

# Texas Department of Agriculture

## Food and Nutrition Industry Task Force Call July 28, 2021

### 1. USDA Foods and Inventory Update

#### a. Inventory

- i. Redistribution (formerly referred to as carry-over sweep) is underway. As of Monday July 26, all processors have submitted reports for reconciliation.
- ii. TDA has over 23 million pounds that need to be distributed as fair share proration. These will be free pounds.
  1. Excess pounds will be applied to round one and two ordering allocations. TDA will be cancelling truckloads to offset.
- iii. Requests for additional pounds for further processing are on hold. CEs were told at the last school call that redistribution and requests for additional pounds could happen simultaneously, but TDA has more excess pounds than ever before in history so this is not possible. It will take significant staff resources to address the fair share proration of state pounds.
  1. CEs (not co-ops or processors) must submit additional pounds requests to [commodityoperations@texasagriculture.gov](mailto:commodityoperations@texasagriculture.gov) with a commodity calculator.
- iv. 70% of Monthly Performance Reports for June 2021 have been received.

#### b. Ordering

- i. TDA is working to apply fair share proration to round two ordering.
  1. More than likely, all of round two pounds will be free due to large quantity of pounds available in the state account.
  2. TDA currently has a negative entitlement balance as a state. TDA is hopeful that truckload cancellations, pending official rate of assistance for PY 22, and total lunches served adjustments will push entitlement into the positive and allow for round four ordering.
- ii. TDA will send out a communication prior to next week's school call that CEs should wait for allocations to post as some processors have not posted round one allocations.
- iii. TDA is completing reconciliation of DOD's fresh fruits and vegetables usage. This should be complete by COB today.
- iv. TDA is applying final weighted average cost adjustment to further processing and farm to school.

#### c. Questions

- i. Q: How are redistribution topics being communicated? What is the best approach for industry to help TDA's initiative?
  1. A: TDA just received data regarding the quantity of pounds in the state account. We will communicate this number to schools in next week's school call. We will ask CEs to revisit their forecasts after this information is released.

