



Processor Guidance
for
Further Processing of USDA Foods

ACDA Processing Committee
October 2016

Table of Contents

Introduction	3
USDA Foods Processing Overview	3
Roles and Responsibilities	4
USDA Foods Inventory Management	5
Value Pass Through Methods	7
Fee for Service	7
Fee for Service through a Distributor	7
Net Off Invoice	9
Closed SKU NOI	10
Rebate	10
Record Retention	12
Audit Requirement	12
Food Recalls	12
Acronyms	14
Appendix	15

RECOMMENDED PROCESSOR GUIDELINES

Introduction

The United States Department of Agriculture USDA Foods Program (formerly known as The USDA Commodity Distribution Program) provides approximately 15-20% of the food served in the National School Lunch Program (NSLP). The program, established in 1935, serves two key roles: to support American agriculture and to provide nutrition assistance to children and families who need it. USDA Foods are distributed to nutrition assistance programs that service school children through school meal programs, emergency feeding (pantries), food distribution on Indian Reservations, food packages for the elderly and to supplement disaster feeding. This entitlement program provided over 2.2 billion dollars in food assistance to eligible Recipient Agencies (RA) in FY2015, with schools receiving almost 75% of the USDA Food offerings. Please refer to Appendix for overview of recipients of USDA Foods as well as types of food items purchased on their behalf.

The funds allocated to states are based on a yearly established per meal rate. For schools, the amount of funds available is calculated by multiplying the number of creditable lunches claimed in the previous year times the per meal rate. While USDA Foods is a federal program, it is administered to RAs through State Distributing Agencies (SDA). The yearly meal rate published by USDA can be found at:

<http://www.fns.usda.gov/fdd/regs/mealrates.htm>

USDA Foods Processing Overview

The USDA Foods processing program allows schools to contract with commercial food processors to convert raw bulk USDA Foods into more convenient, ready-to-use end products by sending bulk USDA Foods to processors to be manufactured into finished products. These end products are produced under controlled conditions and strong food safety standards. Processing can be a cost-effective option when used wisely.

For further understanding of the guidance that follows, see a Glossary of Terms. For a comprehensive understanding of the USDA Processing program, visit the USDA website at: <http://www.fns.usda.gov/fdd/processing/default.htm>

Schools can elect to receive “direct delivery” (formerly known as brown box) of USDA Foods, such as canned, dry, fresh, and frozen fruits and vegetables, legumes, reduced fat shredded and sliced cheese, high protein yogurt, fish, and whole grains, for on-site preparation or can elect to have the USDA Foods diverted to a manufacturer for further processing to make into a large variety of usable end products such as a fully cooked hamburgers, fully cooked chicken breast filets, pulled pork BBQ, flatbread pizzas, oven roasted potatoes, and Asian inspired entrees.

Further processing means a commercial enterprise's (the processor) use of a commercial facility to convert USDA Foods into an end product, repackage USDA Foods, or using USDA Foods in the preparation of meals. In-state processors conduct business with RA's solely within the state of their manufacturing facility and must enter an Agreement with the SDA. Multi-state processor do business with RA's in multiple states or in a state other than the location of their processing facility and enter an Agreement with USDA FNS.

This document is not designed to provide guidance on the procurement or management of value-added, fully cooked direct delivery USDA Foods (such as chicken fajita, unseasoned chicken strips, or turkey taco meat) ordered on behalf of the SDA's and RA's.

The goal of this Handbook is to provide "how to" guidelines and best practices for processors relating to the further processing of USDA Foods, program requirements, inventory management, describe allowable Fee-For-Service (FFS) and "value pass-through" (VPT) methods, and food safety. Guidance contained in this Handbook will assist in managing business interactions with RAs, commercial distributors, and state contracted warehouses.

Please visit the American Commodity Distribution Association (ACDA) website at www.commodityfoods.org to review the Recipient Agencies (RA) Handbook before reading this material.

It is essential that each processor meet with the SDA to understand:

- State procedures for obtaining a State Participation Agreement (SPA) prior to selling USDA Food end product options in a state.
- State procedures regarding Summary End Product Data Schedule (SEPDS) approval.
- All state policies for various options (delivery, inventory management, record retention, reporting requirements, including negative inventories and VPT methods available).
- All state limitations or provisions pertaining to cooperative purchasing or statewide bids.
- State procedures and guidance for assisting in managing USDA Foods inventory levels so not to exceed the six-month inventory level.

Roles and Responsibilities

The USDA Foods program is a complex, sequential process. Each stakeholder has a responsibility to ensure the integrity and effectiveness of the program; USDA for procurement and administration; states for administration, inventory management, order processing, recordkeeping and monitoring; processors for processing, inventory management, reporting and recordkeeping; distributors for inventory management, billing and recordkeeping; and RAs for procuring processed end products, effectively using their entitlement dollars, inventory management, and recordkeeping. This section will look at the various partners' roles.

ACDA believes that strong agreements between each of the stakeholders are essential best practices. To this end, ACDA has developed recommended template agreement between processors and distributors. Sample agreements can be found in the appendix. Following is a list of many of the roles and responsibilities of the stakeholders. Some are required by law. Some are simply good business practices. ACDA's website provides many sample forms and systems to assist in carrying out these duties.

Processors must have an approved National Processing Agreement with FNS or an approved in-state processing agreement, approved End Product Data Schedules (EPDS) and SEPDS. FNS requires a bond or letter of credit to protect the value of USDA Foods diverted for processing prior to receipt of the first delivery of USDA Food raw material. Nationally approved processors must also have a state approved SPA for each state where the processor is selling processed end products. Processors are accountable for delivery end items in the quantity guaranteed on their SEPDS. Any shortages must be made up at their own expense - ensuring that any substitution of raw material for USDA Foods is equal to or better than the USDA Foods specification, including only using domestic materials. Processors are subject to independent CPA audits - the frequency determined by the volume of their processing.

USDA FOODS INVENTORY MANAGEMENT

Current and proposed federal regulations require the processor to maintain 6-month inventory levels or less. Please reference FD-064: Processing Management of Donated Food Inventories at Processors issued March 20, 2012.

FD-064:

Application of the Six-Month Inventory Limit:

The six-month inventory limit established at 7 CFR.30 (n) is applicable to wide inventory of donated foods at processors and to individual SFA donated food inventories at processors. For the purpose of calculating inventory levels, SDA's and processors must use the school year, which begins on July 1 and ends on June 30 of the following calendar year. The average monthly usage is determined by taking the year-to-date usage reported on a processor's June monthly performance report (for the period ending June 30) and dividing by twelve months. Multiplying the resulting number by six will produce the allowable six-month inventory level.

7CFR 250.30 (n)

Inventory controls. (1) Distributing agencies shall monitor processor inventories to ensure that the quantity of donated foods for which a processor is accountable is the lowest cost-efficient level but in no event more than a six-month supply based on the processor's average monthly usage, unless a higher level has been specifically approved by the distributing agency on the basis of a written justification submitted by the processor.

The key to maintaining inventory at a six-month level is working closely with all stakeholders. Request permission, in writing, when necessary, from the SDA to exceed these levels. The following guidance will assist in this process.

1. Processors are to work directly with RA to develop a USDA Foods specific demand plan for diversions, based on RA menu needs and potential carry over balances.
 - a. Planning should occur prior to SDA surveys (which may be extended as they are now Jan-March with changing USDA deadlines.)
 - b. Processors should work with their sales agents (direct, broker and distributor) educating them on the importance of demand planning with RAs. USDA Foods diversions need to coincide with pre-planned menu needs to ensure that the RA is not over-sold.
 - c. Processors may provide USDA Foods Calculators to RAs to assist in the calculation of the volume of raw USDA Foods needed to produce finished product (servings, cases), for diversion to meet next year's menu needs.
 - d. Annual Plan (for diversions)
 - e. Monthly Plan (for drawdown)
2. Processors must have an active inventory protection instrument (surety bond or letter of credit) on file with USDA FNS (for National processors) or the SDA (for in-state processors) prior to receiving any USDA Foods for processing.
 - a. Inventory protection ensures processor performance and covers inventory liability.
 - b. The amount of inventory protection required is determined annually and must be received by FNS or the SDA prior to USDA Food purchases for the upcoming school year.
3. Processors are to monitor inventory levels for RAs on a regular basis (monthly) to ensure consistent utilization throughout the school year. Processors need to monitor SDA aggregate inventory as well, to ensure the six-month inventory level, based on average monthly usage, is not exceeded.
 - a. Processors need to identify RAs with no immediate drawdown early in the school year (within 60 days of startup), to ensure USDA Foods are processed and finished products are shipped.
 - i. Contact the RA to find out why orders have not been placed
 - ii. Resolve issues – start shipping
 - b. After 90 days, processors are encouraged to communicate in writing, to zero and low drawdown RAs, the need to start utilizing USDA Foods pounds on hand.
4. Processors are to work with the SDA to ensure that their aggregate inventory levels do not exceed the average usage for a six-month period. (7 CFR section 250.30). Monitoring individual RA usage will assist in this effort.
 - a. Follow the state outlined procedure for maintaining inventory levels
 - i. Review data with the SDA on RAs that are not utilizing diverted pounds and their response to inquiries
 - ii. SDA designate transfer of underutilized pounds to eligible RAs or another state or
 - b. When necessary, set up “state” account to hold pounds for re-allocation. Work Cooperatively with SDA to resolve instances of perceived RA and state excessive inventories.

- c. Processors should be aware that individual states may have implemented “sweep” procedures to deal with excess inventories.
- d. SDA’s may require written documentation from processors addressing carry over inventory to the next school year (reference 7CFR 250.3 (n))

VALUE PASS THROUGH METHODS

Federal law requires that RAs receive the full value of their USDA Foods. When processing, this value must be passed through to the RA by the Processor. The method used to credit the RA is called the value-pass-through (VPT). There are four primary forms of VPT methods, with variations in each. When implementing a VPT method, a written agreement outlining the business practices and responsibilities of the Processor and Distributor will ensure a clear understanding of the roles of each party.

I. FEE FOR SERVICE

Overview

Fee for Service (FFS), is a method where the Processor bills the costs of processing without the value of the USDA Foods included in the price. Fee for Service is the most direct, least complicated and most transparent VPT method. Fee for Service is the price charged by pound or case which represents the Processor’s cost of ingredients (other than USDA Foods), labor, packaging, overhead, and other costs incurred in the conversion of the USDA Foods into a finished usable good. Fee for Service is the most commonly used VPT method and is generally approved across the United States.

Under FFS, the Processor does not benefit from the value of the USDA Foods used. The effect on Distributors depends on which FFS approach is used – FFS by the Processor, or FFS by the Distributor (this is also known as Modified Fee for Service or MFFS). The RA benefits by receiving the value of the USDA Foods up front by not paying the Processor for the value of the USDA Foods and awaiting the rebate payment. The Processor never takes title of the USDA

Foods and retains full accountability and responsibility for the value of the USDA Foods until delivery of the end items to the RA's designated delivery point.

Fee for Service Through a Distributor (also known as MFFS or MOD – Modified Fee for Service) – this VPT method has the Distributor billing the FFS on the same invoice as the Distributor's charges for any storage and delivery fee for the item(s). When implementing Fee for Service through a Distributor, a written agreement outlining the business practices and responsibilities of the Processor and Distributor will ensure a clear understanding of the roles of each party. In most cases, the RA selects the Distributor and, therefore, should initiate the agreement. ACDA recommended Agreements which can be found on the ACDA website.

Title of Product:

1. A Distributor never takes title to the USDA Foods contained in Fee for Service (FFS) products delivered by the Processor on behalf of an RA.
2. USDA/State always holds title for the USDA Foods contained in further processed products although the Processor has accountability for the USDA Foods from acceptance at the plant to the delivery of the finished product to the RA or their designated delivery point.
3. It is essential that the Processor delivering product to a Distributor at the request of an RA get an endorsement on the Distributor's property insurance to cover product in the Distributor's control. The reason for this is twofold:
 - a. Existing insurance policies may not cover inventory not "owned" by the Distributor.
 - b. With FFS product, the Further Processor must be made whole for all lost/damaged cases at a Distributor by reimbursement for the FFS plus the value of the USDA Food (based on actual replacement costs).

Invoicing Options:

1. Processor may elect to invoice the Fee for Service directly to the RA and the Distributor will issue a separate invoice to the RA for handling and delivery.
2. Processor may elect to invoice fee for service and delivery fee on one invoice with each charge identified.
3. Processor may under USDA FD-025 (March 29, 2004)-allow the Distributor to invoice the RA at a total case cost if the procedures outlined in this Policy Memoranda are followed.

Single Line Invoice Option:

If the Distributor is charging the RA a total case price rather than itemizing the breakdown of the Fee for Service and handling/delivery charge, per USDA FD-025 (March 29, 2004), the following requirements must be met:

1. Processor provides written assignment of billing responsibility to Distributor, spelling out the individual charges for the Fee for Service and the Distributor delivery/handling charge. These charges should equal the total case price.
2. Processor must provide Distributors, who handle Fee for Service-processed products, a list of all eligible RAs, their respective case allocations, and the fee for service per case.

3. Distributor informs each RA in writing of the separate charges.
4. Distributor issues invoice to the RA at the total case price (fee for service + delivery and handling fee).

Record keeping:

1. By Agreement, Distributor must provide Processor with a usage report in a mutually agreed format including the RA, product(s) sold and the number of cases delivered. It is essential that the Distributor provide this usage report monthly (preferred by the 15th), at a minimum.
2. The Processor of substitutable product(s), upon receiving this usage report, may draw down inventory based on those sales.
3. The Processor of red meat and poultry product(s) reports the sales activities when the product is shipped and accepted by signed Bill of Lading to the RA or their designee.

II. NOI

Overview

NOI (Net off Invoice), is a method where the Processor bills the Distributor at the commercial price, and the Distributor bills the RA at the commercial price, including delivery fee, but net of the value of USDA Foods. The RA must have a balance with the Processor for the USDA Foods code contained in the finished good. The Distributor considers the finished good a commercial item until product is shipped to an eligible RA who has a balance with the Processor. Upon delivery to the RA, the Distributor requests a bill back or rebate for the value of the USDA Food from the Processor. The RA benefits by paying the commercial price minus the value of the USDA Foods. The Distributor benefits by having one SKU for an item that can be sold commercially or containing USDA Foods. The Distributor does not benefit until the Processor issues the rebate check back to them. NOI is a VPT method often used with USDA Foods such as chicken, cheese, tomato paste, or boneless combo beef. Net off Invoice (NOI) is also known as “indirect discount.”

Inventory Management

- Ensure that all RAs who diverted USDA Foods will be set-up with their designated commercial Distributor. It is recommended that designation of commercial Distributor is completed no later than July 15.
 - The Processor has the responsibility to verify the RA list and allocations with the respective SDA.
 - From this information, the Distributor then establishes a “USDA Foods bank” for RAs depositing their allocated pounds into the account.
- The Processor provides the Distributor the SEPDS, listing all approved product codes and the respective USDA Foods value contained in a case and commercial pricing.
- In utilizing indirect discount, the Processor should monitor RA inventory levels, using Distributor reports, ensuring approved product utilization and draw down of the raw USDA Food.

Processes

1. Processor sells and invoices approved products to a Distributor at the commercial bid price. Do not deduct the USDA Foods value from the pricing provided the Distributor.
2. At this point, the product is “commercial” selling to any customer.
3. Ownership of commercial products transfers to the Distributor upon signed receipt of the product into their facility.
4. Identify negotiated payment terms per standard business practices and include in the ACDA approved Distributor/Processor Agreement.
5. Distributor pays Processor invoices per these terms.
6. The Distributor invoices the eligible RA the commercial price less the USDA Food value per case based on the SEPDS).
7. This transaction between an eligible RA and the Distributor is a sale of USDA product.

Record keeping:

1. Obligate the Distributor contractually, as in the Distributor/Processor Agreement, to provide Processor with a usage report in a mutually agreed format including the RA, product(s) sold and the number of cases delivered. It is essential that the Distributor provide this usage report on a timely basis, preferably by the 15th, at a minimum.
2. The Processor of substitutable product(s), upon receiving this usage report, may draw down inventory bases on those sales.

III. CLOSED SKU NOI

Overview

Closed SKU NOI is a VPT method in which the Processor bills the Distributor at the commercial price. The Distributor may only sell the finished good to an eligible RA with a balance of raw pounds at the Processor. The Distributor sells the product to the RA at the commercial price plus distribution fee minus the value of the USDA Foods in the case. The Distributor reports to the Processor shipments to RAs, and the Processor adjusts the RA’s balance accordingly. The Processor reports transactions on the MPRs.

A key issue with this VPT method is who owns, or has a title to, the USDA Food at each point of the sale. While this seems legalistic and arcane, it is a critical issue, particularly because of the amount of federal dollars involved. It relates to responsibility and liability.

IV. REBATE

Overview

Rebate is a method where the RA pays the “commercial” price for a processed item and submits a request for rebate to the Processor, who issues a check for the value of the USDA Foods used

back to the RA. With rebates, the Processor benefits from receiving payment for the full cost of processed item until it issues payment to the RA for the value of the USDA Foods. The Distributor benefits by billing at the higher commercial price. The RA does not receive the benefit of the USDA Foods until it receives the rebate check from the Processor.

Inventory Management

- In utilizing the Rebate method, the Processor should monitor RA inventory levels, using Distributor reports, ensuring approved product utilization and draw down of the raw USDA Foods.
- Processor should work with the respective RA to ensure available rebate periods are not so frequent as to undermine inventory management among any additional distribution options utilized by the RA.

Processes

1. Processor sells and invoices approved products to a distributor at the commercial bid price. Do not deduct the USDA Foods value from the pricing provided the distributor.
2. At this point, the product is “commercial” selling to any customer.
3. Ownership of commercial products transfers to the distributor upon signed receipt of the product into their facility.
4. Distributor pays processor invoices per these terms.
5. The distributor invoices the eligible RA for the commercial price of those products.
6. The RA will, during the appropriate time periods, complete and submit a Processor-supplied refund, or rebate, application for the value of USDA Foods. Proper supporting documentation will be submitted with this refund application (i.e. – invoice copies, sales reports, velocity reports, etc.).
7. Processor will review and verify the refund application and its accuracy and approve or adjust accordingly, using proper documentation as necessary.
8. Processor provides RA with a rebate by check.
9. This transaction between an eligible RA and the Processor is a sale of USDA product.
10. Processor draws down the pounds from the RA balance and reports the transactions on the MPR.

Record Keeping:

The Processor should maintain a file with supporting documentation for the reporting of pounds draw down for each set of rebate transactions throughout the course of the reporting year. This documentation should contain, at a minimum, the following: RA information, orders showing items to which rebates were applied, corresponding dates and refund amounts by RA.

RECORD RETENTION

Each processor is to keep records of the methodology used for selecting records for each sample, and retain the responses from the RA for at least three years following the close of the federal fiscal year for which they pertain unless longer retention is required for resolution of an audit, litigation, or investigation. These retention requirements also apply to records of corrective action taken to resolve each error (such as adjusting the USDA Foods Processing Reports) and (subsequent plans and actions to prevent or reduce future errors).

AUDIT REQUIREMENT

In-state processors must obtain an independent Certified Public Accountant (CPA) audit in the first year USDA Foods are received for processing, while multi-state processors must obtain an audit in each of the first two years USDA Foods are received for processing. After this initial requirement period, in-state and multi-state processors must obtain an audit at a frequency determined by the average value of USDA Foods received for processing per year.

1. Annually, if receiving more than \$5,000,000 in USDA Foods;
2. Every two years, if receiving between \$1,000,000 and \$5,000,000 in USDA Foods; or
3. Every three years, if receiving less than \$1,000,000 in USDA Foods.

The value of USDA Foods used in determining if an audit is required is the contract value shown on the SEPDS multiplied by the pounds of each USDA Food received. The audit procedures are contained in FNS Audit Guide for Processors.

Audit results must be submitted to the SDA or FNS, as applicable, by December 31st of each year in which an audit is required. Any deficiencies must be corrected. FNS may prohibit further diversion of USDA Foods for processing, terminate the processing agreement, and collect the surety bond or letter of credit for non-compliance with the audit requirement or failure to correct identified deficiencies.

FOOD RECALLS

Distributors should have implemented a Hazard Analysis Critical Control Point (HACCP) Plan and can provide specific information within this plan relating to the recall of products which contain USDA Foods upon request of the processor. It is further recommended that that distributors have a Food Safety Program in place which is part of the Food Safety Modernization Act's "Preventive Controls".

The following provisions are recommended for inclusion in the plan or in the contract between the processor and distributor:

- Evidence of a product traceability system from product receipt to delivery to designated site.

- Evidence of conducting a mock recall including USDA Foods product a minimum of one time per year.
- Provide processor with 24/7 accessibility of staff in the event of a USDA Hold/Recall-Individuals and contact numbers.
- Agree not to contact individual RAs prior to discussion with processor verifying product involved in the recall (processor to provide 24/7 contact information).
- Procedure to ensure recalled product is not shipped to RAs (FFS through a Distributor) and/or commercial customers (NOI).
- Notification capability to provide updates on USDA Hold and Recall data for customers.

ACRONYMS

ACDA	American Commodity Distribution Association
CPA	Certified Public Accountant
CFR	Code of Federal Regulations
EPDS	End Product Data Schedule
FD	Food Distribution
FFS	Fee for Service
FNS	Food and Nutrition Service
HACCP	Hazard Analysis Critical Control Point
MFFS	Fee for Service through a distributor or Modified Fee For Service
MPR	Monthly Performance Report
NOI	Net Off Invoice
NPA	National Processing Agreement
RA	Recipient Agency
SDA	State Distributing Agency
SEPDS	Summary End Product Data Schedule
SKU	Stock Keeping Unit
SPA	State Participation Agreement
USDA	United States Department of Agriculture
VPT	Value Pass Through
WBSCM	Web Based Supply Chain Management

APPENDIX

For a copy of all FDD policy memos, please visit:

http://www.fns.usda.gov/fdd/policy/schcnp_policies.htm

Policy#	Program	Subject	Issued
FD-002	NSLP, CACFP	Determining School & Child Care Commodity Entitlements	2/5/2003
FD-007	NSLP, Processing	Sales of End Products through Commercial Distributors Indirect Discount and Net Off Invoice	12/30/2011
FD-023	NSLP	Accounting for Donated Foods in cost-Reimbursable Contracts Between School Food Authorities and Food Service Management Companies.	2/25/2004
FD-049	NSLP, Processing	Substitution and Valuation of USDA Cheese	11/20/2012
FD-062 Revised	CSFP, FDPIR, TEFAP, NSLP, CACFP, SFSP, NSIP, Processing, CIs, SCs	Electronic Receipting for USDA Direct and Multi-Food Shipments	09/04/13
FD-064	NSLP, Processing	Management of Donated Food Inventories at Processors	3/20/2012
FD-067 Revised	NSLP	School Food Authorities Acting as a Collective unit in the Control and Use of Donated Foods	12/14/2009
FD-080 Revised	NSLP, SFSP, CACFP	Guidance in Crediting for, and Use of, Donated Foods in Contracts with Food Service Management Companies	1/25/2011
FD-081	SFSP	Distribution of Donated Foods to Service Institutions Participating in the Summer Food Service Program	11/24/2008
FD-084	NSLP, CACFP, SFSP	Use of Donated Food in the National School Lunch Program and Other Child Nutrition Programs. Cancelled Policy Memo FD-060.	2/4/2009
FD-103	NSLP, Processing	Waiver of Requirement to Submit Copies of Refund Requests and Payments with State Monthly Performance Reports	2/4/2010

FD-104	NSLP, CACFP, SFSP, CSFP, FDPIR, TEFAP, CI	Value of USDA Donated Foods for Audits	2/18/2010
FD-107	NSLP, CACFP, SFSP, CSFP, FDPIR, TEFAP, CI	Storage and Inventory Management of USDA Donated Foods	6/9/2010
FD-110 Revised	NSLP, CACFP, SFSP	Clarification in Crediting for, and Use of, Donated Foods in Contracts with Food Service Management Companies—First and Final Contract Years	1/25/2011
FD-119	NSLP, Processing	Soliciting Bids from Commercial Distributors for End Products	2/13/2013
FD-122	NSLP, Processing	Substitution of Donated Foods in Advance of Purchase and Negative Inventories	5/30/2012
FD-127	NSLP, Processing	Approval of End Products and Monitoring of End Product Sales	11/7/2012
FD-130	NSLP, Processing	Substitution of USDA Beef and Pork	5/15/2013
FD-134	NSLP, Processing	Minimum Inventory Protection Requirements for Processors Participating in the National Processing Program	3/21/2014
FD-137	NSLP, Processing	Alternative Value Pass, Through System Pilot Project under the Department of Defense Fresh (DoD Fresh) Program	5/8/2015
SP20-2012	NSLP	Frozen Fruit Products and Nutrition Standards in the National School Lunch & Breakfast Programs	9/11/2012
SP39-2012	NSLP	Existing Inventory of USDA Foods & Commercial Projects	8/3/2012

For all the Child Nutrition Policy Memos, visit:

<http://www.fns.usda.gov/cnd/governance/policy.htm>

Found at the above address as well as many other policies:

SP 14-2012 Procurement Questions Relevant to the Buy American Provision 2-13-2012

SP18-2011 Procurement Geographic Preference Q and A's 2-1-2011

SP 35-2011 Procuring Services of Purchasing Cooperatives, Group Purchasing Organizations,
Group buying Organizations 6/12/2012

SP 41-2011 Indirect Cost Guidance 7-7-2011

Manufacturer's Product Formulation Statement (PFS)

- Guidance for Accepting Processed Product Documentation for Meal Pattern Requirements (11/28/2014)
- PFS Tip Sheet - Evaluate if the Document is Acceptable
- PFS for Meat/Meat Alternate Product
- PFS for Documenting Fruits/Vegetables
- Sample PFS for Vegetables
- Sample PFS for Fruits
- PFS for Documenting Grains
- Crediting standard (16g) required Beginning SY 2013/2014
- Sample PFS for Grains

Please visit: www.commodityfoods.org where you will find many helpful documents under PROCESSING. Members may access additional documents under the MEMBERS ONLY section, scroll down to PROPRIETARY PROCESSING FORMS.