

# Texas Department of Agriculture

## Food and Nutrition Industry Task Force Minutes August 26, 2020

1. Waiver Update
    - a. USDA released additional information regarding extending SFSP and its flexibilities through September 30, 2020 (or start of school, whichever is earlier in the year).
  2. Meal Pattern and USDA Foods
    - a. Procedural error has caused roll back of flexibilities in sodium targets, whole grains, and milk.
      - i. Texas is utilizing flexibilities granted under COVID to give CEs a year to come into compliance.
        1. TDA is creating a way to opt-out of those flexibilities for those CEs already in compliance.
    - b. How are manufactures feeling about their products and meeting sodium guidelines?
      - i. A concern is raised regarding the bottleneck in inventory sitting in warehouses unutilized. Those products will need to be utilized before the creation of new products that meet these requirements.
      - ii. JTM: 90% of products meet tier 2 sodium targets and they have begun looking ahead to further sodium targets.
      - iii. Schwan's: Majority of products meet tier 2 sodium level.
      - iv. Tyson: Majority of products meet tier 2 sodium level.
      - v. MCI: Been at target two since 2012
      - vi. Jodi: Some schools are still using regular ketchup, but reduced sodium ketchup is produced and available.
    - c. How are manufacturers feeling about their products meeting whole grain guidelines?
      - i. JTM: Have met whole grain requirements for the past three years. There are several customers utilizing semolina pasta, but most customers utilize whole grain pasta.
      - ii. Tyson: Meeting whole grain requirements.
      - iii. MCI: Whole grain tortillas are more palatable than previously and are widely student accepted.
    - d. Student preference waivers
    - e. TDA states that these may no longer be applicable after July 1, 2021, as they were a "bridge" to come into compliance.
    - f. USDA Foods and Meal Patterns
      - i. Has followed the same track as industry, supplying a wide variety of options that meet sodium and grain requirements.
        1. If there are specific items that are concerning, please update TDA and they will bring it to the attention of the national office.
  3. CFAP New RFP Updates
    - a. Round three solicitation update:
      - i. Distributors have been in touch with food banks to discuss last mile costs.
        1. \$2000 per truckload
      - ii. Awards announced yesterday.
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4. Distributor Inventory
  - a. TDA has heard that RAs are requesting new items. The response has been that RAs cannot have new items until they take what is already on-hand.
  - b. TDA has heard that some inventory is expiring. Who is responsible for this inventory?
    - i. Manufacturers do not take product back, but multiple distributors complain of out-of-date or short-dated items coming from manufacturers.
    - ii. Schools are buying approx. 10% of normal quantities. This lends itself to uncertainty about ongoing expiration issues.
      1. Distributors are focused on communication with CEs regarding utilization of current items/planned usage to allow for new items.
    - iii. Distributors are donating what they can, but some were forced to dump product this summer.
    - iv. Distributors report increased lead time due to high demand for products such as applesauce, cereal, Uncrustables, etc.
    - v. Manufacturers are eliminating slow moving items to combat these issues.
      1. Narrowing selection to:
        - a. Create COVID-19 precautions in-warehouse.
        - b. Minimize delays for increased selection.
5. Discontinued Items and Processors Limiting Portfolio – Impact on Districts?
  - a. Some processors have switched to retail-only or are heavily using resources for retail business.
    - i. Some manufacturers report that brown box solicitations are going unanswered by processors.
    - ii. Some processors report that retail business increase is not necessarily equivalent to decrease of school programs business (though it does affect).
    - iii. Some co-ops report a decrease in number of parents picking up meals due to going retail with P-EBT cards.
6. Meal Counts – Preliminary for SY20-21
  - a. Co-ops reports a decrease in number of parents picking up meals.
    - i. There will be a dip in utilization we transition from SSO to NSLP.
      1. 10% of typical orders
        - a. Lowered participation, some report a slow decline all summer. Addressing by:
          - i. Examining adding bus stop sites.
          - ii. Examining adding supper once evening enrichment is determined by ISDs.
            1. TDA will keep an eye on success of districts that offer evening pick-ups.
      - ii. Remote model creates limited lunch time for parents to acquire food.
      - iii. New survey showed less students committed to on-campus learning after Labor Day than originally anticipated.
7. Q & A.....All
  - a. Q: What are TDA requirements for multi-meal distribution/curbside feeding?
    - i. A: TDA requires that distribution clearly labels which items go together to make a reimbursable meal. Student must be able to understand which items should be consumed together.
  - b. Q: What are TDA requirements for clear wrapped products and preparation instructions?
    - i. A: Bulk items must be readily available to consume (there should be no preparation instructions aside from reheating instructions).