

USDA Commodity Foods and the National School Lunch Program

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What is the School Lunch Commodity Program?

- USDA purchases agricultural commodities (unprocessed or partially processed foods)
- USDA provides these foods to schools participating in the National School Lunch Program
- School lunch commodity program supplements the per meal cash reimbursements to schools

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Importance of Commodity Foods to the National School Lunch Program (NSLP)

- Monetary value of agricultural commodities makes up a minimum of 12 percent of federal funding for NSLP
- The value of commodities makes up about 20 percent of federal resources spent on food for school lunch
- USDA commodities are less expensive to schools than their counterpart products purchased on the open market
- Safety may be better than marketplace counterparts due to more stringent specifications and inspection procedures

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USDA Foods/Commodities Agencies

- 4 USDA agencies have some level of responsibility for the commodity program
- The primary agency is the **Food Distribution Division (FDD)** of the Food and Nutrition Service (FNS)
 - determines the total monetary value of commodities that each school district can receive ("commodity entitlement dollars")
 - consolidates all the commodity orders (based on what schools have asked for through their state agencies), and
 - directs the other USDA agencies to purchase foods

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USDA Foods/Commodities Agencies

Purchasing Agencies:

- **AMS** - Agricultural Marketing Service (Group A)
 - Beef, Pork, Poultry, Eggs, F&V
 - "Surplus Removal"
- **FSA** - Farm Service Agency (Group B)
 - Cheese, Grains, Oil, Peanut Products
 - "Price Support"



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USDA Foods/Commodities Agencies

- **Food Safety and Inspection Service (FSIS)** ensures food safety through standards and specifications on the handling of commodities



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State and Local Agencies

- State agencies responsible for commodities are called Distributing Agencies (DAs) - they distribute lists of available commodity foods, collect orders from school districts and send them to USDA
- Local school districts are called Recipient Agencies (RAs) - ultimately serve the food to students as part of meals

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Commodity processing

- 2 levels -
 - Federal level under USDA's auspices (limited extent)
 - State and local levels by food processing companies (greater extent)
 - School districts decide where to send products e.g., tomato sauce, whole grain flour, and light mozzarella cheese to make a pizza
 - Companies sign agreements to be allowed to process commodities and they write detailed specifications for their products

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DoD Fresh Program

- 47 States, DC, Puerto Rico and the Virgin Islands receive \$50 million in fresh product using commodity entitlement
- Additional funding in 2008 Farm Bill for Fruit/Vegetable Commodities
- DoD is transitioning to new distribution system - Prime Vendor contracts
- There have been implementation problems
- According to USDA over half of vendor contracts have been awarded and will be completed by early 2010.

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Nutrition Critical Control Points (NCCP)

Areas where critical decisions are made or strategies implemented that can affect, positively or negatively, the nutrition profile of foods served to students



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Federal Level NCCPs

- USDA review of all federal-level product specifications, and revise them per the Dietary Guidelines for Americans
- Increased funding for the fresh produce available to school districts through Commodities Entitlement
- Increased funding for DoD Fresh, so that all school districts have the opportunity to participate in this program
- Funding for the purchase of equipment so that more schools can use commodities in their original form
- Increase reimbursements for school meals so that schools can afford to prepare foods using less processed commodities

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Federal/State NCCPs

- Develop voluntary "Gold Standard" model specifications for certain products made with commodities
- Promote the use of underutilized, nutritionally desirable commodities, and more healthful versions of commodities
- Provide all school districts with the training to understand and/or write food product specifications
- Develop new smaller-scale commodity transportation systems that will allow smaller school districts to receive more healthful commodity foods

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State Level NCCPs

- State agencies should allow each school district, or school district coop, to choose from all the commodity options that USDA offers
- State agencies should assist school districts in making wise nutrition choices among the commodity-based food products offered by processors
- States should work with school districts and processors to develop plans for the development and transition to new and more healthful commodity-based food products

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District Level NCCPs

- Large school districts should take full advantage of their buying power in order to improve the nutritional profiles of the products they order
- Small and medium-size districts should band together to pool their resources to:
 - increase the chances of being able to receive the commodities they desire;
 - improve their buying power;
 - gain access to expertise in food product specification writing; and
 - maximize their ability to influence manufacturers to develop new products according to school district nutrition needs.

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Child Nutrition Reauthorization

- Provide USDA commodities for breakfast meals to both schools and child care providers
- Provide funding for USDA efforts to work with state agencies to identify and promote best practices with commodities to enhance the nutrition quality of the child nutrition programs, such as:
 - finding effective ways to promote the use of underutilized, nutritionally desirable commodities;
 - providing all school districts with the training to understand and write food product specifications and/or to influence them more effectively; and
 - developing new ideas for smaller scale commodity transportation systems that will allow smaller school districts to receive more healthful commodity foods

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Child Nutrition Labeling

- Is a voluntary Federal labeling program for the Child Nutrition Programs
- The program requires an evaluation of a product's formulation by FNS to determine its contribution toward meal patterns requirements
- Clearly identifies the contribution of a product toward the meal pattern requirements
- Uses yields in the USDA Food Buying Guide for Child Nutrition Programs

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