



School Programs USDA Foods Update

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What's New in USDA's Food Distribution Program for Schools?

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ANOTHER SCHOOL YEAR IS ALMOST OVER

We are quickly coming to the end of another school year. We continue to make changes and improvements in the USDA Food Programs that we will pass on to you through this newsletter.

SAVE THE DATES

We hope to see you at these upcoming conferences.



**AMERICAN COMMODITY
DISTRIBUTION ASSOCIATION IN
COSTA MESA, CA, MAY 2-6, 2009**

There are still a few days to register! If you've never been to ACDA's Annual National Conference, we highly recommend that you consider attending. This conference provides a wealth of information about USDA Foods in school nutrition programs, as well as other nutrition assistance programs we support. You can find conference information on ACDA's website at www.commodityfoods.org.



**SNA'S ANNUAL NATIONAL
CONFERENCE (ANC) IN LAS VEGAS,
NV, JUNE 28 - JULY 3, 2009**

Food and Nutrition Service (FNS) and SNA have forged a tremendous partnership which affords FNS 17 educational sessions and one pre-conference session at ANC. The topics include:

- USDA Foods 101
- Make "Planned Assistance Level" (PAL) Your Friend
- Manage Commodity Inventory to Reduce Costs
- Commodity Processing 101
- Eating Right When Money is Tight Using USDA Foods
- New USDA Food Ordering Program Launch
- State Commodity Distribution Models
- Solving the Food Allergy Puzzle
- A Blueprint for Handling Food Allergies
- Take the Stress Out of Food Recalls

SNA will feature a USDA banner above all of the USDA booths in the exhibit hall so it will be easier to find us and our sister agencies. For conference registration information, visit SNA's website at www.schoolnutrition.org.

NEED CONTINUING EDUCATION CREDIT?



DON'T MISS THESE UPCOMING WEBINARS

USDA is working with the School Nutrition Foundation to host a series of three webinars on *Managing Food Allergies in Schools*. The dates are **April 29, 2009** (*Understanding the Fundamentals*), **May 27** (*Developing Policy*), and **June 3** (*Implementing Policy*). Registration for the webinars is on the SNA website at www.schoolnutrition.org.

If you missed our *USDA Foods, America's Finest* satellite seminar, or would like to download it to share, you can find it at www.fns.usda.gov/fdd/foods/healthy/ToolKit.htm, then click on "*USDA Foods, America's Finest*". This webcast looks at how USDA Foods help in providing high quality and nutritious foods to schools. It captured the early days when donated surplus food helped feed a nation in the middle of a severe depression and how today's USDA Food Programs continue to provide nutrition assistance across the country. Throughout the seminar and webcast, school nutrition professionals and USDA professionals share their knowledge and experience with USDA Foods.

These three webinars, and the webcast, have each been approved to provide 1.0 CEU towards maintaining or earning your SNA certification or credential.

LOOKING TOWARDS SCHOOL YEAR 2010

NEW FOODS

Low-Sodium Canned Vegetables: In SY 2009, schools received low-sodium (140 mg per serving) canned tomato products (tomato paste, tomato sauce, and salsa) and canned dried beans. Beginning SY 2010, all canned vegetables will be offered as low sodium. Providing low-sodium canned vegetables will bring USDA Foods more in line with the *2005 Dietary Guidelines for Americans*.

Whole-Wheat Macaroni (B426): Starting in SY 2010, we will be offering whole-wheat macaroni in addition to our other whole-grain offerings such

as whole-wheat rotini and spaghetti, parboiled brown rice, rolled oats, whole-wheat flour, and whole-grain kernel corn for processing. Whole-wheat macaroni may be used in place of regular macaroni on your menus. *The Dietary Guidelines for Americans* and *MyPyramid* both recommend that half your grains come from whole grains. USDA continues to offer foods that assist food service professionals in making wise food choices for their menus.

Boneless Turkey Thighs (Bulk): Agricultural Marketing Service (AMS) initiated a pilot program for bulk pack boneless skinless turkey thighs in SY 2009. Four truckloads (36,000 pounds each) were purchased for delivery to processors for conversion into further-processed items. Colorado, Connecticut, Florida, and Maryland participated this year. We plan to continue this pilot in SY 2010.

SCHOOL YEAR 2010 BONUS OFFERINGS

Fruit Products:

- Apricots – canned, frozen
- Cherries – canned, frozen, dried
- Blueberries – frozen
- Processed apple products

Other Bonus Items:

- Walnuts
- Pork – hams, leg roasts
- Turkey – look for available products coming soon
- Cheese
 - Light Mozzarella - shredded
 - Reduced-fat Cheddar - shredded
 - Reduced-fat American - sliced
- Non-fat dry milk for further processing
- Great Northern beans - dried



FRESH CUT SLICED APPLE PROJECT

USDA has initiated a pilot project to purchase and deliver fresh cut sliced apples packaged in 2 ounce pouches to schools in five States. The apples have a minimum shelf life of 14 days and will be delivered directly to schools from commercial distributors or State warehouse facilities. The five States participating in the pilot are California, New York, Michigan, North Carolina, and Pennsylvania. Deliveries began in late March 2009, and will continue through June 2009. Schools in the pilot

States are being asked to complete acceptability surveys on the appearance, flavor, and texture of the apples, and students' satisfaction with the apples. Other survey questions focus on the condition of the apples when received and the adequacy of the shelf life. A successful outcome could lead to offering the fresh cut apple slices to other States. The survey results will help USDA in its efforts to offer fresh fruits and vegetables to schools, while ensuring that the quality and safety of the foods are protected.



FARM BILL – WHOLE-GRAIN PILOT

The 2008 Farm Bill included a provision for \$4 million to be spent in Fiscal Year 2009 on the purchase and study (Due to Congress 2011) of whole-grain foods for schools. As a result, USDA has established a pilot project to purchase frozen whole-wheat tortillas and pancakes, which are now arriving in 41 States and Puerto Rico. Specific school districts in these States will be evaluating the impact and acceptability of the products. Texas A&M University (TAMU) is conducting the evaluation, which includes collecting data in several States on plate waste. In addition, TAMU is also conducting an online survey to those participating school districts, to obtain feedback on the acceptability of the whole-wheat pancakes and tortillas. USDA will provide a report to Congress on the results of the evaluation after it is completed.

DEPARTMENT OF DEFENSE (DOD) FRESH PROGRAM

As you are aware, the DoD Fresh Program is a cooperative effort between USDA and DoD to supply fresh fruits and vegetables to schools, paid for with entitlement funds. DoD has implemented its new system of prime vendor contracts in the majority of States, representing 92 percent of schools. It hopes to have the remaining contracts awarded in time for the new SY 2010, beginning July 1, 2009.

In December 2008, DoD informed USDA that all DoD Fresh system users (16,000+) would be required to purchase security clearance certificates in SY 2010. These security clearance certificates would have cost schools using the DoD Fresh Program between \$125 and \$175 per user, per year. Also, DoD advised us that its Fresh Fruits and Vegetables Ordering and Receipting System

(FFAVORS) was to be shut down, and users would be required to transition to an alternative ordering system called the Subsistence Total Order Receipt Electronic System (STORES). USDA has been working with DoD to find solutions to these cumbersome and costly requirements. In late March 2009, USDA received notice that DoD will be able to maintain FFAVORS for one more school year (SY 2010), and no security certificates will be required for this period, in order to allow time to develop a more suitable solution.

South Carolina schools participating in the DoD Fresh Program are presently using STORES and will remain on that system next year. DoD will be granting waivers from any security certificate requirements for all STORES users.

IMPORTANT UPDATES



NEW LOGO AND NAME

We are working on a communications initiative to improve public perception of USDA Foods. We have developed a new logo and name - USDA Foods. You may have noticed these changes if you attended SNA's Annual National Conference last summer in Philadelphia. We held our first culinary demonstration and the new logo was featured in banners and other promotional materials.

WEB BASED SUPPLY CHAIN MANAGEMENT (WBSCM)

FNS along with AMS, Farm Service Agency (FSA), Foreign Agricultural Service (FAS), and the U.S. Agency for International Development (USAID) are building one integrated system to support domestic and international food assistance programs. This new system, WBSCM, will replace the Processed Commodities Inventory Management System (PCIMS) and the Electronic Commodity Ordering System (ECOS). WBSCM will be used for all supply management activities from the creation of orders from our recipients (both domestic and international) to processing bids and tracking funding, order status, commodity distribution, and receipts. Why are we doing this?

- Replace old architecture
- Integrate applications supporting USDA Foods programs
- Standardize business processes

- Streamline administration tasks and stakeholder interactions

A large component of WBSCM will be the communication and training of changes for our users. In support of these activities, all agencies involved in the project have joined together and established the Human Capital Transition (HCT) team to coordinate the effort. The training and communication strategy will be completed in May 2009. Communication vehicles will include conferences, committee meetings, newsletters, and web meetings to show new functionality.

WBSCM is currently in development with a “go-live date” of December 31, 2009.



USDA FOODS REGULATIONS

During the last several years, FNS has been rewriting regulations in Part 250 in order to clarify program requirements regarding the distribution of USDA Foods in schools and other programs. This rewrite is taking place in three separate rules.

The first of these rules revises and clarifies requirements for management, distribution, and use of donated foods. A copy of this final rule, which was effective as of November 6, 2008, may be found on the FNS website at http://www.fns.usda.gov/fdd/regs/final/7cfr250_08DonatedFoods.pdf. FNS recently revised Policy Memo FD-080, which provides additional guidance on this topic.

The second rule addresses requirements for the processing of donated foods. A proposed rule was published on August 24, 2006. A final rule has been drafted and submitted for clearance. FNS expects to publish the final rule in the near future. The proposed rule can be found at http://www.fns.usda.gov/FDD/regs/proposed/Part250_PropRuleProcessingAug06.pdf.

A third rule is still in draft, which will propose to better ensure the safe, efficient, and cost-effective distribution and control of donated foods and to streamline reporting and administrative requirements for State distributing agencies and recipient agencies, including schools. We expect this proposed rule to be published during Fiscal Year 2010. We encourage you to comment on this rule when it is published.



MORE FRUITS AND VEGETABLES FOR YOUR MENUS

The 2008 Farm Bill authorized FNS to spend additional funds, specifically to buy fruits and vegetables each school year through 2012. For SY 2009, FNS purchased over \$53 million in fresh bonus fruits and vegetables for Child Nutrition Programs with additional Farm Bill funds. You may wonder, if FNS must spend these funds on fruits and vegetables, why can't I just order more of what I already use in my menus, like corn, green beans, or diced peaches?

The answer lies in our Agency's dual mission: 1) to provide nutritious foods through our assistance programs, and, 2) to support domestic agricultural markets, especially those markets experiencing hardship. One way FNS fulfills this mission is to use Farm Bill funds to purchase “bonus” items. When schools serve “bonus” fruits and vegetables, they play an important role in helping growers/producers when the demand through commercial channels isn't strong enough to draw down on the existing supply. Some of the items like canned applesauce or apricots may be popular, kid-favorites. Others, like frozen blueberries or cherries, may take some creativity to find a place on your menu. What about adding them to a colorful fruit salad or baking them in a whole-grain muffin? Think about the possibilities. Offering more fruits and vegetables helps students meet the *Dietary Guidelines for Americans*. And that's a bonus, too!

HOLDS AND RECALLS

As a result of an investigation of a nationwide *Salmonella* outbreak, beginning in January 2009, the Peanut Corporation of America (PCA) announced a series of recalls of peanut butter and other peanut products from their Blakely, Georgia and Plainview, Texas plants. Thousands of commercial products containing peanuts associated with PCA have been recalled and a few new recalls are still being announced; although, the rate has slowed to a trickle. Schools or States with questions about commercially purchased products should check the complete database of recalled products, available at www.fda.gov.

Although USDA Foods were not affected by the first recall notices from PCA, on January 29, 2009, FNS recalled a small amount of peanut butter and

roasted peanuts processed in PCA's Blakely, Georgia plant. On February 25th and March 3rd, FNS announced additional recalls of peanut butter as links to PCA's Plainview, Texas plant became known. Some of this product was sent to a further processor, who recalled it. FNS is not anticipating any further recalls of our peanut products. In April 2009, a recall was issued for pistachio nuts from Setton Pistachio of Terra Bello, due to contamination with *Salmonella*. USDA does not distribute pistachios or products made with pistachios. Large numbers of commercial products made with the affected pistachios, however, are being recalled. A complete list of recalled items is available at www.fda.gov/pistachios. This recall is unrelated to the PCA peanut recall.

Food Allergies in Schools

(Adapted from IFIC, *School Food Service and Food Allergies: What We Need to Know*, available at <http://www.ific.org/publications/other/allergysheet.cfm>).

Do you know what a food allergy is? A food allergy is a negative reaction to food. The body mistakenly believes that the food is harmful and the immune system reacts to the food in a way that triggers allergic symptoms. Reactions can range from mild to serious, life threatening conditions.

Do you know how to recognize an allergic reaction in one of your students? Symptoms of food allergy differ greatly among individuals and include skin irritations such as rashes, hives, and eczema; gastrointestinal symptoms such as nausea, diarrhea, and vomiting. Sneezing, runny nose, and shortness of breath can also result from food allergies.

Anaphylaxis is the most severe reaction and can be fatal. Several parts of the body experience allergic reaction at the same time and may include itching, hives, swelling of the throat, difficulty breathing, and low blood pressure. Symptoms usually appear rapidly and can be life threatening. Immediate medical attention is necessary when anaphylaxis occurs. The standard treatment during emergencies is injection of epinephrine by using an EpiPen®.

Do you know how to prevent an allergic reaction? Strict avoidance of the allergy-causing food is the only way to avoid a reaction. Reading ingredient labels for all foods and keeping these foods away from the allergic student is the key to avoiding a reaction. Also, unintended exposure

through cross-contamination of foods must be avoided.

Do you know which foods are mostly likely to cause food allergies? The eight most common food allergens—milk, eggs, peanuts, tree nuts (i.e., almonds, pecans, etc.), soy, wheat, fish, and shellfish—cause more than 90 percent of all food allergic reactions.

Do you know how to recognize these foods on ingredient labels? Many products include ingredients that may surprise you. For example, Worcestershire sauce contains anchovies and/or sardines – both are fish. Hot dogs and many deli meats may use milk or soy as binding agents. It is important to read labels carefully and regularly, as ingredients sometimes change. The law now requires foods containing any of the top eight food allergens to declare the allergen in plain language on the ingredient list. In addition, the ingredient label may use the word "Contains", followed by the name of the major food allergen – for example, "Contains milk, wheat." In addition, the label may include a statement in parentheses that lists the allergen next to the ingredient name – for example, "albumin (egg)."

Do you know how to avoid cross-contamination? Cross-contamination occurs when one food comes in contact with another, causing small- even microscopic- amounts of mixing. When cross-contamination occurs, a food that was previously allergen-free can become contaminated. Cross-contamination can be direct, such as cheese touching a bun, or indirect, such as reusing a knife previously used to spread peanut butter that had only been wiped clean. To avoid this, it is important to sanitize utensils, equipment, and surfaces before preparing an allergen-free meal. It is also important to wash your hands and change gloves. Cooking oil that has previously been used to fry an allergenic food can contaminate other foods, and should not be re-used for students with food allergies.



Do you know where to go for more information?

Food Allergy and Anaphylaxis Network:
<http://www.foodallergy.org/school.html#>

School Nutrition Association:
<http://www.schoolnutrition.org/Content.aspx?id=634>

International Food and Information Council:
<http://www.ific.org/publications/other/foodallergyresources.cfm>

National Food Service Management Institute,
Meeting Children's Special Food and Nutrition Needs in Child Nutrition Programs: <http://nfsmi-web01.nfsmi.olemiss.edu/ResourceOverview.aspx?ID=89>

USDA Food and Nutrition Service, *Accommodating Children with Food and Nutrition Service Special Dietary Needs in the School Nutrition Programs Guidance for School Food Service Staff:*
http://www.fns.usda.gov/cnd/guidance/special_dietary_needs.pdf

SCHOOL ENTITLEMENT COMPUTATIONS



How Does FNS Calculate My State's USDA Food Entitlement for the National School Lunch Program (NSLP)? The simple answer is, by multiplying the per-lunch rate (published in the Federal Register in July of each year) times the number of lunches served in the State. For example, if the per lunch rate published on July 1, 2008, was 21 cents and 10 million lunches were served in a State from July 1, 2008, to June 30, 2009, the State's SY 2009 entitlement would be \$2.1 million. However, timing is everything in life. Agricultural markets, school lunches, **AND**, entitlements are moving targets. For those who want more detail:

The **estimated** per-lunch assistance rate for SY 2010 happens to be the same as last year, which is 20.75 cents per lunch. This initial rate is calculated using data from the Bureau of Labor Statistics, and the Producer Price Index. We will alert you once the actual rate for SY 2010 is approved and published in the Federal Register in July 2009.

In November 2009, FNS will update your State's entitlement calculations to reflect final SY 2009 lunch counts and the actual carryover balance. We will notify all States and Regional Offices by e-mail each time we update the beginning entitlement data.

How does the State calculate my school district's USDA food Planned Assistance Level

(PAL)? The State is allowed to establish school districts' PAL in several ways, as long as it is equitable and based on the number of lunches served.

In accordance with Food and Nutrition Service Regulations at 7 CFR 250.58(b), the State distributing agency must offer each School Food Authority (SFA) the commodity offer value, which is the per-lunch value of donated food assistance multiplied by the number of reimbursable lunches served by the SFA in the previous school year. An SFA may actually receive less or more than this amount for various reasons, some of which are included in 7 CFR 250.58(c) and (d).

If your school district uses ECOS, the State enters the number of lunches served for each Recipient Agency (RA). ECOS will calculate the "Recipient's Beginning Entitlement" (which is the RA's planned assistance level) based on its percentage of lunches, as compared to the State's total lunch counts. So, if your State's entitlement equals \$2.1 million, and your school district represents 10 percent of the lunches served, your PAL would equal \$210,000.

THANK YOU

For the Child Nutrition Professionals that completed our comment cards at SNA's Annual National Conference, last summer in Philadelphia, thank you very much. You provided us with some good information about what products you do and don't want us to offer. You also gave us some great suggestions for new products and resources that you'd like to have. Be sure to check our website as we continue to implement your suggestions.

CONTACT US

Please let us know if you have any USDA Foods related issues that you would like addressed in future editions of the School Programs USDA Foods Update. If you have any questions or comments on our products or services, please e-mail them directly to our Program Support Branch at fdd-psb@fns.usda.gov. You can also write to the Food Distribution Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 508, Alexandria, VA 22302.

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