

USDA Food and Nutrition Service Commodity Supplemental Food Program (CSFP) General Session Update

Date: Location: February 11, 2008 New Orleans, Louisiana

Agenda

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Program Overview, Farm Bill & Policy Dana Rasmussen

Commodity Initiatives

Program Resources & Caseload

Sheldon Gordon

Laura Castro

Commodity Outlook & Peggy Cantfil Food Ordering



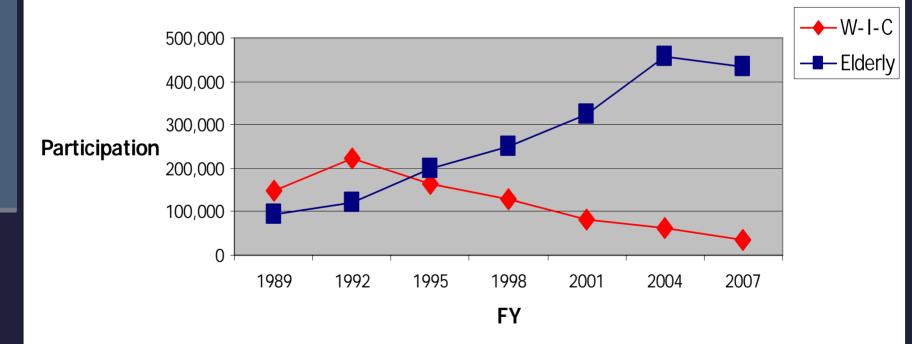
Dana Rasmussen Program Analyst Policy Branch Food Distribution Division

Program Overview



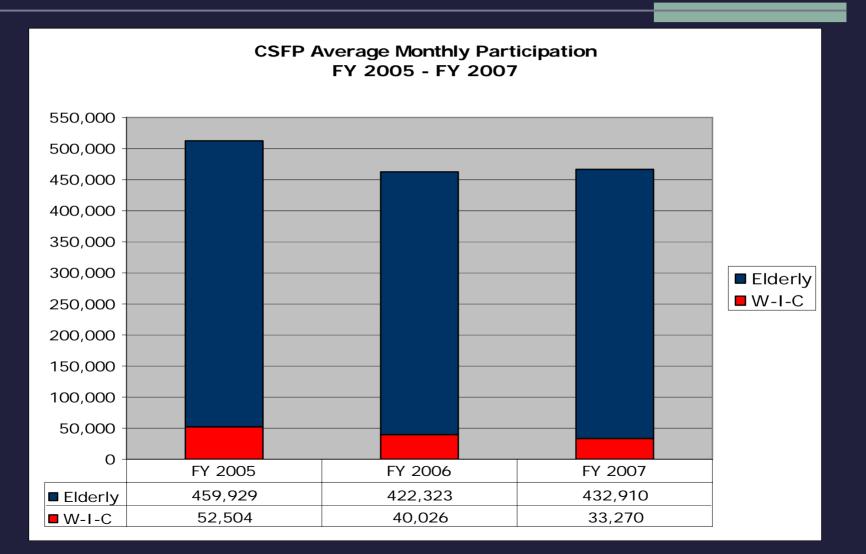
Program Overview

CSFP Average Monthly Participation Women-Infants-Children (W-I-C) vs. Elderly Fiscal Year (FY) 1989 - FY 2007



Program Overview

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Farm Bill

- Both House and Senate have passed their versions of the Farm Bill
- Currently in conference
- Both House and Senate versions would reauthorize the program



Farm Bill - Priority Groups

Current law gives CSFP priority to women, infants, and children (w-i-c).

<u>House</u>

Eliminates the current w-i-c priority requirement.

<u>Senate</u>

Eliminates the current priority requirement and prohibits the Secretary from requiring State or local agencies to prioritize assistance to a particular group.



Farm Bill - Income Standards

Currently, FNS has the discretion to set CSFP income limits.

<u>House</u>

Requires Secretary to set max. income elig. standards, not to exceed 185% of poverty. Standards must be the same for both w-i-c and elderly.

<u>Senate</u>

Allows Secretary to permit States to set max. income elig. standards for elderly not to exceed 185% of poverty, but only if funds sufficient to support all States seeking to participate.



Policy Update - Food Items

- FD-032 (Re-Issued 12/19/07): Maximum Monthly Distribution Rates for Powdered Infant Formula
- Discontinuation of Soy-Based Formula
- NDM Distribution Rates Effective March 1, extra distributions discontinued due to declining surplus

Chili Added



Policy Update: Temporary Food Package Changes

June 7, 2007: FNS announced continuation of the policy which temporarily eliminates more expensive choices within categories.

- Reduces food package cost, while still offering a complete food package and variety to participants
- Generates savings for the program, maximizing program resources

Policy Update: Temporary Food Package Changes

Items temporarily eliminated:

- Grape Juice, Carton
- Cranapple Juice
- Dehydrated Potatoes
- Dry Blackeye Beans
- Pumpkin
- Canned pineapple unavailable regardless of cost

Subsequently, Egg Mix temporarily eliminated due to cost.



 FD-066: Continuation of Commodity Assistance During a Human Pandemic

FD-071: Setting Aside the Commodity Acceptability Reporting Requirement



Sheldon E. Gordon, MS, RD, LD Nutritionist Program Support Branch Food Distribution Division



What's New?

- Food Package Improvements
- Commodity Fact Sheets
- New USDA Labels for Canned Fruits and Vegetables
- Commodity Image Initiative

Commodity Improvements

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Lower SodiumCanned Tomato ProductsCanned Dry Beans

Lower Fat Canned Chicken

Whole Grains

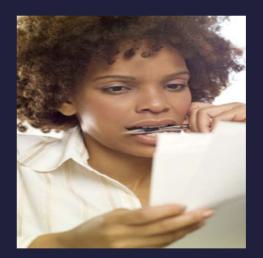
Reduce Added Sugar

Commodity Fact Sheets

New Design

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- Updated Recipes
- User-Friendly
- Food Safety
- Helpful Links





Commercial Labels

USDA Group A Commodities
 ■ 90% of juices are in USDA labels

70% of canned fruits and vegetables are in USDA labels (small vendors without a brand label)

<u>USDA Group B Commodities</u>
 ■ All vendors are using their commercial label



Commercial Labels

- Why some vendors use USDA labels:
 - Small Businesses No label of their own
 - Product not on the commercial market
 - USDA has different specifications than some commercial lines of food
 - The USDA label can be cheaper

New Commodity Labels

Canned Fruits & VegetablesNew Feel

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- Branded Name "America's Finest"
- Commercial-Like Appearance
- Eliminate negative stigma

New Commodity Labels

So What's New?

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New Images (Photos)
Actual pictures of fruits and veggies
Bold New Colors
Old 2 colors vs. new 4 colors
High gloss paper

Common Commercial Brands









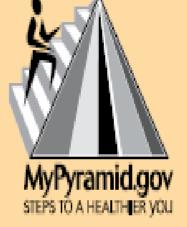


LIGHT SYRUP

HALVES

Distributed by USDA in cooperation with State and local or tribal governments for domestic food assistance programs. NOT TO BE SOLD OR EXCHANCED Inspected by the U.S. Department of Agriculture

NET WEIGHT 15 OUNCES (425 GRAMS)



CARE OF PRODUCT

- Store unopened can in a coal, dry place.
- * Refrigerate ofter opening. Use within 3 days.
- Chil before serving.

CONTENTS About 1% cups

INGREDIENTS yes you you you you you you you you



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Nutrition Facts panel Abbrew simplified

UPC Code

New Label

Apricot Halves

AMERICA'S FINEST

Serving Size 0 cup (Servings Per Contair	XXXXXX XXXXXXX XXXXXXXXX XX		
Amount Per Serving	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
Calories 000 Calor	ies from	Fat 000	XXXX
	% Da	ily Value*	XXXXXXXX XXXX
Total Fat 00g	1125240	00%	
Saturated Fat 0g		00%	
Cholesterol 00mg		00%	
Sodium 000mg		00%	
Total Carbohydrate	00g	00%	
Dietary Fiber 0g	-1123	0%	00.000
Sugars 00g			RD 052
Protein 00g		_	
Vitamin A 0% Calcium 00%	Vitam Iron 0	in C 0%	
Percent Daily Values are base det. Your daily values may be depending on your calorie ne Calories:	rd on a 2,00 higher or lo	Nickso 0	
Total Fat Less than *Sel Fat Less than Ciclienteral Less than Sodium Less than Total Carbohydiate Dietary Fiber	65g 20g 300mg 2,400mg 300g 25g	10g 25g 300mg 2,400mg 375g 30g	

buted by: X XXXXXXXXX XXXX XXXXXX XX XXXXXXXXXX	 Care of product Store unopened can in a cool, dry place. Refrigerate after opening. Use within 3 days after opening Heat before serving.
RD 05202	MyPyramid.gov stating fruits and vegetables provides health benefits. For more information,visit www.MyPyramid.gov to find a personal eating plan with foods and amounts that are right for you.

Commodity Image Initiative

Commodity Perception

Dispel Myths;

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- Emphasize Facts; and,
- Increase Awareness



Laura Castro, Branch Chief Policy Branch Food Distribution Division



2008 Resources & Caseload

lotal Remaining

 On December 26, President Bush signed the Consolidated Appropriations Act, 2008.

Program Appropriation	\$ 140.700 Million	
- Rescission	0.985	
<u>+ Cash Carry-in</u>	0.115	
Total Cash Resource	<u>\$ 139.830</u>	
- Commodity Admin.		
Costs	\$ 0.661	
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2008 Resources & Caseload

- FY 2008 appropriation was significantly higher than FY 2007
- However, there was a 2.5% reduction in nationwide caseload

2007 Caseload: 485,614 2008 Caseload: 473,473

Why?



Contributing Factors:

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- 1. An increase in the legislatively-mandated administrative grant per assigned caseload slot
 - FY 2007: \$59.71
 - FY 2008: \$62.67

2. Anticipated significant increases in food costs & less free foods

3. No expected excess inventory to drawdown



President's FY 2009 Budget Request

- FY 2009 budget proposes to cease CSFP operations.
- Includes \$2 million for Food Stamp State agencies in States operating the CSFP to provide outreach and to assist individuals to enroll in FSP.
- Includes \$20 million for transitional benefits to qualified seniors.



Peggy Cantfil, Branch Chief Operations Branch Food Distribution Division



Commodity Outlook & Food Ordering

- Funding Issues
- Commodity Outlook & Purchase Update
- Long-Term Contracting & Ordering

4TH QUARTER FY 07 1ST QUARTER FY 08 4TH QUARTER FY 08 1ST QUARTER FY 09

Funding

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Commodity Outlook

VEGETABLES

■ FRUIT CANNED & JUICE

BEANS – DRIED



Commodity Outlook Cont'd...

MEAT & POULTRY

DAIRY

■ GRAIN

Food Ordering & Long-Term Contracts

Fruit canned IDIQ July-June

 Indefinite quantity indefinite delivery
 Apricots, peaches, pears, mixed fruit

 Low sodium vegetables Crop Year Ordering

 July 08 thru Sept 09

 CHEESE – Moving to a calendar year

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ALL ORDERS DUE MARCH 1
 FOR DELIVERIES JULY 07- JUNE 09
 June 08 ORDERS DUE
 FOR JAN 09 – DEC 09





CSFP Information On-Line

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www.commodityfoods.usda.gov