

School Programs Commodity Update

What's New in USDA's Food Distribution Program for Schools

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With another school year beginning, we are off to a good start with School Year (SY) 2008 purchases. Here are some highlights of what you can expect for this school year.

COMMODITY FORECAST

Fruit and Vegetable Products: Clingstone peach crop production is up from a year ago. The overall quality of the crop is great, and there are sufficient quantities available to meet your requests for canned clingstone peaches.

This year's apricot crop rebounded tremendously, in comparison to last year's record low yield. Favorable weather allowed for a bumper crop this year. Overall quality is expected to be good as well. We are offering frozen and canned apricots for deliveries this fall. Bartlett pears will also be plentiful, and we will be offering them fresh to schools this year.

Canned Pineapple: The only vendor that provided commodity canned pineapple products for the commodity programs, Maui Land and Pineapple Company, Inc., will no longer be producing these products. They will concentrate on their fresh fruit sales. The Food Distribution Division (FDD) has cancelled all orders for the new school year and has encouraged States to order other available fruits and vegetables.

Beef and Pork Products: The beef and pork products have been successfully purchased on schedule. Surveys for these products will remain open until the end of December, and additional red meat products may be ordered for delivery from November 16, 2007, through

June 15, 2008. The special trim beef for reprocessing, frozen and chilled, should be available for December 31, 2007, deliveries.

Ham: Last spring, the test buy for the new sliced and diced ham products was a success, and both of these products are available for schools this fall. These 96% lean products will be available in an 8-5 pound package, with deliveries beginning mid-September.

Fish: A catfish strips test purchase is planned for this fall. The Agricultural Marketing Service (AMS) is working with the catfish industry to develop a plan to effectively remove all bones from the catfish strips. We intend for deliveries to begin January 2008.

Poultry Products: We tested the chicken burger-style patties (A528) and chicken crumbles (A530) during last school year. Based on the results of that test, we have decided to offer the burger-style chicken patties for this school year, with deliveries from November 30, 2007, through April 30, 2008. This survey will be open until December 21, 2007. However, the chicken crumbles will not be offered at this time. Although the acceptability survey showed some interest in ordering the product for the future, there were some concerns regarding the appearance, flavor, and the texture of the product. We are sharing this information with the Agricultural Marketing Service (AMS), our procurement agency, to determine what improvements can be made.

Cheese: FDD and the Farm Service Agency (FSA) have been actively working together with the cheese vendors and national processors and have obtained additional capacity to fill most of the mozzarella cheese orders for schools. Looking forward, the cheese industry has informed us that we were unable to get the quantity and best price for cheese because of the time schedule under which we are currently operating. In order to get commodity cheese and maximize our buying power, we need to enter the market

when we can be competitive and, to that end, we have begun to change our purchase cycle to a calendar year basis. Therefore, States were recently asked to submit estimated projected orders for SY 2008/09 as a basis for the long-term cheese contract. FDD and FSA are strategizing on how to incorporate the new purchase cycle and will be working with the States to implement any needed changes.

USDA ANNOUNCES VALUE OF DONATED FOODS FOR SY 2007-2008



For the 2007/2008 school year, July 1, 2007, through June 30, 2008, the published rate establishing the value of donated foods or cash-in-lieu of donated foods USDA gives schools and institutions is 18.75 cents. The per-meal rate applies to each lunch served by schools participating in the National School Lunch Program (NSLP).

In addition, Section 6(e) of the National School Lunch Act requires that at least 12 percent of the total assistance provided through the NSLP be in the form of commodities. This requirement can be met through States' use of commodity entitlement (i.e., the 18.75 cents noted above) combined with USDA's donation of bonus commodities to the States. When those purchases fall short of the minimum 12 percent requirement, USDA is required to purchase additional foods beyond those available through entitlement or bonus. Because bonus purchases are likely to be limited in SY 2007/08, FDD is projecting that additional foods, beyond entitlement and bonus, will need to be purchased to meet the 12 percent requirement. Therefore, schools will initially receive an effective commodity assistance rate of 20.84 cents per meal for SY 2007/08. FNS will be monitoring the amount of bonus commodity provided during the year and will adjust the effective

commodity assistance rate as necessary to meet the 12 percent requirement.

COMMODITY IMPROVEMENTS

Frozen Potato Products

The *Dietary Guidelines for Americans* (DGA) recommend keeping *trans* fatty acid consumption as low as possible.

Accordingly, beginning this school year, we have revised our specifications for frozen potato rounds, ovens, and wedges to eliminate the *trans* fats from them. Hydrogenated oils or oils that may increase the total fat content cannot be used in processing these products.

As a result of removing the *trans* fats from these potato products, schools may receive some product where the primary packaging will have a slightly greasy appearance resulting from the use of non hydrogenated oils that do not solidify like hydrogenated oils. However, the potato rounds, ovens, and wedges will be healthier products, and they can be served in the same manner as in the past. In the meantime, our procurement agency, AMS, will be working with our vendors to have them switch to commercial poly bags which will prevent the slightly greasy appearance.

Whole Grain Pastas

The DGA also recommend increasing consumption of whole grains. In addition to our current offerings of whole wheat flour and brown rice, we recently made whole grain spaghetti and whole grain pasta-rotini available as a test buy for schools to order for August and September deliveries. FDD and FSA staff worked with several school districts around the country over the past year to ensure that quality whole grain products were purchased for our schools. An acceptability survey will be out soon, so please be sure to complete it and return it to our Program Support Branch, so we can review how well the product performed for you.

Elimination of Shortening as a Commodity

USDA has decided to eliminate shortening as an available ordering option in the commodity programs, including schools. This product only offers empty calories with minimal, if any, nutrients that support the DGA.

BONUS COMMODITIES WILL BE AVAILABLE FOR SY 2007-2008

USDA offers schools bonus commodities which are purchased to assist specific agricultural markets in need of support. Bonus purchases are initiated at the request of industry, and the approval of the purchase depends on current market conditions (high inventory levels and/or rising competition from foreign markets) or an above-average harvest season.

Bonus commodities that may be available to you during this upcoming school year are:

- Canned apricots
- Frozen apricots
- Canned apple slices
- Canned applesauce
- Frozen apple slices

RAISINS WILL HAVE A DIFFERENT LOOK THIS YEAR

AMS has alerted us that we can expect to receive raisins this year that are of mixed color (amber to dark brown). Industry standards and practices are changing. Grapes dried for the raisin industry are being harvested more rapidly now due to increased labor costs, so there is less time in the sun to allow them to turn completely dark. This issue, along with newer equipment, has sped up the harvesting process, leading to the mixed raisin color as the new industry trend. The color variation is the result of a natural condition, and has nothing to do with quality, so the quality of raisins remains unchanged.

FOOD SAFETY CORNER

Establishment Number: The key to locating the correct product for a hold or recall

When there's a meat or poultry recall, how do you know if you have the recalled product on your shelf or in your refrigerator or freezer? Look for the establishment number.

The establishment number directly connects the food product to the plant at which it was produced and is a critical piece of information. Each individual USDA meat and poultry plant is granted a specific establishment number. The plant may make products under several company names and various label names, but the establishment number will always be the same. Establishment numbers are on the product labels of all fresh, frozen, or canned meat and poultry products, usually in a circular graphic, as shown in the examples below. The poultry products graphic is Establishment Number P-42; the meat products graphic is Establishment Number 38. The prefix 'EST' will precede the number in some instances.



Inspection mark on raw poultry



Inspection mark on raw meat



Inspection mark on processed Products

The establishment number can be outside of the circular graphic on the exterior of the package or container in a size that makes it easy to read and recognize. For example, the establishment number could be printed on the lid of a can, or on the metal crimp on a package of fresh or frozen meat.

Knowing how to locate establishment numbers on products will prevent you from making costly mistakes by discarding food that is safe and wholesome. Why not become familiar with establishment numbers now? Take a look at meat and poultry products to locate the establishment number. If you have to identify a product in the future for a hold or recall, it will make your work much easier.

WE APPRECIATE YOUR RESPONSES TO OUR COMMODITY ACCEPTABILITY SURVEYS

Recently, we solicited opinions from many schools on the acceptability of several new commodities. The surveys were for: chicken patties, 7-piece batter/breaded chicken, chicken crumbles, diced ham, sliced ham, and queso blanco cheese. This feedback is important to us as we work with AMS and FSA to ensure they purchase products that will meet your needs and be acceptable to the children you serve. Thank you all for your responses.



LAST CHANCE TO ORDER NSLP COMMODITY FACT SHEET CDS

For a limited time only, August 1 through September 28, FNS is offering free copies of a 2007 NSLP Commodity Fact Sheet CD for State agencies and school districts to order for their schools. Individual copies to schools will not be processed, but anyone may download and print the commodity fact sheets from the FDD website.

The fact sheet CD provides all of the new commodity fact sheets in one convenient place and is designed to fit in the vinyl disk sleeve attached to the front cover of the *USDA Recipes for Schools* published April 2006.

COMMENTS

Please let us know if there are any commodity-related issues that you would like us to address in future editions of the School Programs Commodity Update. 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.

ACRONYM LIST

| | |
|------|---|
| AMS | Agricultural Marketing Service |
| DGA | Dietary Guidelines for Americans |
| FDD | Food Distribution Division |
| FNS | Food and Nutrition Service |
| FSA | Farm Service Agency |
| NSLP | National School Lunch Program |
| SY | School Year |
| USDA | United States Department of Agriculture |

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