

# Texas Department of Agriculture

## Food and Nutrition Industry Task Force Minutes April 28, 2021

1. Schools and SY 21-22
  - a. School districts will be able to continue SSO (with higher SFSP reimbursement rate) through entirety of SY 21-22.
  - b. Non-congregate, meal-time, and meal-pattern (including parent pickup) flexibilities will continue.
  - c. Schools have provided feedback that many districts will:
    - i. Utilize either SSO or NSLP.
    - ii. Move to almost completely in-person learning.
      1. Schools are expecting a lower enrollment (with students moving to homeschooling) at higher grade levels and higher enrollment at lower grade levels like PreK and Kindergarten.
      2. Some schools could start SY 21-22 in-person as early as August 2<sup>nd</sup>, 2021.
  - d. Task force would like to know how many school closures are occurring due to COVID-19 and budget constraints.
  - e. Schools report concern over upcoming summer projections and availability. Schools feel better prepared for fall SY 21-22 projections than they did SY 20-21.
2. Distributors/Manufacturers and SY 21-22
  - a. Employment issues have led to lead time increases and unavailability/discontinuation of items.
    - i. Modified portfolios mean that schools are not getting exactly what they want.
  - b. Manufacturers report very high demand; forecasts are critical.
    - i. Some manufacturers report increases in school product inventory to meet this demand. As much as 30% increase from 2019.
  - c. Distributors report that they are seeing an abnormally high number of bids.
  - d. Industry is encouraging districts to use products ready at distributor level. JTM has moved out hundreds of available cases in the last week.
3. TDA Ordering Update
  - a. TDA has completed NSLP ordering round one. TDA ordered requests through December due to schools' feedback that they were uncertain of forecasting past that date.
    - i. TDA and co-op coordinator meeting is occurring this afternoon to discuss any downward ordering adjustments needed, though downward adjustments are not anticipated.
    - ii. Second round will occur to address any upward ordering adjustments. Upward adjustments are anticipated.
    - iii. TDA will post round one orders to [squaremeals.org](http://squaremeals.org) by Friday, April 30th.
    - iv. Q: How does TDA ordering only through December affect those manufacturers who front-load pounds?
      1. A: TDA will provide full allocation (TDA plans to all remaining trucks in the second round). Given this information, manufacturers will have to decide if they will only front-load through December or the full allocation amount.

- b. Truck Cancellations
    - i. No automated way to share fair reduce once inventory starts moving at industry level; involved manual “per-school” process for TDA.
      - 1. 10 processors’ cancellations still need to be processed. Schools’ entitlement balances will change.
        - a. USDA rolled over excess entitlement. Schools can order against this amount for upcoming school year.
  - c. Reducing Balances
    - i. TDA is monitoring inventory usage closely.
    - ii. TDA has processed almost 300 school to school transfers this month.
    - iii. TDA is beginning to evaluate redistributions.
    - iv. There are not many remaining ordering options for this school year to draw down entitlement.
      - 1. There are limited options and amounts of warehouse surplus.
      - 2. There are state pounds available, but this does not draw down entitlement.
      - 3. TDA has distributed almost all (if not all) additional DOD funds.
4. Q & A.....All
- a. Q: Have state contracted warehouses been awarded?
    - i. A: Yes. Most regions remain with the same warehouse, except region 3 which has been awarded to Gold Star Foods.
  - b. Q: Can industry get a list of which schools have changed regions?
    - i. Counties are already listed by region on squaremeals.org. A list of counties that have changed region can be provided upon request.
  - c. Q: When will the warehouse delivery pricing be posted on squaremeals.org?
    - i. TDA hopes to post this information before the School Call this afternoon.
  - d. Topic: Co-ops report unusual bid season (lack of solicitation responses) and may approach TDA with certain schools to discuss non-competitive purchasing approval.

