoD Fresh entitlement distribution will be completed
  - **Monday, Feb. 8th** – Opening date for the Farm-To-School Survey
  - **Monday, March 1st** – Closing date for the Annual and Processing Surveys
  - **Friday, July 30th** – Closing date for the Farm-To-School Survey
USDA FDP: TX-UNPS


TX-UNPS

- Tracks USDA Food entitlement, requests, allocations, reports, and more
- Provides online capability for requesting USDA Food deliveries from contracted warehouse

Note: USDA Foods messages are posted on the FDP Message Board.
To access TX-UNPS:

- download FND Form 101 Certificate of Authority
- fax to TDA

User ID and password will be emailed separately within 5 days of receiving the completed form.

**DO NOT SHARE LOGIN or PASSWORD**

**Note:** TX-UNPS = Texas Unified Nutrition Program System
CONTRACT PACKET

- **STEP 1** - Login to TX-UNPS
- **STEP 2** - Modify the Contracting Entity Information Update screen.
- **STEP 3** – Indicate which USDA FDP you wish to participate in for SY2021-2022
- **STEP 4** - Save
- **STEP 5** - Modify the Checklist Screen

![Food Distribution Program Contract Packet - NSLP 2019-2020](image)
Contracting Entity Information Update screen:

- Here you will indicate which USDA Foods Programs you wish to participate in for SY2021-2022.

- **Options:**
  - Processing?
    - YES – Place a $1 in this amount if you are doing DOD
  - CHECK-OFF Choice Partners
  - Farm to School Program?
  - DoD Fresh Fruits & Vegetables?
  - You can make changes
  - Due – Feb. 1st!!!
REMINDERS – FOR THOSE WHO ARE PROCESSING

• Please make sure you inform the coop once your contract packet has been submitted. We can not proceed with commodity processing until everyone has submitted their packet in TX-UNPS.

• Contract packet due date into TX-UNPS: **February 1st***

• Make sure you have added sufficient entitlement in TX-UNPS under processing to cover your pre-orders in processorlink

• For direct ship districts – only submit orders in your district’s surveys; do not enter anything into the choice partner’s surveys

• Always make sure your distributor (GFS, Labatt or Sysco) selection is correct in both Processorlink and K-12
COMMODITY PROCESSING OF USDA FOODS
There will be a Re-distribution/Re-donation of ALL excess pounds

These will be put into the state account and used for new allocations

Pounds in State account are basically free pounds for TDA to move around

For SY21-22 Processing orders:
1. Do not count on any Carry-over pounds
2. Everyone on TX will start from zero
3. You will only have NEW allocations
COMMODITY PROCESSING IN TEXAS

Processing Coops – Choice Partners

• Cooperative’s Roles:
  • Serve as a liaison between the school and the processor, broker, & distributor
  • Annual Nutrition EXPO
  • Develop the Request for Proposals (RFP) & Award Bids to Commodity Processors
  • Submit total commodity pounds to TDA for the Coop
    • Pounds entered into TX-UNPS
DEFINITIONS:

SEPDO – Summary End Product Schedule – this is the list of all approved products offered by a processor.

PTV – the Pass Through Value of USDA Foods – this is the value of the USDA Foods ingredients included in processed end products expressed in price per pounds or case.

VPT – Value Pass Through System – the VPT is the system used to credit the value of the USDA Foods to the CE.

Diversion – diversions are requests from Recipient Agencies to State Distributing Agencies to divert USDA Foods to specific further processors.

RA – Recipient Agency

Processor – a company that makes and sells end products using USDA Foods ingredients.
HOW DOES THE USDA FOODS VALUE GET PASSED ON TO THE CE?
1. FEE FOR SERVICE (FFS)

- Manufacturer/Processor charges a fee to convert commodity to usable product
- Ships to district or state contracted warehouse
- Bill at time of shipment
  - Payment directly to manufacturer for product
  - Payment to warehouse for delivery/storage
- Storage fees may accumulate
2. MODIFIED FEE FOR SERVICE

- FFSD (Fee for Service through a Distributor)
- Product purchased through Commercial Distributor
- Price on invoice
  - Fee for service pricing from commodity processing bid plus fixed fee schedule price from commercial bid
- Distributor sends reports to processor
Commercial Products

Distributor sends report of sales to Processor

Example:

1. A case of pepperoni pizza (Commercial Bid Price) = $35.24 per case
2. Mozzarella Cheese Commodity Value = $1.74/lb
3. Pounds of Commodity Cheese per case = 8.9 lbs
4. Commodity Discount value = $1.74/lb x 8.9 lbs = $15.486
5. School District is charged by Distributor:
   Bid price per case - Commodity Discount value = Net price
   $35.24 - $15.49 = $19.75
FEE FOR SERVICE VS. NET OFF INVOICE

Fee For Service
- Required product selections
- Products delivered to state warehouse
  - Processor min. delivery
  - 1 or 2 deliveries per month
  - Potential long-term storage charge
  - Required vendor account per manufacturer

Net Off Invoice (NOI)
- No decisions
- Order on an “as needed” basis
- Distributor’s minimum
- Deliveries weekly
- No storage charges
- Receive discount immediately
- Commodities can be shipped on regular Distributors deliveries
- Single Item Code
4. REBATE

- Product purchased commercially through distributor paying the full price for the product. Full price = total price of the USDA Foods content of the item, the FFS from the processor and, if delivered to a distributor (commercial or state run) any fees for storage and delivery.

- Distributor sends processor report on district usage

- Processor sends rebate check to district for the value of the USDA Foods contained in the case(s) of processed products received.
  - Based on lbs of commodity per case x price per commodity set by Nov 15 commodity file
WHAT’S ON THE MENU?

- STEP 1 - Determine what you plan on serving for the upcoming school year
  - Need to look at items served the most often and determine the Best “Bang for your Buck”

- Each school district is different in what will provide them the most value while also being able to utilize ALL of your entitlement.

- USDA Donated Food (DF) Value VS. Commercial Cost
WHAT’S ON THE MENU? CONT...

- STEP 2 – Select your Processors

  - Items wanting to utilize
  - Past experience & history with the processor
  - Approved State of Texas Processor
  - Awarded Processor
  - Entitlement Availability and Allotment
WHAT’S ON THE MENU? CONT...

- STEP 3 – Select the products that you want to process per processor
  - Product Usage
  - Product Cost
  - Product Availability
    - Several discontinued items due to Covid-19
• STEP 4 – Calculate your District’s Needs
  • Once you have selected the products and the processors:

  • Determine what your quantities for the school year will be. Look at:
    ▪ Historical data
    ▪ Enrollment
    ▪ Velocity reports
    ▪ Cycle menus and number of occurrences on the menu

  ▪ You will need to:
    ▪ Commodity Calculators
    ▪ SEPDS
    ▪ Awarded bid
• Help calculate the total Donated Foods (DF) Pounds and Cost
  • Complete Calculators for each Manufacturer you intend to process with.
  • Add all the Total DF Values together for all Manufacturers
  • This $$ amount will be the amount you need to set aside for processing.

• Can all be found on CP Website
  https://www.choicepartners.org/commodity-processing

• Log into Food side
• Click Commodity Processing Tab
PROCESSING RENEWAL
Some price increases as to be expected

Extended the renewal
1. Sharpen pencils
   a. AFS & Red Gold - No
   b. Bongards, Foster Farms, Integrated, Tyson & Wawona - Yes
2. Addition of items – Bongards, PP, Cargill Meat, Simplot, Rich’s & Schwans

TYSON – 100154 Beef Coarse Ground FRZ CTN – 60LB p Primary beef commodity
https://Processorlink.com/LoginForm.aspx?ReturnUrl=%2f
Choice Partners works with TDA to verify correct information is entered into the surveys in TX-UNPS.

Full trucks are finalized by TDA (either by sharing with other Coops and/or Direct Ship districts or with other states).

Districts sign onto ProcessorLink and place “wish list” orders (Pre-orders) – actual products by due date.

Choice Partners submits Pre-Order commodity pound report to TDA –

Due Monday Mar 1st.

Date Processor link opens: Thursday, Feb. 4th
Date Processor Link closed: Monday, Feb. 22nd
PROCESSORLINK
PRE-ORDER
INSTRUCTIONS

- Go into www.processorlink.com and click on Need An Account (if applicable), then complete
  - Processorlink then sends Login and Password

- Once logged in - Go to Customer and choose Pre-Order and then year – SY 2021-2022

- Adjust your Entitlement balance if you are participating in DoD FFV Program
  1. Click on your entitlement amount - verify
  2. Enter the amount of DoD FFV allocation you received in the DoD field
  3. Click Save

- Click green Add button on far right

- From the Co-op Commodity Processing Bid Tab
  - Choose the Donated Food (i.e. Beef 100154)
  - Choose the Processor (i.e. Don Lee Farms)
  - Choose the Product (by code and description)

https://Processorlink.com/LoginForm.aspx?ReturnUrl=%2f
Select the Bill Type – depends on how you plan to order & receive commodities

Bill Types:

- “Fee for service direct to district $0.00/case” – this is a large drop delivery from a processor directly to a district’s private warehouse or storage area. The price showing is what you will be charged by the processor.

- “Fee for service thru distributor $0.00/case” – this is delivery to the awarded distributor (Labatt or GFS). Beef, pork, and fruit are set up as “fee for service” aka “modified fee for service”. The price showing does not include the distributor markup.

- “Fee for service to contracted warehouse $0.00/case” – this is delivery to the state contracted warehouse (Houston Food Bank). The price showing is what you will be charged by the processor and invoiced but does not include the storage fee from the contracted warehouse.

- Net off invoice $0.00/case (manufacturer price/case to distributor) – this is delivery to the awarded distributor. The price showing does not include your “donated food” (commodity) discount or the distributor markup.
• **Servings per Occasion** - Enter number of servings every time you serve product

• **Occasion Served** - Enter number of times you will serve this product in a year; SAVE

• Edit (pencil) if need to change the number of servings or occasions

• Must Delete (X) and create new entry if need to change:
  - donated food
  - Processor
  - Product

• **REQUIRED** - “Monthly Case Request” tab

• **Processorlink Pre-Order will “close” on 2/22/2021**
Between March and beginning of next school year:

- TDA sends Brokers/Processors/Distributors truckload information

- Brokers/Processors/Distributors asked to follow up with districts for delivery orders for following school year

- Districts can place orders (how many cases & when) on Processorlink and K12 for fee-for-service products

- Districts give heads-up to Distributor before school is out for products to be purchased through distributor the following school year
Other states use this method – ex: California

CEs commodity pounds go into 1 massive Bank

- Per Coop OR
- Per State Account

TDA is going to do a pilot