

# Texas Department of Agriculture

## Food and Nutrition Industry Task Force Minutes January 13, 2021

1. Ordering/Cancellation Updates
  - a. NSLP
    - i. TDA is still finalizing large cancellations for January-March
      1. TDA is working with processors to reconcile accounts; TDA will reach out to the Coops once finalized
    - ii. TDA is implementing a hold on transfers and additional pounds until 01/19/21 (target date)
    - iii. State to state transfers
      1. TDA is considering going to monthly pounds requests instead of individual pounds amounts requests; end of the month deadline?
        - a. Coop feedback is supportive of this change
  - b. Household Programs
    - i. USDA is struggling to procure certain items
      1. TDA is trying to give CEs the option of cancellation with a new product OR delay of the original product
    - ii. Money from stimulus bill for TEFAP
      1. Similar to CARES and FFCRA; a percentage of food allotment and a percentage converted to administrative funding
        - a. TDA needs to know by 1/16/21 how much administrative funding food banks want
    - iii. USDA gave guidance that food banks should not stop distribution of boxes even if it is missing an item
      1. TDA will continue to attempt to procure the needed items
2. Single Bank Pilot Proposal
  - a. TDA received feedback from task force that they would like other states' models presented
    - i. TDA is open to this, but is concerned that those states may be too small to feasibly replicate a model that would work for Texas
      1. Single distributor/processor award is likely not possible in Texas
  - b. Is it feasible to run a model with a mid-size co-op with a single product like bulk chicken?
    - i. TDA is interested in how much drawdown is impacted across the board, so they would prefer to not focus on a single product.
3. State Warehouse RFP
  - a. TDA has disseminated the RFP with a change in verbiage; bids are due mid-February
    - i. TDA is hopeful that allowing more flexibility in the model will be advantageous in cost for ISDs
    - ii. TDA does not want to speculate about increased storage and delivery fees, frequency of delivery, etc.
      1. Everything is subject to negotiation
      2. The model proposed by warehouses will have to be profitable to them

3. TDA likely will not know these details before surveys close in early March
  4. Distributor/Manufacturer Updates
    - a. Distributors and Manufacturers are reporting different trends based on region
      - i. Distributors serving large districts within the metroplex report:
        1. Low volume overall, however, some districts are requiring children back in school after the winter break. This has lead to:
          - a. Increased volume
          - b. Increased variety due to menu fatigue
          - c. Increased use of bulk items
      - ii. Some distributors are reporting little to no change; no increased attendance
      - iii. Some distributors are seeing a very slow increase all around
        1. Distributors may not be able to procure items in increased volume
          - a. Manufacturers are asking for forecasting and patience
5. School District Updates
  - a. Many school districts do not have answers about what the rest of the school year will look like
    - i. Some districts were hoping to bring back all students after winter break, but the date keeps getting pushed back
    - ii. Some districts are allowing parents to make decision about their child's enrollment every 9 weeks
      1. Currently serving approximately 1/4 of typical meals
    - iii. Some districts have 65%+ enrollment and are expecting "normal" SY 21-22
    - iv. Some districts have 50% enrollment and are expecting to have multiple calendar options for SY 21-22
  - b. TDA is receiving feedback that it is hard to draw down pounds and utilize commodities when there is so much uncertainty
6. Round 5 CFAP
  - a. USDA issued a round 5 CFAP offering
7. Other Topics
  - a. Have manufacturers seen an impact in other states where teachers are being vaccinated?
    - i. Manufacturers report that most teachers are waiting for second vaccination and are not seeing much of a change currently
      1. Manufacturers are not expecting to see this change until next school year
  - b. Co-ops are working to achieve better accuracy with forecasting and encouraging districts to move toward higher volume products in bids
  - c. Is there a farm to school option in Texas?
    - i. TDA reports that there is already a Farm to School program in Texas but has heard about a possible grant opportunity
      1. TDA is uncertain if Texas will apply
  - d. TDA is focused on funding recovery
    - i. TDA is allowed to rebate 55% of school losses