

Texas Department of Agriculture

Food and Nutrition Industry Task Force Minutes November 4, 2020

1. CFAP Discussion
 - a. Fourth round awards have been made for combination boxes in Texas
 - i. Fresh Innovations California
 - ii. RK Group
 - iii. Tulsa Fruit Company
 - b. Food Banks are hopeful that deliveries for the 4th round will begin the week of November 11, 2020.
 - c. Have previous issues regarding freezer/fridge mixed items, quantity, etc. been addressed?
 - i. Possible separation of items (especially milk) in round 4
 - d. Do we have any idea how much product has been wasted due to these issues?
 - i. Direct delivery helped address these problems
 - ii. Awarded vendors resolved short shelf life by end of round 3
 2. Procurement Waivers
 - a. Initial COVID response: the Governor's proclamation permitted emergency procurement. USDA also sent guidance on federal emergency procurement provisions.
 - i. TDA received feedback that substitutions were made for items not on bid
 1. CEs/Coops can use emergency procurement to address
 2. TDA school operations receives, reviews, and approves emergency procurement requests.
 3. Solicitations can be amended
 - ii. This is not intended for temporary substitutions; this is short-term solution for items no longer in production
 - iii. Distributors would like to get the names of customers to review contract language
 3. Distributor Update
 - a. Distributors provided an update on sales volume compared to a normal year.
 - i. Metropolitan areas: 50-60% enrolled in-school
 - ii. Rural areas, 70-100% enrolled in-school
 - iii. No expected big enrollment changes between now and January
 - b. Distributors reporting some supply issues, but getting back on track
 - c. TDA imposed an October 31, 2020 deadline for schools to select whether to operate the NSLP or summer feeding options
 - d. Districts have complained about price gouging and shortages with trays/gloves
 - i. Run on saddle bags, now facing low supply with those as well
 - ii. Prices for PPE still higher than bids outline
 4. Order Update
 - a. Cancellations
 - i. 8.47% cancellations PY 20-21 compared to 9.5 in PY 19-20
 - ii. TDA shared a list of canceled further processed trucks with co-ops last week -approximately 325 truckloads
 - iii. TDA has had internal discussion about its process for canceling orders
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1. Staff is utilizing conversations with processors prior to cancellation to determine if there are pending orders that may impact fair share reductions.
 - b. TDA sent out an email blast to CEs assigned to over-capacity regional warehouses
 - i. Allocated inventory not moving well, reminder to districts to draw down
 - c. Funding Sources
 - i. NSLP entitlement
 1. Cancellations have increased state balances, but TDA is hesitant to bring in more inventory with current usages.
 - ii. CARES and FFCRA – entitlement funding is fully committed
 - iii. TEFAP and CSFP – entitlement funding is fully committed, CSFP in ordering
5. Other Topics
 - a. Question: Has there been any discussion about utilizing a single state bank for better utilization of state pounds (move out of CEs not utilizing them and into CEs who need them)?
 - i. Currently utilizing state account and school to school transfer process, but can investigate other options for inventory management
 - ii. Glenda assessing CE usage, working with co-ops to improve usage
 - iii. TDA is not going to sweep pounds at this point
 - iv. The group would like to discuss the single bank model further