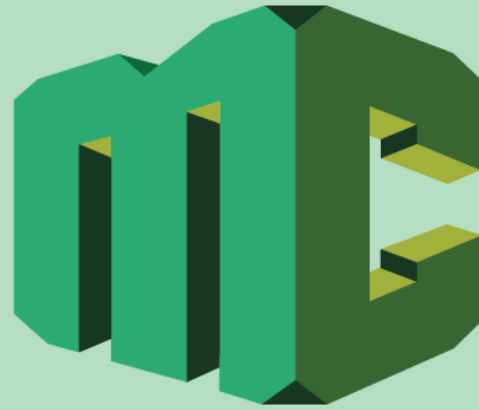


# Reporting Non-Monetary Values of USDA Foods for Audits



TEXAS DEPARTMENT OF AGRICULTURE  
**COMMISSIONER SID MILLER**



**Jackie Cantu, RD**

TDA F&N Director for  
USDA Foods



# Meet our Speaker



**Jaclyn Cantu, RD**

Director for USDA Foods,  
TDA Food & Nutrition





# Acknowledgement Statement

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## **You understand and acknowledge that:**

- The training you are about to take does not cover the entire scope of the program; and that
- You are responsible for knowing and understanding all handbooks, manuals, alerts, notices, and guidance, as well as any other forms of communication that provide further guidance, clarification, or instruction on operating the program.

# Why Does This Matter?



Communication



Collaboration



Compliance



# Audits

*Most Use Data From The Prior School Year*



Schedule of Expenditures of Federal Awards (SEFA)



Single Audit



District's own internal audits



Food Service Management Company (FSMC)  
contracts-Annual USDA Foods Reconciliation



# Overview



Bridging the Language



USDA Foods Tracking Processes



Reporting for Audits

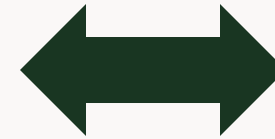


FAQs & Best Practices



# Bridging the Language Between Departments

**Child Nutrition**



**Business  
Management**



# Texas Education Agency & Child Nutrition

*Bridging the Language*

**Child Nutrition**



**Business  
Management**

Entitlement

Non-Monetary Revenue

USDA Foods

USDA Commodities

WBSCM or WebSCM

Web-Supply Chain  
Management System



# USDA Foods Tracking Processes





What activities occur when tracking USDA Foods?

Business  
Management



# Business Management Department Tracking

1

Consumption  
Method or Purchase  
Method

2

Object Codes

3

Share Tracking  
Methodologies



# What activities occur when tracking USDA Foods?

Child  
Nutrition



# Child Nutrition Department Tracking

1

Conduct Physical  
Inventory

2

Compare Invoices  
Received

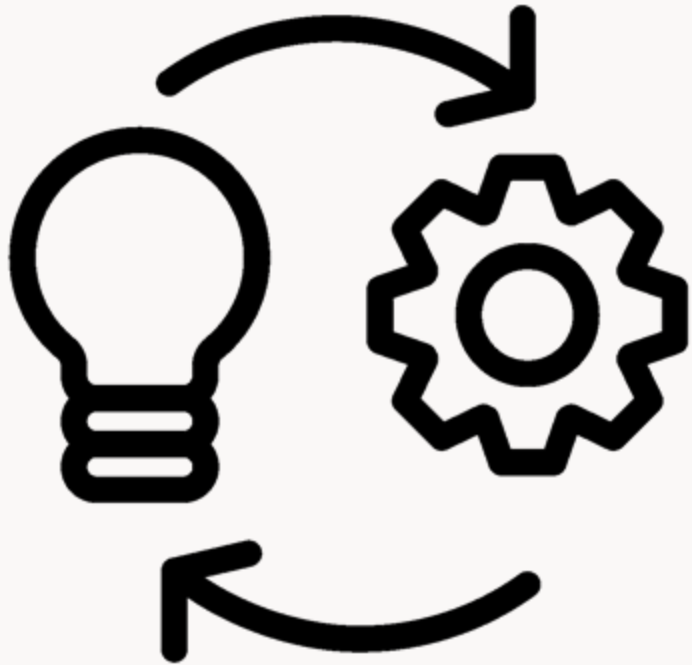
3

Establish & Share  
the Fair Market  
Valuation  
Methodology



# Fair Market Valuation

## *Methodologies*



- 1 Average Price from WBSCM
- 2 Actual Price from WBSCM
- 3 Rolling Average from WBSCM



# Use an Allowable Fair Market Valuation Methodology



# Child Nutrition Valuation Toolkit





# USDA Foods in Schools Average Material Price List

## *November 15th File*

The screenshot shows the top portion of a website. At the top left is the USDA logo and the text "Food and Nutrition Service U.S. DEPARTMENT OF AGRICULTURE". To the right are links for "CONTACT US", "REPORT FRAUD", and "USDA.GOV". Below this is a dark blue navigation bar with links for "HOME", "PROGRAMS", "DATA & RESEARCH", "FUNDING", "NEWSROOM", "RESOURCES", and "OUR AGENCY". A search bar is located on the right side of this bar. The main content area has a dark blue background with the title "Processor Material Prices" in white. Below this is a breadcrumb trail: "HOME > PROGRAMS > FOOD DISTRIBUTION & EMERGENCY ASSISTANCE > USDA FOODS IN SCHOOLS > VENDOR > PROCESSOR MATERIAL PRICES". At the bottom, there is a "Resource Type" label and a paragraph of text: "The average material prices are listed by school year and used by processors participating in the USDA Foods processing program."

USDA Food and Nutrition Service  
U.S. DEPARTMENT OF AGRICULTURE

CONTACT US | REPORT FRAUD | USDA.GOV

HOME | PROGRAMS | DATA & RESEARCH | FUNDING | NEWSROOM | RESOURCES | OUR AGENCY

## Processor Material Prices

HOME > PROGRAMS > FOOD DISTRIBUTION & EMERGENCY ASSISTANCE > USDA FOODS IN SCHOOLS > VENDOR > PROCESSOR MATERIAL PRICES

**Resource Type**

The average material prices are listed by school year and used by processors participating in the USDA Foods processing program.



# Cost Management Tool

*State Agency Resource for Direct Delivery of Materials*

**Cost Management Tool** - This is an excel-based tool designed for use prior to, during and after ordering USDA Foods that provides an estimated final price based on input demand. Note: If you are experiencing issues, please download the file locally and click "Enable Content" to use.



Available on [Squaremeals.org](https://squaremeals.org),  
Food Distribution for NSLP Resources



# Reporting For Audits



## *Preparation Steps*

**Step 1**

Determine how entitlement was allocated

**Step 2**

Log into the systems

**Step 3**

Locate the reports

**Step 4**

Reconcile between tracking systems

# Reporting For Audits



# Step 1 - How Was Entitlement Allocated?



Direct  
Delivery



Processing



DoD Fresh



# Step 2- Log into the Systems & Step 3- Locate the Reports

**WBSCM**

**FFAVORS**

**State-Contracted Warehouse**

**K12 Foodservice/ ProcessorLink**

**Take this ESC  
Class**

USDA Foods Usage Ordering For Success:  
Putting the Pieces Together for  
USDA Foods Reconciliation





# Step 4 – Reconcile Between Tracking Systems

*Is what you ordered  
what you received?*





# Who Should I Contact?



**1st**

**Call your ESC**

**Then**

ProcessorLink or  
K-12 Foodservice



A 3<sup>rd</sup> party company,  
contact your  
processor  
representative

State-contracted  
warehouse



Contact your  
warehouse  
representative



# FAQs & Best Practices





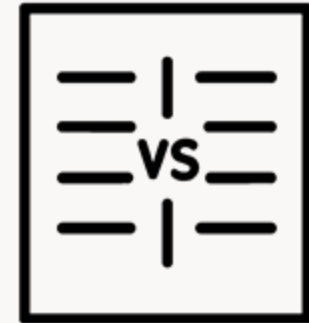
# Financial Management of USDA Foods



Identifying  
Reports



Interpreting  
Information



Financial  
Reconciliation



# FAQ



What is the difference between *ordered* and *received*?



# FAQ



How is my beginning entitlement calculated?



# FAQ



Why is my value received more than my beginning entitlement value?



# Questions



Leave Us Your  
Feedback!



# Contact Us



(877) TEX MEAL  
(877) (839-6325)



[SquareMeals@Texasagriculture.gov](mailto:SquareMeals@Texasagriculture.gov)



[Squaremeals.org](http://Squaremeals.org)

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The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. mail:

U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410; or

2. fax:

(833) 256-1665 or (202) 690-7442; or

3. email:

[program.intake@usda.gov](mailto:program.intake@usda.gov)

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