



WHAT'S NEW IN FDPIR?

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The 2008 NAFDPIR Annual Conference Is Around The Corner!

Once again, USDA will be actively participating in this year's NAFDPIR Annual Conference in Green Bay, Wisconsin. On June 24, 2008, Nancy Montanez Johner, USDA Under Secretary for Food, Nutrition, and Consumer Services, will speak to attendees during a luncheon session. USDA staff will be making other presentations of interest to you that same morning and afternoon. They will be addressing issues such as: the 2008 Farm Bill Provisions, funding for Fiscal Years

2008 and 2009, National Warehouse contracts, USDA's ECOS and WBSCM computer systems, inventory management, food package improvements, commodity complaints, Nutrition Education Grants, and the Food and Nutrition Service web site.

Pinnacle Food Group, one of USDA's commodity vendors, is providing cans of its beef stew for a sampling during the conference. In addition, whole grain rotini will be available for tasting. There will be many opportunities to learn more about the commodity programs and exchange ideas and best practices with your counterparts. We look forward to seeing you in Green Bay!



FOOD DISTRIBUTION PROGRAM NUTRITION EDUCATION GRANTS AWARDED

USDA Food and Nutrition Service has awarded twelve Food Distribution Program Nutrition Education (FDPNE) grants this year. The goal of FDPNE funding is to enhance the nutrition knowledge of FDPIR participants and to foster positive lifestyle changes.

We would like to congratulate the following Tribes and Consortiums for being selected to receive FDPNE funds:

- Confederated Tribes and Bands of the Yakama Nation
- Mountain Plains Region Nutrition Advisory Committee
- Crow Creek Sioux Tribe
- Fort Belknap Indian Community
- Sherwood Valley Food Program
- Prairie Band Potawatomi Nation
- Midwest Region Nutrition Advisory Committee

- Cheyenne and Arapaho Tribes of Oklahoma
- Eight Northern Indians Pueblos Council, Inc.
- Zuni Food Distribution Program
- Confederated Salish and Kootenai Tribes
- Leech Lake Band of Ojibwe

A review panel of Food and Nutrition Service nutrition professionals carefully evaluated the merits of each application received and selected those most appropriate for funding. The awards range from about \$8,000 to over \$200,000. FDPNE funds will be used to support a variety of nutrition education activities. Examples of projects that awardees will be undertaking include:

- ♦ Providing food safety intervention efforts that include monthly food safety classes
- ♦ Hosting a cook-off contest and nutrition education event
- ♦ Producing a nutrition education DVD
- ♦ Developing/purchasing health promotion posters
- ♦ Designing a culturally relevant cookbook
- ♦ Teaching households to grow their own garden plots and providing recipes for traditional native foods
- ♦ Distributing calendars with nutrition messages to participants
- ♦ Using demonstration gardens and greenhouses to provide nutrition education and increase fruit and vegetable consumption
- ♦ Providing educational activities to help people learn how to prepare commodity foods using spices and seasonings instead of salt
- ♦ Operating monthly cooking demonstrations with the help of a local company that specializes in traditional cooking with local produce
- ♦ Developing a nutrition education resource kit
- ♦ Hosting cooking demonstrations at the warehouse and tailgates
- ♦ Providing curriculum and materials for community gardening

USDA will be accepting applications from FDIPIR States and ITOs for Fiscal Year 2009 FDPNE grant money. The FY 2009 Request for

Application is expected to be released in the coming months. Stay tuned!



Best If Used By Guidance: What Does it Really Mean?

The "Best If Used By" (BIUB) date is intended to be used as a target date for how long a product is likely to retain best flavor and quality. It is not a safety date. BIUB dates are a tool—not a rule!

Products kept past their BIUB date are not expired, spoiled, or out of condition. Kept under proper conditions, they should be wholesome and safe long after the BIUB has passed. Products kept past their BIUB dates however, are more likely to change in taste, color, texture, and nutrient content. These changes occur very gradually over time. Improper handling or storage can speed up this deterioration.

BIUB dating is not required by Federal regulations, but many stores and processors voluntarily date packages on food products. There is no uniform or universally accepted system for food dating in the United States. BIUB dates for the same type of product may be different depending on the manufacturer.

In general, high-acid foods, such as canned tomatoes, can be stored on the shelf for 12 to 18 months under good conditions, while low-acid foods such as canned meat, poultry, fish, and most vegetables will keep 2 to 5 years. Some whole grain foods such as brown rice or whole wheat flour have a relatively shorter shelf life than white refined products. This is because the germ of whole grain foods contains natural oils that break down quicker. To help extend the BIUB date of such products, you may wish to refrigerate, or freeze them in an airtight container if feasible.

So remember, BIUB is a tool—not a rule! How the product has been handled in transit, in storage, and at home can have a significant effect on its quality and palatability. All of the above noted, we are working very hard to ensure that fresh product is moving through the system. We

have had problems over the years with certain products and shelf life. We are focusing on inventory management practices and ordering trends to better track commodities. Read on to learn more!

Best If Used By Dates and the Challenge of Delivering Commodities

In order to ensure the freshest product possible, USDA is trying very hard to manually track BIUB dates on FDPIR commodities. In the future, it hopes to develop a BIUB tracking component as part of its new Web Based Supply Chain Management System. This system will replace the outdated computer system currently used by USDA to purchase and deliver commodities to all its commodity programs.

Several factors can contribute to commodities being distributed close to their BIUB dates. One is distribution lag times. Once purchased from the vendor, commodities for FDPIR are delivered from the vendor to one of two national USDA-contract warehouses. From there, multi-food shipments are assembled in full truck load quantities that are delivered to ITOs and State agencies. ITOs and State agencies, in turn, ship the product from their warehouses to its final destination where it is distributed to recipients in the monthly food package. Any lag time in this three-point distribution system can cause product to sit in storage.

Over ordering can also result in commodities that are close to their BIUB date. Most over ordering is due to fluctuations in program participation. When participation unexpectedly fluctuates downward, ITO and State warehouses are left with excess inventory in storage.

Variations in pack size and too many options to choose from, e.g., cereal, can also cause product to sit in storage. For example, some distribution sites give recipients a choice between three pack sizes for rice cereal (12 oz, 13.5 oz, and 17.5 oz). Recipients tend to choose the more popular pack size and the less popular sizes do not get distributed as quickly. It is important for

distribution sites to order only the pack sizes and product types that recipients want, or to make sure that if product is available in more than one pack size, the items nearest their BIUB date are distributed first.

Food Package Review Work Group Meeting

The FDPIR Food Package Work Group will be meeting at the National Association of Food Distribution Programs on Indian Reservations Conference this summer. The Work Group will be discussing newly introduced food offerings, as well as the use of nutrition education to promote healthy food choices among FDPIR recipients. The meeting will be held on Wednesday, June 25, 2008 at 10:15AM CST at the Radisson Conference Center in Green Bay, Wisconsin.

Farm Bill Update

The "Food, Conservation, and Energy Act of 2008" (P.L. 110-234), also known as the "Farm Bill," was enacted by Congress on May 22, 2008. It contains provisions addressing several areas of FDPIR including disqualifications, traditional and locally-grown foods, bison, and the food package. USDA will be discussing the Farm Bill in detail at the upcoming annual conference during the Tuesday morning session. We hope to see you there.



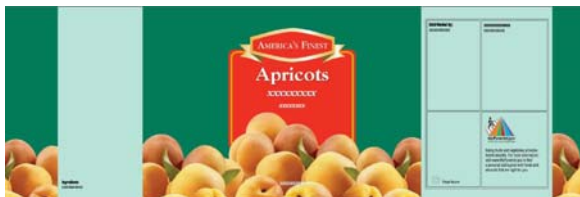
The Importance of Whole Grains

Why are whole grains important? The Dietary Guidelines recommend that Americans get half of their dietary intake of grains from whole grain items. Whole grains provide essential nutrients

that are key to leading a healthier life. Consuming more whole grains may: lower total blood cholesterol levels and LDL cholesterol levels (the “bad” cholesterol); reduce risk of heart disease and heart attack; lower blood pressure; reduce the risk of stroke; and reduce risk of certain cancers, especially colon and rectal cancers.

To make sure you are getting whole grain products, look at the ingredient list on the package. Whole grain ingredients should be listed *first* on the food package ingredient list. If it does not say “whole grain” or “whole wheat” it’s not. Food products labeled with words like “multi-grain,” “stone-ground,” “100% wheat,” “cracked wheat,” “seven-grain,” or “bran,” are usually **not** whole-grain. Color is also not an indication of whole grain food. Neither is fiber content. Different types of whole grain such as wheat, oats, corn, rice, barley, etc., have varying amounts of fiber. Lastly, be aware that a “healthy” sounding name—on a product label or in the ingredient list doesn’t necessarily mean it’s a whole grain. You will need to look at the label to help you choose the real whole-grain.

USDA Commodity Label Redesign



USDA has finished a complete redesign of its commodity labels for canned fruits and vegetables, updating them to look more like their commercial counterparts. The use of commercial labels has always been a vendor’s option. We encourage vendors to use commercial labels where possible. In fact, all of our commodity flours, grains, dairy products, frozen poultry and meats are in commercial label. The use of commercial labels helps to reduce delivery delays, increase competition, lower program costs, and eliminate the stigma of inferior products.

There are many reasons why some vendors still use USDA labels. Some small companies only

pack for distributors or food chains so they don’t have their own label (this is very common with fruit and vegetable canners). A few of our specifications are different than the commercial product (e.g., lower salt than the commercial). For these reasons, many vendors that pack our canned fruits and vegetables do not have their own commercial label.

The new labels:

- **Improve Perceived Quality** – Even though commodity products are high quality, current commodity labels give an impression of low quality.
- **Conform Commodity Labels to Commercial Standards** – The current two-color labels on low quality paper with simple graphics are not as appealing as their commercial counterparts and give the negative impression that USDA products are generic.
- **Respond to Customer Preferences** – Commodity program recipients have indicated they prefer USDA commodities in commercial labels, or commercial-like labels, over the current labels.

These new USDA labels for the canned fruits and vegetables will begin to be available on commodity products in the fall of 2008.



Canned Chicken (A532)

Currently, the turkey supply in the U.S. is not enough to meet the demands of the program. We have replaced the canned turkey with canned chicken due its lack of availability. The canned chicken is fully-cooked, skinless, with light and dark meat in discernible chunks. It is packed in a lightly salted broth to help preserve its texture and taste. This new commodity is conveniently packed in two 12.5 oz cans. The cans are sealed together as a pair and should be issued just like the canned tuna (2-12 oz cans equal to one unit).

Low-fat Bakery Mix

Currently, USDA offers two versions of bakery mix—regular, and low-fat. The food package review work group, in a continuing effort to provide nutrient dense foods to FDPIR participants, agreed in August 2007 to remove the regular version of bakery mix from the Foods Available list. The low-fat bakery mix will still be an available ordering option. The low-fat version of the bakery mix has been widely accepted among recipients.

The low-fat version of the bakery mix reduces the amount of fat offered in the food package and supports the 2005 Dietary Guidelines. Regular bakery mix is being phased out of all USDA programs between July and September 2008. After September 2008, only low-fat bakery mix will be available for ordering.

POLICY UPDATE

USDA recently issued four policy memoranda, which are summarized below. The full text of these and other policy memoranda can be found on the FDPIR website at http://www.fns.usda.gov/fdd/Policy/fdpir_policies.htm.

Policy Number	Date Issued	Title	Summary
FD-076	5/19/2008	Categorical Eligibility	Clarifies that the ITO/State agency shall not take action during the certification period on changes in income or resources of a categorically eligible household. However, the ITO/State agency would take action during the certification period on changes in non-financial eligibility criteria, and must reassess the household's continued eligibility for FDPIR if the household loses its status as a categorically eligible household during the certification period.
FD-075	4/9/2008	Income Exclusion for Payments under Public Law 101-426, Radiation Exposure Compensation Act	Payments made to individuals under Public Law 101-426, Radiation Exposure Compensation Act are excluded from consideration as income or resource in determining eligibility for FDPIR.
FD-074	3/31/2008	Rebates from the Economic Stimulus Act of 2008	Payments made to individuals under the Economic Stimulus Act of 2008 are excluded from consideration as income and as a resource in the month received and for the following 2 months in determining eligibility for FDPIR.
FD-072	2/19/2008	FDPIR Households Displaced During a Disaster	FDPIR households displaced by a Presidentially-declared disaster and relocated to temporary housing in an area not served by FDPIR may, with some exceptions, continue to participate in FDPIR while in temporary housing status.

The Food and Nutrition Service (FNS) also recently revised two FDPIR Instructions:

- **FNS Instruction 716-4, Administrative Budget Negotiation Guidance for the Food Distribution Program on Indian Reservations and the Food Distribution Program for Indian Households in Oklahoma (Revision 1)** was revised on April 28, 2008. The Instruction was reorganized and guidance on the budget negotiation and approval process was expanded. Specific revisions include a modification to bring the Instruction in line with the new FDPIR funding methodology, clarification on the funds allocation process under a continuing resolution, and the consolidation of guidance on allowable costs, indirect cost rates, and the matching requirement from other sources. FNS Instruction 716-4 was originally issued in January 1995.
- **FNS Instruction 700-1, Delegation of Authority Relating to the Food Distribution Program on Indian Reservations and the Food Distribution Program for Indian Households in Oklahoma (Revision 2)** was revised on May 8, 2008. The revision to FNS Instruction 700-1 expanded guidance on the responsibilities delegated to the Regional Offices. Detailed guidance on FDPIR budget negotiations and approvals was removed and incorporated in FNS Instruction 716-4, Revision 1. FNS Instruction 700-1 was last revised in September 1988.



REPORT TO CONGRESS ON FDPIR EQUIPMENT AND FACILITY IMPROVEMENT NEEDS

The Senate Appropriations Committee Report (S. 110-134) that accompanied the 2008 Consolidated Appropriations Act (Public Law 110-161) directed the Secretary of Agriculture to conduct an assessment of equipment and facility needs in FDPIR.

In January 2008, the Department asked the 113 agencies administering FDPIR at the local level to project equipment and facility needs for fiscal years (FY) 2008 through 2012. Ninety-five percent of the agencies provided information for this report.

Below are charts summarizing the reported needs for FDPIR equipment upgrades and facility improvements for FYs 2008 through 2012.

Projected Cost of FDPIR Equipment and Facility Improvement Needs for FYs 2008-2012 (in millions)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total
Equipment Upgrades	\$2.04	\$2.57	\$2.29	\$0.96	\$0.99	\$8.85
Facility Improvements	\$1.37	\$2.20	\$1.37	\$0.19	\$0.94	\$6.07
Total	\$3.41	\$4.77	\$3.66	\$1.15	\$1.93	\$14.92*

*There may be additional needs for the administering agencies that did not provide information for this report. Also, the estimates may change over time due to cost inflation, fluctuations in program participation, and other factors.

**Projected Cost of FDPIR Equipment Needs by Category for
FY 2008-2012 (in millions)**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total
Vehicles	\$0.86	\$1.75	\$1.05	\$0.53	\$0.39	\$4.58
Forklifts & Pallet Jacks	\$0.37	\$0.26	\$0.29	\$0.08	\$0.20	\$1.20
Coolers & Freezers	\$0.38	\$0.33	\$0.71	\$0.29	\$0.21	\$1.92
Computers & Other Office Equipment	\$0.36	\$0.21	\$0.17	\$0.06	\$0.20	\$1.00
Miscellaneous	\$0.07	\$0.02	\$0.07	\$0	\$0	\$0.16
Total	\$2.04	\$2.57	\$2.29	\$0.96	\$0.99	\$8.85

**Percentage of Respondents Reporting FDPIR Equipment Needs by
Category for FY 2008-2012**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Vehicles	18%	26%	13%	7%	10%
Forklifts	9%	17%	12%	2%	9%
Pallet Jacks	13%	11%	6%	3%	8%
Coolers	15%	10%	12%	6%	7%
Freezers	21%	10%	16%	9%	10%
Computers & Other Office Equipment	44%	31%	21%	8%	13%
Miscellaneous	14%	9%	7%	1%	0%

FDPIR Facility Improvement Needs for FY 2008-2012 (in millions)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total
Projected Costs	\$1.37	\$2.20	\$1.37	\$0.19	\$0.94	\$6.07
Percentage of Respondents Reporting Need	44%	44%	22%	5%	6%	

Percentage of Respondents Reporting FDPIR Facility Improvement Needs by Category for FYs 2008-2012

Facility Improvement Need	Respondents Reporting Need
Improvements to administrative offices (i.e., client waiting area, client intake area, file and office supply storage area, and public restrooms)	19%
Adding or improving kitchen and/or classroom for Nutrition Education	27%
Conversion of distribution system to store concept	2%
Expansion of loading docks and/or repairs to dock areas	19%
Expansion of commodity storage areas	13%
Other improvements to the commodity storage areas	15%
Expansion and/or other improvements to the distribution area	6%
Roofing/flooring repairs, heating/cooling systems repairs or upgrades, plumbing upgrades, and lighting/electrical systems improvements or upgrades	46%
Other repairs and/or improvements to the building structure (e.g., new siding; guttering; replacement doors/windows)	36%
Adding and/or upgrading security features	9%
Improvements to the parking lot, driveway, sidewalk, and/or area where clients load their food	17%

COMMENTS

Please let us know if there are any commodity-related issues that you would like us to address in future editions of this newsletter.

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.