

## INTRODUCTION

The USDA Food Program, administered by the Maine Department of Education, is responsible for the distribution of United States Department of Agriculture (USDA) donated foods. Through the Food Program, the USDA provides various foods to help meet many of the nutritional needs of children and needy adults.

The two-fold purpose of the USDA Food Program is:

- 1) to improve the nutritional quality of the diets of those participating in the programs; and
- 2) to help American farmers maintain and strengthen the agricultural market through the removal of surplus food.

The roots of the USDA Food Program date from the early 1930's, when the American Red Cross distributed surplus foods to poor and unemployed people. With the Great Depression and high unemployment, no one was buying the farmer's products. Because the Red Cross could not do it alone, Federal involvement became essential to handle this disaster situation. To resolve this problem, legislation was passed in 1935 to help stabilize farm prices and to dispose of surplus agricultural commodities (foods) through the USDA Food Program.

The purpose of this handbook is to explain the USDA Food Program in Maine: who can participate in the program, how Maine gets the USDA food, what types of foods are available, the distribution and billing procedures and food storage. Any agency receiving USDA food from the Food Program will be guided by the information contained in this handbook.

Please contact the Child Nutrition Services Office if you have any questions about donated USDA foods.

Telephone: (207) 624-6842 or 624-6882

Fax: (207) 624-6841



## FEDERAL LEGISLATION



The USDA purchases and distributes donated food under several legislative authorities:

SECTION 32 (of Public Law 74-320) allows the government to remove surpluses of perishable, non-basic commodities from normal channels of trade or commerce. Commodities usually purchased under Section 32 are fruits, vegetables, meats and poultry products.

SECTION 416 (of the Agricultural Act of 1949) authorizes the USDA to donate basic nonperishable foods acquired through Federal price support operations for use by needy persons, for use in nonprofit school lunch programs, nonprofit summer camps for children and for use in charitable institutions to the extent that needy persons are served. There are generally basic commodities such as dairy products, grains, oils and peanut products.

SECTION 6 (of the National School Lunch Act) authorizes the purchase of foods for distribution to schools and institutions participating in child nutrition programs under the National School Lunch Act. This section requires the USDA to provide states with a minimum level of commodity assistance based on entitlements for schools. Section 6 authorized the USDA to buy a wide variety of preferred items that are not necessarily in surplus.



## CIVIL RIGHTS

In order to receive USDA donated foods each recipient agency (RA) must comply with the Civil Rights requirements governing the USDA Food Program. The agreement states:

“The Recipient Agency hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973 (P.L. 92-119), Age Discrimination Act of 1975 (P.L. 94-135 and all requirements imposed by the regulations of the Department of Agriculture (7 CFR Part 15), Department of Justice (28 CFR Parts 42 and 50) and FNS directives or regulations issued pursuant to the Act and the regulations, to the effect that, no person in the United States shall, on the ground of race, color, national origin, age, sex, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity for which the program applicant received Federal financial assistance from the Department; and hereby gives assurance that it will immediately take any measure necessary to effectuate this agreement.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants and loans of Federal funds, reimbursable expenditures, grant or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use, Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease or furnishing of services to the recipient, or any improvements made with Federal agreement, arrangement, or other contract which has as one of its purposes the provision of assistance such as food, and cash assistance for purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this assurance.

By accepting this assurance, the recipient agency agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of Title VI and permit authorized USDA personnel during normal working hours to review such records, books and accounts as needed to ascertain compliance with Title VI. If there are any violations of this assurance, the Department of Agriculture, Food and Nutrition Service, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the recipient agency, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from the Department.”

## ELIGIBILITY

There are seven different USDA food programs. Of the seven, four are administered by the Maine Department of Education USDA Food Program. An agency that receives food provided under any of these programs must have an approved application/agreement on file. This agreement must be renewed annually. Participating agencies are called recipient agencies (RA's).

1. National School Lunch Program (NSLP) – This program is for children attending public or private schools and residential child care institutions. Meals are prepared utilizing donated commodity food. Schools may receive both monetary aid and commodities. Schools participating in the NSLP are eligible for Section 6, 32, and 416 type commodities. (See LEGISLATION section.) This program is administered by the Department of Education.
2. Charitable Institution Program (CI) - The Charitable Institution Program is for needy persons of any age served by nonprofit homes for the aged, hospitals offering general and long term health care, correctional institutions, meals-on-wheels programs, soup kitchens, and residential group homes that are not participating in any other USDA child nutrition program. CI's are public or private and nonprofit, non-educational and tax-exempt. They must serve meals on a regular basis. An institution participating in this program must provide verification of its tax exempt status under the Internal Revenue Code, Section 501(c)(3). Nonprofit CI's are eligible to receive Section 32 bonus commodities. (See LEGISLATION section.) This program is administered by the Department of Education.
3. Summer Food Service Program (SFSP) – The Summer Food Service Program was established to ensure that during the summer school vacation children would be able to receive the same high quality meals provided during the school year by the National School Lunch Program. SFSP participants receive both monetary aid and commodities. SFSP's are eligible to receive Section 32 and 416 type commodities. (See LEGISLATION section.) This program is administered by the Department of Education.
4. Summer Camp Program (SC) – The Summer Camp Program is for children 18 years of age and under attending nonprofit summer camps. The camp must comply with Civil Rights laws. The summer camp must provide verification of its tax exempt status under the Internal Revenue Code, Section 501(c)(3). Nonprofit SC's are eligible to receive Section 32 bonus commodities. (See LEGISLATION section.) This program is administered by the Department of Education.
5. Child and Adult Care Food Program (CACFP) – The Child and Adult Care Food Program is for children and adults in day care centers, head start programs and family day care homes. The children/adults eat meals and snacks utilizing the commodities provided. This program is administered by the Department of Human Services. CACFP participants are allowed to choose either commodities or cash in lieu of commodities. These programs are eligible to receive Section 32 and Section 416 type commodities. (See LEGISLATION section.)

6. Nutrition Program for the Elderly (NPE) – The Federal Title III or Title IV of the Older Americans Act of 1965 is designed to help improve the nutritional status of senior citizens over the age of 60 and their spouses. This program is administered by the Department of Human Services. The NPE is eligible for either commodities or cash in lieu of commodities. This program currently receives cash in lieu of commodities.
7. Emergency Food Assistance Program (EFAP) – The Title II Needy Family Program is administered by the Department of Agriculture for mass distribution of food to persons classified as needy. Several Community Action Program Agencies (CAP) located throughout the State utilize commercial trucking companies to deliver donated foods to various sites. Each participating household receives commodities based on criteria established by the USDA. This program also distributes commodities to soup kitchens and food banks.

## **HOW MAINE GETS THE USDA FOOD**

Various agencies within the USDA work together to plan, purchase, allocate and distribute donated food. Many factors are taken into account, such as; food inventories, harvest forecasts, user preferences, market prices, and states' entitlements.

The USDA buys food on the open market with funds that it receives by direct appropriation from Congress, as authorized by Section 6 of the National School Lunch Act. The USDA also buys surplus fruits, vegetables, meats and poultry items as authorized by Section 32 of Public Law 320, as amended. Other foods such as grains, dairy products, vegetable oil and peanut products are obtained through price support activities that help farmers achieve a fair return for their products.

Food packers, growers and processors bid competitively for USDA contracts for providing this food. Invitations to bid are publicly announced, as are awards for USDA purchases. USDA pays for the initial processing and packaging of food and for transporting it to designated locations within each state. Once the food has been transported to the state, the food becomes the responsibility of the State Distributing Agency. The Distributing Agency (DA) is responsible for the storage and statewide distribution of the USDA food. It is also the responsibility of the DA to ensure equitable distribution to all of the recipient agencies.

Funds used by the USDA for the purchasing, initial processing, packaging and transporting to designated locations are derived from 30% of the import tax levied by the United States Government. They are not income tax supported.

## HOW USDA FOODS ARE ALLOCATED



Federal law requires that USDA foods be offered to each program within the state based on the actual number of meals that were served to that program the previous year. At the beginning of each year, the USDA notifies the Maine Food Program of its entitlements (dollar value of food) for the various programs. The entitlement is based on the donated food rate multiplied by the number of eligible meals served in the previous year. Each recipient agency (RA) is then given their own planned assistance level (PAL) based on the same formula:

Value of donated foods rate x (times) number of eligible meals served in the previous year, (July 1 through June 30).

The donated food rate is set by the USDA Food and Nutrition Service and is adjusted annually to reflect changes in the Price Index for food used in schools and institutions. This rate has been between \$0.1475 and \$0.2075 per eligible meal served in the last several years.

Each USDA food has an assigned dollar value which is established by the USDA and is based on the market price, costs for transportation, and preliminary food processing.

Throughout the year as a recipient agency orders food, the dollar value of the item (except for Bonus items) is subtracted from the RA's planned assistance level (PAL). The USDA determines which foods will be a "Bonus". Bonus foods are not subtracted from an RA's planned assistance level but do have a dollar value which is used for auditing purposes.

It is the responsibility of the Maine Food Program to make sure that each RA has been offered no less than their PAL. USDA food offerings and refusals are documented in order to verify that the per-meal value of donated food has been offered to all RAs.

## REFUSAL OPTION

In accordance with 7CFR250.48(f), "Prior to making distribution to school food authorities, distributing agencies shall notify each school food authority of its right to refuse delivery and to receive other donated foods, if available, in lieu of those refused."

This regulation also states that "not more than 20 percent of the value of the donated foods offered to a school food authority for lunches during the school year shall be subject to replacement with other available donated foods unless replacement based on the refusal of more than 20 percent of such value is feasible and practical."

## ORDERING USDA FOODS

Maine Department of Education  
USDA Food Program  
Electronic Ordering Process

### ALL PROGRAMS:

1. Obtain ID and Password from Child Nutrition Services Office
2. Log on to internet site <http://www.maine.gov/education/sfsr1.htm>
3. Click on **File Forms (School Officials Only)**
4. Enter User ID and Password
5. Click on **Submit**
6. On “Login Screen – Select System” click on **School Food Service – Food Distribution**

NATIONAL SCHOOL LUNCH PROGRAMS ONLY: Orders will be available to complete from the 1<sup>st</sup> to the 15<sup>th</sup> of the month from September to April.

1. On “Agency Main Page” click on the drop down box under “Select Program Name” and select appropriate program (National School Lunch Program).
2. On “Agency Main Page” click on **Shipping Addresses** (this is only done before the first order of each new year. If you have already done this for the year go to step 6.)
3. Complete Shipping Addresses Form. (This form is only completed before you do the first order of a new school year). If you wish to pick up your commodities, select “Yes” in the drop down menu where indicated and then leave the rest of the form blank. If you want commodities to be delivered complete the rest of the form. You may have different addresses for delivery of dry, refrigerated or frozen items. If all items are delivered to the same place, complete the name and address of delivery location (actual physical street – not a Post Office box) and click the 3 radio buttons for dry, refrigerated and frozen. If items will be going to different locations fill out a separate shipping address for each location and click the radio button for what type of items should be delivered to that address (dry or frozen or refrigerated).
4. Click **Submit**
5. Return to “Agency Main Page”
6. Click on **Monthly Orders**
7. On “Monthly Orders Main Page” click on **File New Month Order**
8. Complete order by entering the number of cases by each item that you wish to order.
9. Click on **View Totals**
10. On “Month Order Preview Screen” click on **Accept or Return**. (Once order is accepted you can’t go back)
11. At this point if you get a “Success” message your order has been processed.

STEPS TO PLACING AN ORDER FOR “EXTRAS” (Extras will only be available to order until the 18<sup>th</sup> of the month and only after you have placed a regular order.)

1. On “Agency Main Page” click on **Extras Order**
2. On “Extras Order Main Page” click on **File New Extras Order**
3. Enter number of cases (Quantity Available column shows the number of cases in inventory in the warehouse.) These items are available on a first come first served basis as long as you have remaining PAL.
4. Click on **View Totals**
5. On “Extras Order Preview Screen” click on **Accept** or **Return**
6. If you get a success message your order has been processed

FOR SUMMER FOOD SERVICE PROGRAM (SFSP) AND CHILD & ADULT CARE PROGRAMS (CACFP):

For CACFP, orders will be available to complete from the 1<sup>st</sup> to the 15<sup>th</sup> of the month from September to April. For SFSP, orders will be available to complete from May 1<sup>st</sup> - 15<sup>th</sup> and possibly from June 1<sup>st</sup> – 15<sup>th</sup>.

1. On “Agency Main Page” click on the drop down box under “Select Program Name” and select appropriate program (Child & Adult Care Food Program, Summer Food Service Program).
2. On “Agency Main Page” click on **Agreement**. Please read this agreement and print it off and then click on “**Accept**” on the bottom.
3. On “Agency Main Page” click on **Shipping Addresses** (this is only done before the first order of each new year. If you have already done this for the year go to step 7.
4. Complete Shipping Addresses Form. (This form is only completed before you do the first order of a new school year). If you wish to pick up your commodities, select “Yes” in the drop down menu where indicated and then leave the rest of the form blank. If you want commodities to be delivered complete the rest of the form. You may have different addresses for delivery of dry, refrigerated or frozen items. If all items are delivered to the same place, complete the name and address of delivery location (actual physical street – not a Post Office box) and click the 3 radio buttons for dry, refrigerated and frozen. If items will be going to different locations fill out a separate shipping address for each location and click the radio button for what type of items should be delivered to that address (dry or frozen or refrigerated).
5. Click **Submit**
6. Return to “Agency Main Page”
7. Click on **Monthly Orders**
8. On “Monthly Orders Main Page” click on **File New Month Order**
9. Complete order by entering the number of cases by each item that you wish to order.
10. Click on **View Totals**.
11. On “Month Order Preview Screen” click on **Accept** or **Return**. (Once order is accepted you can’t go back)
12. At this point if you get a “Success” message your order has been processed.

## OTHER HELPFUL INFORMATION

On “Monthly Orders Main Page” click on **Month Order List**. This is a history of all your regular orders (does not include anything from “Extras Order”).

On “Extras Order Main Page” click on **Extras Order List**. This is a history of all your extra orders (does not include anything from “Monthly Order”).

You can order from the “Extra Orders” anytime during the month as long as you have placed a regular “Monthly Order”.

On the “Agency Main Page” in April, click on **Annual Survey** to complete and to give your feedback on commodities. This survey is optional.

On the “Agency Main Page”, click on **Report List** to access various reports.

The **Agency Report** shows a summary of your monthly delivery.

The **Master File Report** shows the agency’s PAL, Year-to-Date PAL Accepted, NOI Value, Bonus Value Accepted, NOI Bonus Value, Total Value Received, Remaining PAL, Amount Refused and shipping addresses.

Net Off Invoice Participation (NOI) will be available to complete in February or March of each school year.

## **WHAT IS NET OFF INVOICE?**

Net Off Invoice (NOI) is a method used for local education authorities (LEA's) to receive a discount for items processed using USDA commodities. The LEA's purchase approved items from their distributor, and receive a discount off their distributor's price. For example, the State will enter into a processing agreement with McCain's Potatoes. Schools order McCain's commodity approved fries from their distributor and are billed at a discounted price, as long as the receiving agencies have sufficient PAL and the product is still available.

### **How do I sign up for NOI?**

Once a year schools will have the opportunity to indicate via the on-line computer system if you wish to participate in NOI for the following school year. Schools will be asked to sign up for this program and how much of their Planned Assistance Level (PAL) they would like to designate for the various commodities that will be available through different processors.

### **How do I order NOI products?**

Once you are signed up for NOI products, receive a user ID and Password from K-12 Foodservice and ProcessorLink and product is allocated to your LEA, you will order your products like you normally do through the distributor you selected and be able to track your usage through K-12 and ProcessorLink.

## **STEPS TO SIGNING UP FOR NOI**

1. On school Login Screen – Select System, click on **Net Off Invoice (NOI) Participation – National School Lunch Program** (this link will only be available once a year in February or March).
2. On the Net Off Invoice Participation Decision screen **click on drop down menu to pick “yes or no”**. Click on **Submit**. Selection “No” returns you to the LEA Food Level screen and indicates that school will not participate in NOI. Selection “Yes” indicates school is interested in participating in NOI and returns the Participation Details screen. Once a selection is submitted LEA user cannot return to this screen. If the LEA wants to change their submission, they must contact Department of Education to do so.

3. On the Net Off Invoice Participation Details screen all raw commodities available will be displayed. If commodity is desired, **check in the box and select a Distribution Company** for each commodity. Only one company per commodity may be selected but different companies may be used for each commodity. **Enter the percentage of the total PAL** to spend on each commodity. This percent is used by each Agency/School in the LEA. Each commodity can use a different percentage. Percentage must be entered as a whole number. Click on **View Totals**. Submitting this information returns the LEA Participation Review screen.

4. On the LEA Participation Review screen, all the amounts are based on the current year PAL. Actual amounts will be determined on the PAL for the upcoming year is distributed in July. Click on **Accept or Return**. Accepting this screen submits the values to the data base and cannot be changed by the LEA user. The Return button returns to the Participation Details screen to allow the LEA user to modify the commodity information. Only the Department of Education will be able to change LEA data once it is submitted.

5. ALL AMOUNTS ARE ESTIMATES.

## DELIVERY OF USDA FOODS

Recipient Agencies have two options for obtaining the USDA Foods they have ordered.

1. DIRECT DELIVERY to the drop off point or points that the agency has selected. It is possible to have the refrigerated and frozen foods delivered to a different place than the dry foods. The Department of Education has a contract with a commercial distribution company for the handling, storage, and delivery of USDA donated food. The RA will be notified regarding the exact day of delivery and **must have personnel available to receive the commodities between 7:00 a.m. and 3:30 p.m.** The food is delivered inside the nearest accessible door by the truck driver. The RA may contract with the company for additional services regarding the placement of food products. Although USDA food is free, the RA is responsible for the storage, handling, and delivery fees assessed by the distribution company.
2. PICKUP at the warehouse. The RA must contact the warehouse 48 hours in advance for a pickup appointment. The RA is responsible for storage and handling fees assessed by the warehouse.

Each agency selects the delivery method they prefer at the time they complete annual renewal forms. If any change in delivery site or method is desired, the Food Program office must be notified in writing four weeks prior to the change.

### Delivery Checklist

The RA will sign a copy of the delivery invoice at the time of delivery or pickup. Review the following **before** signing for a delivery.

- \* Check the delivery invoice to verify the foods and quantities are the same as what was requested.
- \* Check that all food is in good condition. Bagged items (i.e. flour) should not be torn. Check canned foods for rust, severe dents or swelling. Refrigerated or frozen items should be checked for water stains and proper temperature maintenance.
- \* Check the delivery invoice against the actual delivery to verify there are not any shortages. If a discrepancy is found, note it on the delivery invoice. Any shortages noted on the delivery invoice will be delivered at a later date. If discrepancies are not noted, the RA will not receive the food item at a later date but will still be responsible for the handling, storage and delivery fees for that item. **Check your order carefully before signing for the delivery.** **Your signature on the invoice means you have accepted the delivery as-is.**

## STORAGE REQUIREMENTS

RA's must provide proper storage facilities for USDA foods. State Agency and USDA personnel are authorized to inspect the RA's facilities at any time. Storage facilities must be clean, dry, sanitary and free from rodent, bird, insect and other animal infestation. Donated foods must be safeguarded against theft, spoilage and other loss. Foods must be maintained at proper temperatures. **The RA assumes liability for all losses or damages caused by negligence or improper use.**

USDA foods may not be stored in private homes. When using a commercial locker plant, the RA must have a contract with the locker plant which would include an auditable method to account for food inventory and withdrawals. The RA is responsible for the food once it has been received. **RA's may be held financially responsible for any foods deemed unusable because the food was outdated. RA's may be required to pay the value of lost USDA foods.**

The practice known as First In, First Out (FIFO) refers to the order in which foods are used. Food must be stored so that cases with the oldest pack dates are used first. All USDA foods have the pack date or contract number on the cases.

### **Chilled and Frozen Storage**

All chilled and frozen foods are highly perishable and subject to rapid deterioration when improperly stored. Lack of proper temperature, humidity, air circulation, and sanitation will result in rapid spoilage and eventual loss of product. Most spoilage of chilled and frozen commodities is caused by micro-organisms, particularly certain species of bacteria and fungi. The contamination spreads rapidly from the decayed items to other contact areas.

Frequent inspection while in storage will keep losses to a minimum. Upon receipt, food should be segregated and date stamped. The oldest dated food should be used first. Older chilled or frozen foods should not be allowed to accumulate in storage rooms. Food should be transferred to other RA's to avoid loss if the original RA can not use the food before it is outdated. Please call the Food Distribution Office for approval prior to transferring any USDA food.

The storage temperature for all frozen food should be 0° Fahrenheit or lower. During transport, the temperature should not be higher than 10° Fahrenheit. Temperatures for chilled storage are generally within the range of 34 - 40° Fahrenheit. Freezers should be monitored daily, especially during summer months.

Humidity within all storage areas must be controlled to prevent rapid deterioration in the quality of foods. Micro-organisms require adequate moisture to grow and multiply. Yeast organisms, mold or bacteria grow in a certain humidity range. At lower temperatures and humidities there is less bacteria and enzyme action. Storage at higher relative humidity may allow water to condense on or be adsorbed in the item, while at lower relative humidity the items may dry or shrink.

Air circulation in a storage room is an important factor in the proper storage of chilled and frozen stored foods. Products should be stacked on pallets at least 6 inches above the floor and provide a 4 inch wall clearance, 2 foot ceiling clearance, and a sufficient working aisle way.

## Dry Storage

The term “semi-perishable” refers to food items that are canned, dried, dehydrated, or otherwise processed so that under normal conditions they may be stored in non-refrigerated spaces. Semi-perishable food should not be regarded as non-perishable foods which do not require care or protection in storage. Spoilage can occur if the products are mishandled, improperly stored, or stored for excessive periods of time. The length of storage should be based on the packing date, not on the date of receipt.

### **Storage Precautions**

Careful correct storage methods not only prevent damage to items in storage, but also assure speed and efficiency in the receipt, handling, and issue of such items. The particular method used for storing each item depends on the type of container and type of food. Care should be taken to limit the height of the stack so that cases of food on the bottom layers are not crushed. Stack food away from sources of heat or steam. Pallets should be used to raise the food off the floor and individual lots piled in such a way as to permit the circulation of air around the lots. All items should be properly cross-stacked to ensure the stack will be steady and solid.

Insects can cause great damage to stored food. Food stored at 70 - 90° Fahrenheit is in danger of insect manifestation. Infested food must be segregated, inspected, documented and destroyed. Cornmeal is especially susceptible to insect infestation and rancidity. Approved insect repellents should be used under carefully controlled conditions so the food will not be contaminated. A regularly scheduled pest extermination should be performed with strict adherence to regulatory rules and state laws.

Rodents also destroy food and are carriers of filth and disease. The most effective method of control is to prevent entry of these animals.

A high temperature over long periods of times is detrimental to almost all food products. High storage temperature encourages bacterial growth, mold growth, and insect infestation. High storage temperature is particularly harmful when accompanied by high humidity. Chemical action is accelerated, causing rancidity in many items. Action of the food acids naturally present within the cans is accelerated, resulting in pinholing, blackening of the interior, and hydrogen swells. Flour and associated products (cereals, cornmeal, cornstarch, crackers, noodles, oats, rice, spaghetti, and macaroni) are subject to insect infestation, particularly at high temperatures. Flour and cereals will absorb odors and should be kept away from material giving off distinctive odors. Temperatures for dry storage are generally within the 50 - 70° Fahrenheit range. Damage from light is restricted to products that are packed in glass or transparent containers. Exposure causes color changes and may affect the flavor of foods containing oils and fats.

## LOSS OF GOVERNMENT FOODS

It is the responsibility of each recipient agency to prevent food losses. However, occasionally USDA food will be lost due to theft, freezer failure, infestation etc. In all cases the Food Program Office **MUST** be immediately contacted. **USDA foods may not be disposed of without prior authorization from the Food Program office.** When disposing of USDA food, please complete a LOSS/DISPOSAL FORM. Send the original to the Food Program office and keep a copy for your file.

If the RA has insurance to cover the food loss, any monies received from the insurance company must be used to pay back all bonus food totals to USDA. Entitlement(PAL) foods that are lost or destroyed by the RA may be replaced by the RA or the RA may be required to pay the value of the lost food. **The recipient agency is held accountable for all USDA foods received.**

## DISPOSING OF USDA FOODS

Before any USDA food can be disposed, the Food Program office must be notified. After authorization, the food may be disposed of in the following manner:

1. Food labels must be removed or blacked out.
2. Food **MUST** be taken out of the cans or cartons and disposed of in a separate place from the cans or cartons.

Report of Loss/Disposal Form will be handled on an individual basis. The Food Program Office is required to report to the USDA any food loss over \$100.00. Please make copies of the LOSS/DISPOSAL FORM as needed.

## TRANSFERRING USDA FOODS

Occasionally an agency may discover an excess of a USDA food item that they do not want. After notifying the Food Program office the excess food may be transferred to another eligible RA. The transferring agency is responsible for locating an agency willing to accept the excess food, but must confirm with the Food Program office that the receiving agency is eligible for the USDA food.

When a transfer has been authorized the TRANSFER FORM must be completed and signed by the transferring agency and the receiving agency. Each agency should keep a copy for their files and send a copy to the Food Program office.

Any expenses incurred during the transfer are the responsibility of the recipient agencies.

Please make copies of the TRANSFER FORM as needed.

## **USDA FOOD DEFINITIONS**

Group A Commodities: Meat, poultry, fish, fruits and vegetables which are purchased with Section 32 funds (see LEGISLATION).

Group B Commodities: Grains, dairy, peanut and oil products which are purchased with Section 416 funds (see LEGISLATION).

Entitlement Commodities: Commodities which have the dollar value “charged” against a RA’s planned assistance level (PAL). The dollar value is determined by the USDA.

Bonus Commodities: Commodities which are **not** charged against a RA’s planned assistance level. The USDA determines which commodities will be a “bonus” and items vary from year to year.

## **COMMODITY FACT SHEETS**

Commodity fact sheets provide information regarding product description, pack size, yield, menu ideas, serving suggestions, storage guidelines and nutritional values.

Commodity fact sheets are available on the internet at:  
<http://www.fns.usda.gov/fdd/facts/schfacts/cats.htm>.

## **USDA FOOD COMPLAINTS**

The USDA FOOD COMPLAINT FORM should be used to document comments about the quality of a USDA food such as a leaky or bulging can, a foreign object in the commodity, or the color, texture or taste of a food item..

Please call the Food Program office if you have a complaint. We may request a sample of the product or the foreign object if you have found one. Then please complete the COMPLAINT FORM and send it to the Food Program Office. It is essential that we have pack dates, lot numbers or contract numbers so we can track the USDA food back to the vendor.

Please make copies of the COMPLAINT FORM as needed.

## **COMMODITY COMMITTEE**

The Commodity Committee meets yearly to provide recommendations for the Commodity Program.

The council is composed of representatives from different regions of the state. All recipient agencies are encouraged to contact committee members to express concerns or make recommendations. Feedback is submitted to the USDA and many changes have occurred because of committee input.

## **DISASTER FEEDING**

Disasters such as hurricanes, storms, floods, earthquakes, drought, fires or chemical contamination may create a need for congregate mass feeding. During a disaster, food that has been purchased by the USDA for use in the state's food programs is made available to disaster organizations such as the American Red Cross or Salvation Army, who prepare and serve meals from central locations. Food that is stored in schools or state warehouses can be used immediately.

Call the Child Nutrition Services or Food Program Office and let us know your immediate food needs and the estimated number of meals to be served.

In the event of a declared disaster, the organization utilizing USDA foods must provide the following records in order to have that food replaced by the USDA:

1. Type and quantity of USDA food used for each meal.
2. Period of time of the meal service and the number of meals served (i.e. 500 people, 3 meals per day for 2 days) or actual number of meals served.
3. Location of shelter facility that is serving the congregate meal.

## USDA COMMODITY USAGE OUTSIDE THE SCHOOL LUNCH PROGRAM

(Any school using USDA foods must be participating in the National School Lunch Program.)

*In Policy Interpretation Regarding Use and Sale of Commodities in School Food Authorities - FD #115-97 the following clarifications were made regarding the legitimate use of USDA commodities.*

“Our policy will allow the School Food Authorities (SFAs) to utilize commodities in the preparation and sale of foods for any school related functions where the primary beneficiaries of the food are the students themselves. Funds derived from the sale of these commodities must accrue to the nonprofit school food service account to be used solely to replace the commodities or to operate or improve the nonprofit school food service operation. The issue at hand is not whether the foods containing commodities are being sold at a profit to be returned to the SFA. Rather, it is whether the commodity products are being put to the use for which they are intended, and being consumed by the people for whom they are intended.”

Examples of **acceptable** use of commodities are:

- Repackaging and selling commodity peanuts in the a la carte sales line.
- Serving commodity beef patties at a football banquet. The cost of all meals would be covered from sources other than the nonprofit food service account. The meal cost must at least be equal to or greater than the value of the commodities contained in the meal. The USDA value of the commodities must accrue to the nonprofit school food service account.
- Using donated product in baking items that are sold in the teachers lounge as long as they are also sold/served to students.

Examples of **unacceptable** use are:

- Catering operations for schools not participating in the National School Lunch Program.
- Catering for child care centers not participating in Child and Adult Care Food Program.
- Commodity beef patties served at a football banquet where the market value of the commodity food is not returned to the nonprofit school food service account.
- Donated product used in baking items that are given/sold exclusively to faculty, PTA or the public.

“USDA continues to prohibit donated foods from being used in any non-student related events such as catering banquets for the Chamber of Commerce, partisan political functions, or supplying refreshments for the Parent’s Teacher’s Association (PTA), etc. We further prohibit SFAs from increasing their orders for USDA commodities for the purpose of supporting school related functions other than National School Lunch Program (NSLP), School Breakfast Program (SBP), etc.”

**USE OF DONATED FOODS FOR TRAINING STUDENTS IN HOME ECONOMICS**  
(Any schools using commodities must be participants of the National School Lunch Program)

FNS Instruction 712-1

**PURPOSE**

This Instruction sets forth the policy on the use of donated foods for training students in home economics.

**LEGISLATION**

Public Law 86-756, as amended, provides that schools receiving donated foods are authorized to use such foods in training students in home economics, including college students if the same facilities and instructors are used for training both high school and college students in home economics courses.

Section 19 of the Child Nutrition Act of 1966, as amended, authorizes the Secretary to formulate and carry out the Nutrition Education and Training (NET) Program to provide for the:

- Nutrition training of educational and food service personnel;
- 2. Food service management training of school food service personnel; and
- 3. Conduct of nutrition education activities in schools and child care institutions. To the maximum extent possible, the program shall fully utilize the child nutrition programs as a learning experience.

**DEFINITION**

Home economics, for the purpose of this Instruction, includes classes in general home economics, food purchases, nutrition, food preparation, cooking, child care, health and the like.

**POLICY**

- A. Schools may, for the purpose of training students in home economics, use foods that are received for their nonprofit food service programs. High schools may also permit the use of such foods for training college home economics students, provided that the same facilities and instructors are used in training both high school and college students in home economics.

- B. For the purpose of training students in home economics, schools may use donated foods. These foods may also be used in teaching nutrition and health related activities. NET Program projects conducted for training students may use donated foods.
- C. Donated foods used for training students in home economics shall not be replaced by distribution agencies.
- D. End products containing donated foods used for training students in home economics shall not be sold unless the proceeds inure only to the benefit of the school's nonprofit food service program.

## **RECORDS**

The record keeping requirements of the Food Distribution Regulations do not extend to records of the use made by schools of donated foods. However, good management practices would dictate that school food service managers maintain records of the kinds and quantities of foods that are used for training students in home economics.

# APPENDIX

**“BEST IF USED BY” DATES FOR COMMODITIES  
DISTRIBUTED TO SCHOOLS  
BASED ON DOD 4145.19-R-1  
(IN MONTHS)**

9/8/98

	<b>40° F</b>	<b>70° F</b>	<b>90° F</b>
<b>GROUP A</b>			
<b>FRUIT</b>			
Applesauce, cnd	48	24	12
Apple Slices, cnd	48	24	12
Apricots, cnd	48	24	12
Cherries, cnd	36	18	9
Date Products	Refrigerate up to 5 mo. Freeze up to 1 year		
Fig Nuggets	Store at 55°F or below for up to 1 year		
Figs, Whole, Dried	36	18	9
Mixed Fruit, cnd	48	24	12
Peaches, cnd	48	24	12
Pears, cnd	36	18	9
Pineapple, cnd	48	24	12
Plums, cnd	36	18	9
Plum/Prune Puree	Store at 50-70°F. Use within 9 months		
Prunes, Pitted, Dried	18	9	5
Raisins, Seedless	18	9	5
<b>BEANS, DRIED</b>			
Beans, Blkeye	24	12	9
Beans Great Northern	24	12	9
Beans Lt Kidney	24	12	9

Beans Red Kidney	24	12	9
Lentils	24	12	9
Beans Lima	24	12	9
Beans Pea	24	12	9
Beans Split Pea	24	12	9
Beans Pinto	24	12	9
Beans Sm Red	24	12	9
<b>VEGETABLES</b>			
Beans Veg, cnd	48	24	12
Beans, cnd dry	72	36	18
Beans, Refried, cnd	72	36	18
Beans, Green, cnd	48	24	12
Carrots, cnd	60	30	15
Corn, cnd	72	36	18
Peas, cnd	72	36	18
Potatoes, Slices, dehy	12	6	3
Potatoes, Flakes & Gran, dehy	12	6	3
Salsa, cnd	48	24	12
Spaghetti Sauce, Meatless, cnd	48	24	12
Sweet Potatoes, cnd	48	24	12
Tomato Paste, cnd	36	18	9
Tomato Products, cnd	48	24	12

	40° F	70° F	90° F
<b>MEAT/MEAT ALTERNATIVE</b>			
Pork NJ, cnd	60	36	18
Beef NJ, cnd	60	36	18
Poultry, cnd	60	36	18
Lunch Meat, cnd (offshore)	60	36	18
Egg Mix, dry	Store in cool, dry area-Use within 12-15 mo.		
Cheeses	See Attached Cheese Page		
Salmon, pink, cnd	72	36	18
Salmon, pouches	72	36	18
Tuna, cnd	72	36	18
<b>GROUP B</b>			
Bakery Mix (Reg. & lowfat)	12	6	3
Bulgur (cracked wheat)	Store in cool, dry area-Use within 4 months		
Flour, all types	24	12	6
Cornmeal	24	12	6
Grits, Corn	24	12	6
Oats Rolled, Quick	24	12	6
Pasta Products	72	36	18
Rice, Brown	At 36-40°F use in 6 mo. At 50-70°F use in 3 mo.		
Rice, Milled	48	24	12
Rice, Parboiled	30	20	10
Peanut Butter (reg. & reduced fat)	36	18	9

Peanut Granules	60	24	12
Peanuts Roasted	60	24	12
Vegetable Shortening	48	24	12
Vegetable Oil	24	12	6
Salad Oil Dressing	24	12	6
Salad Dressing, Reduced Calorie	8	5	2
Wheat, Rolled, Quick	24	12	6
NFD Milk	24	12	3
Honey <sup>1</sup>	48	24	12

<sup>1</sup> No longer Purchased (may have in inventory).

### Storage Life

The “Best If Used By” date is intended to tell you how long the product will retain best flavor or quality. The term is not a safety date. “Best If Used By” dates are intended as useful guidelines. Some foods may deteriorate more quickly and other foods may last longer than the times suggested. A number of factors can shorten the useful life of a food product, such as improper handling and inadequate storage temperatures. The inventory control method of “first-in, first- out” should be practiced by those responsible for managing commodity inventories and distribution at the State and local level. Products kept past the “Best If Used By” date are not necessarily “out of condition.” Food products may be eaten after the “Best If Used By” date if the product has been properly stored, handled, and the primary container is in good condition.

## CHEESES

### Process American Cheese

**Loaves:** can be kept for 1 year at a constant 32° Fahrenheit in its original unopened package. After opening, it can be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for up to 3 – 4 weeks.

**Sliced:** can be kept for 6 months at a constant 32° Fahrenheit in its original unopened package. After opening, it can be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for up to 3 – 4 weeks.

**Shredded:** can be kept for 5 months at a constant 32° Fahrenheit in its original unopened package. After opening, it should be used as soon as possible before mold develops.

### Cheddar Cheese

**Blocks or Loaves:** can be kept for 1 year at a constant 32° Fahrenheit in its original unopened package. After opening, it can be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for 3 – 4 weeks.

**Shredded:** can be kept for 6 months at a constant 32° Fahrenheit in its original unopened package. After opening, it should be used as soon as possible before mold develops.

### Reduced Fat Cheddar Cheese

**Loaves:** can be kept for 5 months at a constant 32° Fahrenheit in its original unopened package. After opening, it can be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for up to 3 – 4 weeks.

**Shredded:** can be kept for 5 months at a constant 32° Fahrenheit in its original unopened package. After opening, it should be used as soon as possible before mold develops.

### Mozzarella Cheese

**Loaves:** can be kept frozen at 20°Fahrenheit or lower for 1 year in its original unopened package. After opening, it can be kept well wrapped at 35° Fahrenheit for 7 – 10 days. Cheese received unfrozen can be cut into individual loaves for quick freezing and kept for 1 year at 20° Fahrenheit or lower.

### Lite Mozzarella Cheese

**Loaves and Shredded:** can be frozen at 20° Fahrenheit or lower for 5 months in its original unopened package. After opening, it can be kept well wrapped at 35° Fahrenheit for 7 – 10 days.

### Cheese Blend

**Loaves:** are best if used within 9 months when stored at a constant 32° Fahrenheit in its original unopened package. After opening, it should be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for 3 – 4 weeks.

**Slices:** should be used within 7 months when stored at a constant 32° Fahrenheit in its original unopened package. After opening, it should be kept well wrapped between 30° Fahrenheit and 40° Fahrenheit for 3 – 4 weeks.

**“BEST IF USED BY” DATES FOR FROZEN COMMODITIES  
DISTRIBUTED TO SCHOOLS  
(IN MONTHS)**

9/98

	0° F or Below *
<b>GROUP A</b>	
<b>FRUIT</b>	
Apple Slices, Frozen	18 months
Apricots, Frozen	18 months
Blackberries, Frozen	18 months
Blackberry/Raspberry Puree, Frozen	18 months
Blueberries, Frozen	18 months
Cherries, Frozen	24 months
Orange Juice, Frozen	24 months
Orange Juice, Single Serve Cartons, Frozen	9 months
Peaches, Frozen	18 months
Peaches, Individual Cups, Frozen	18 months
Strawberries, Sliced, & Whole, IQF, Frozen	15 months
<b>VEGETABLES</b>	
Beans, Green, Frozen	12 months
Carrots, Frozen	12 months
Corn, Frozen	24 months
Corn, Cobbetts, Frozen	9 months
Peas, Green, Frozen	14 months
Potato, Oven Fries, Frozen	12 months
Potato, Rounds, Frozen	12 months

Potato, Wedges, Frozen	12 months
Sweet Potatoes, Frozen	12 months
<b>MEAT/MEAT ALTERNATIVE</b>	
Beef, Ground, Bulk, Frozen	9 months
Beef, Patties 100%, w/VPP & Lean, Frozen	4 months
Beef Roasts, Frozen	12 months
Chicken Parts, Cooked, Breaded, Frozen	4 months
Chicken, Leg Quarters, Frozen	8 months
Chicken, Cut Up, Frozen	8 months
Chicken Meat, Cooked, Diced, Frozen	6 months
Eggs, Whole, Frozen	12 months
Ham, Water Added, Frozen	6 months
Pork, Ground, Frozen	9 months
Pork Ham Roast, Frozen	12 months
Pork, Sausage, Bulk, Patties & Links (&w/VPP), Frozen	3 months
Salmon Nuggets, Frozen	6 months
Turkey Breast, Deli Style, Frozen	4 months
Turkey Burgers, Frozen	4 months
Turkey, Ground, Frozen	3 months
Turkey Ham, Frozen	4 months
Turkey Roast, Frozen	7 months
Turkey Sausage, Chubs, Frozen	3 months
Turkey, Whole, Frozen	9 months

\* Store off the floor, and away from walls to allow for circulation of cold air. Temperature changes shorten shelf life and speed deterioration.

## **TYPES OF USDA FOODS AVAILABLE**

A complete up-to-date listing is available on the USDA Food Distribution web site:

[www.fns.usda.gov/fdd](http://www.fns.usda.gov/fdd) (look under “Foods Available”)

Any item from Group A or Group B Commodities can be designated as a “Bonus” item by the USDA. The USDA also determines which recipient group will receive the various food items.