

# Rewriting Part 250 Regulations



**Bob De Lorenzo**  
**FDD Policy Branch**

# Why Rewrite Part 250?



- Legislative changes in NSIP.
- Audit findings in schools' food service management company contracts.
- Streamline and clarify requirements.
- More readable “plain language” format.



# How long will the rewrite take?

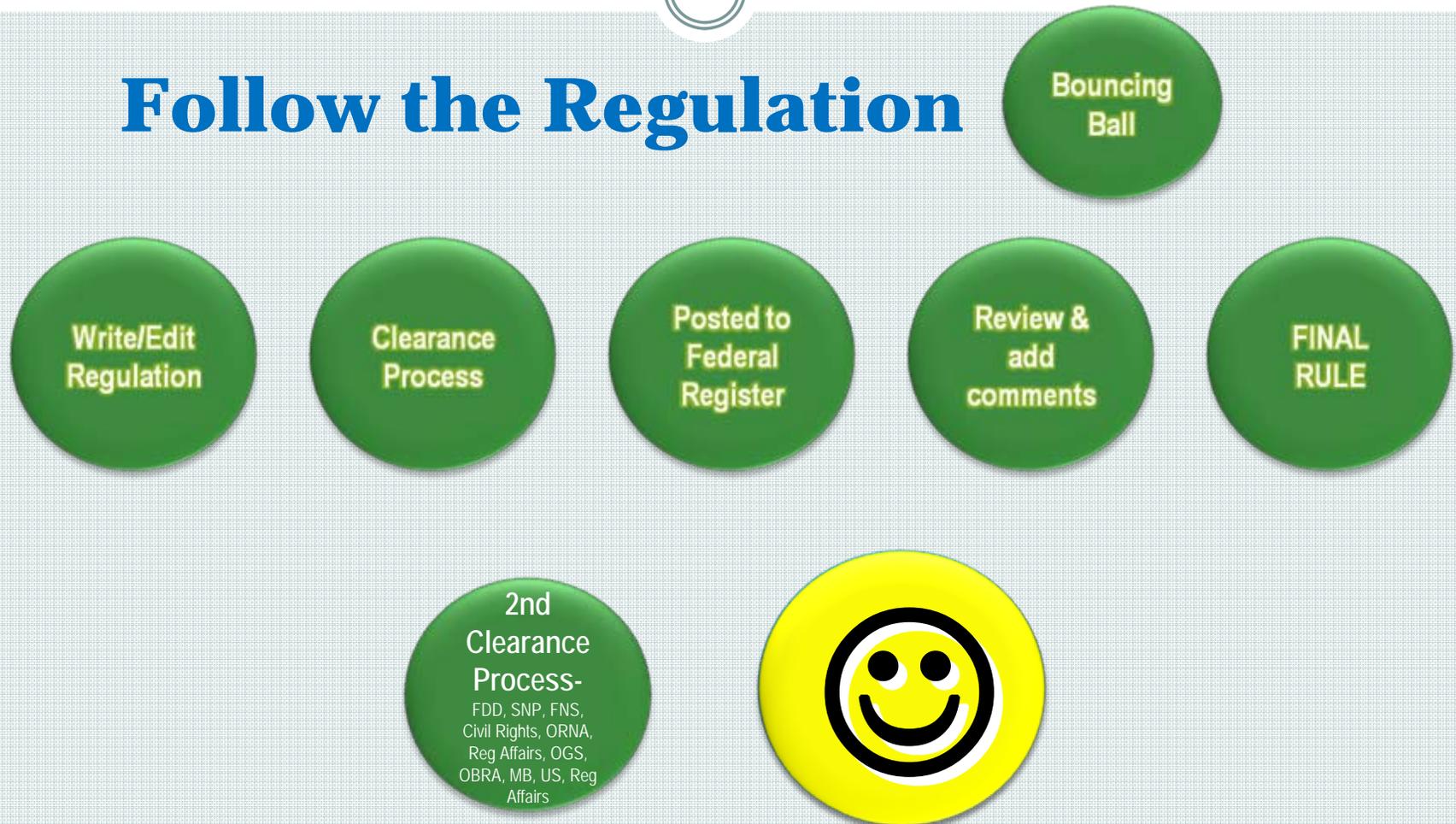


- Rewrite in 3 stages.
- 2 proposed rules published in 2006.
- Final rules drafted in 2007; should be published in 2008.
- Drafting 3<sup>rd</sup> proposed rule this year; should be published later this year.



# How do we change regulations?

## Follow the Regulation



# Preliminary Input from Program Operators

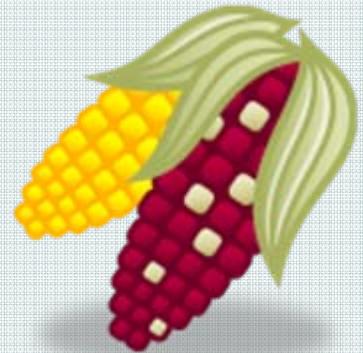
- Input solicited at SNA and ACDA meetings.
- E-mail: [Robert.Delorenzo@fns.usda.gov](mailto:Robert.Delorenzo@fns.usda.gov)
- Telephone: (703) 305-2719.



# FSMC and Processing Rules



- Ensure crediting for value of donated foods in FSMC contracts.
- Ensure schools receive desired donated foods.
- Permit processors to substitute donated beef and pork with commercial product.
- National Processing Agreements.



# Distribution and Control Rule



- Ensure safe, efficient, and cost-effective distribution and control of donated foods.
- Clarify storage and inventory management requirements.
- Reduce reporting and administrative requirements.



# Administration and Agreements



- Administration at Federal, State, and local levels.
- Required agreements between parties.
- Required provisions in agreements.



# Ordering and Delivery



- Availability of donated foods.
- Delivery and receipt of shipments.
- Replacement of donated foods delivered out-of-condition.



# Storage and Inventory Management



- Ensure safe storage and management.
- Clarify single inventory management for schools.
- Disposition of out-of-condition donated foods in storage.



# Distribution to Recipient Agencies



- Ensure most efficient and cost-effective distribution.
- Distribution charge for donated foods.
- Contracts with commercial storage facilities.
- FNS approval of changes in distributing agency system.



# Funds Accruing from Donated Foods



- Allowable uses of funds.
- Maintenance in salvage account.
- Buy American requirement for purchase of foods.



# Reporting and Recordkeeping Requirements



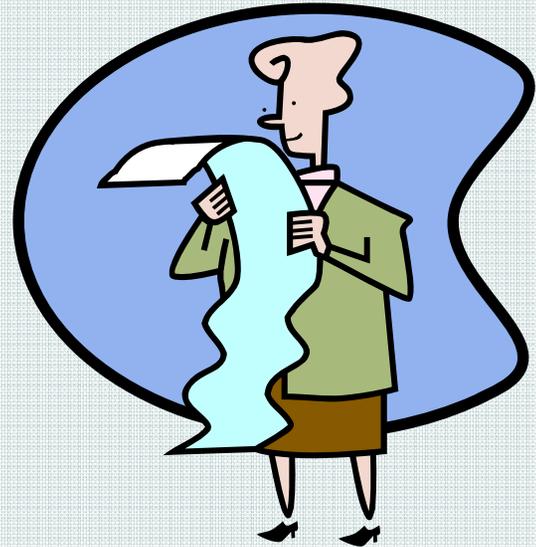
- Inventory reports in FDPIR and CSFP.
- Processor performance reports.
- Consider elimination of commodity acceptability reports and report of excessive inventories.
- Records to document compliance.



# Review Requirements and Performance Standards



- Distributing agency's responsibility to review food distribution operations and programs.
- Distributing agency must meet basic performance standards.



# Disasters and Situations of Distress



- Clarify requirements in distribution of donated foods.
- Clarify requirements in replacement of donated foods.



# **Rewriting Part 250 Regulations**



**Questions?**