

# **Warehouse and Distribution**



**FEDERAL REGULATIONS  
7 CFR PART 250.14**

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# Warehousing Standards



- Most Cost effective and efficient RAs
- Timeframes for evaluation
- Evaluations of Current Distribution Systems
  - ✦ Delivery frequency
  - ✦ Delivery hours
  - ✦ Delivery cost
  - ✦ Placement of Commodities

# Standards Continued



- Method of notification of arrival
- Method of ordering commodities

# Storage Standards



- Sanitary and free from infestation
- Safeguards against theft, spoilage or loss
- Maintain proper storage temperatures
- Store foods off the floor
- Obtain all required Federal, State and Local health inspections or approvals

# Contracts



- **Contracts effective no longer than 5 years**
- **Contracted facility meets all required standards**
- **USDA Commodities clearly identified**
- **Perpetual Inventory System maintained**
- **Annual Physical inventory**
- **Provisions for immediate termination of contracts**

# Contracts Continued



- Insurance coverage to cover value of USDA Commodities
- Record retention at Distributors
- Contract termination by either party

# Warehouse Reviews



- **Distribution Warehouses must be reviewed annually**
- **Responsibilities of SDA**
  - Inventory Management
  - Excessive inventories
  - Physical inventory
  - Overages/Shortages
  - OS&D's
  - Tracking requirements

# Financial Management



- **Distribution Charges**
- **Cost of Living Contract Increases**
- **Fuel Increases**
- **Claims against the Contracted Distributor**
- **Tracking values of Commodities for RA'S**



# Transportation Requirements



- Van trucks for delivery of dry groceries and refrigerated trucks for delivery of refrigerated items



- Single Compartment refrigerated trucks (0 degree) for separate or integrated deliveries of dry groceries, frozen and refrigerated

# Transportation continues



- **Dual compartment trucks for combination deliveries of dry groceries and refrigerated items**

# Warehousing/Distribution



- 50 States/50 Different Distribution Systems
- Review of Several Systems

# Discussion/Questions



**Thank You**

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