

STATE OF COLORADO

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Dedicated to protecting and improving the health and environment of the people of Colorado

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Colorado Department
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*****CDPHE-CACFP PROCEDURE MEMO CENTER# 09-03**
*****CDPHE-CACFP PROCEDURE MEMO ADC# 09-03**

Date: March 2009

**To: Child Care Centers, Adult Day Care, and Sponsors of Institutions participating in the
Child and Adult Care Food Program (CACFP)**

**From: Colorado Department of Public Health and Environment
Child and Adult Care Food Program (CDPHE-CACFP)**

Subject: Commodity Foods Information Sheet for the Spring Survey

Spring Survey

Every spring, the CACFP State Office surveys all child care institutions to determine whether they would like to receive commodity foods or cash-in-lieu of commodities. This means that the institution can choose to receive either Commodity foods or extra cash in addition to the regular reimbursement. The additional cash is currently set at 20.75¢ for every lunch or supper claimed. The spring survey determines the type of reimbursement the institution will receive for the next Federal fiscal year (October 1, 2009 – September 30, 2010).

What are Commodities?

Commodity foods are purchased by the United States Department of Agriculture (USDA) to help remove surplus foods from the market and to meet the meal pattern requirements of the Child Nutrition Program. The actual commodities vary depending on the season and the harvest.

Commodities are divided into two groups – Group A and Group B. Group A commodities include canned fruits and vegetables, as well as frozen protein items such as turkey, beef, pork, and chicken. Group B items include cheeses, peanut butter, flour, vegetable oil, and low-saturated-fat soybean oil.

Some examples of Group A items are green beans, applesauce, corn, potatoes (French fries, wedges, and rounds), pears, strawberries, peaches, and apples as well as salsa and other tomato-based products. Protein items include diced and baked chicken, turkey roasts and deli-style slices, ground beef/patties, and pork leg roasts.

The list of Group B items include several kinds of cheeses, such as shredded and bulk mozzarella, shredded cheddar (both regular and reduced fat), and American processed cheese (loaves and sliced). The cheeses come in either 6-5# packs or 8-6# loaves.

Three kinds of flour, peanut butter, vegetable oil, and low-saturated-fat soybean oil round out the list of Group B items.

Commodities can be a wise choice for institutions that have an experienced cook and adequate storage space.

Commodities are normally supplied in commercial sizes such as #10 cans of fruits and vegetables, and frozen protein items in 30# or 40# cartons. The size of these containers means that you will need to have a significant amount of storage space for the dry or frozen foods that you order.

Commodities the Institution Will Receive

In January and February of each year, the institution will select the specific USDA commodities it wishes to receive. All of the orders placed with the USDA are directly based on the overall amount of commodities requested by all the School and Childcare agencies in the state. We do not force you to accept foods that you did not request.

Benefit of Commodity Foods

Since the USDA purchases commodities in huge quantities, the “Entitlement Value” of these commodities is quite often less than supermarket prices. In addition, the USDA occasionally offers “Bonus Items” to relieve significant surpluses from the U.S. agricultural market. Another key point is that all of the items offered in the USDA Commodity program are grown in the USA.

What Determines the Amount of Commodities a “Recipient Institution” Receives?

An Institution’s USDA “Entitlement” is based on the number of lunch and supper meals served multiplied by a factor. The effective factor, as of February 2009, was 20.75¢ per meal served. Please note that the factor is subject to change on an annual basis and may go up or down.

Translated into entitlement dollars, if the institution serves only lunch meals to 20 kids per day and is open on a year-round basis, the USDA entitlement would be approximately \$1,078.

If the institution serves only lunch meals to 50 kids per day, year-round, the entitlement would be approximately \$2,698. If the institution serves only lunch meals to 100 kids per day, year-round, the entitlement would be approximately \$5,395. In all of the examples above, if the institution serves supper meals, their entitlement would go up accordingly.

Cost of Commodities to Institutions

You do not pay anything for the actual commodities your organization receives. The institutions are “entitled” to receive a determined amount of commodities based on the number of lunch and dinner meals served.

The institution is required to pay “Delivery Charges” and “Admin Charges” on each case of food. Depending on where the institution is located, the delivery charge varies from about \$2.70 per case to \$3.77 per case. The delivery rate varies slightly each month depending on the price of diesel fuel. The current Admin Charge is 45¢ per case.

Records Institutions Must Keep When Receiving Commodities

Institutions need to ensure that their menus and production records reflect the use of the USDA commodities they have received.

Storage Requirements

Institutions must have adequate storage facilities to ensure that commodities are properly stored and protected. Institutions must maintain food at the proper storage temperatures. The foods must also be stocked and spaced so that they can be readily identified. Foods should be stored off the floor and away from the walls to allow for proper ventilation.

It is **NOT** necessary to store commodity items in a different area than the regular/commercial foodstuffs. Like all food, commodity items should be used on a FIFO (first in, first out basis).

Ordering, Receiving, and Refusing Commodities

Everything is done on-line using personal computers and the Internet. The institution will request food, refuse food, and see what food is being held for the institution online. The institution is also notified when food is allocated to the institution online. A computer at the institution is a must, however, it is not necessary to be a computer expert to use the system.

Commodities are delivered once a month, August through May. When a truckload of food arrives at the USDA Andrew's Food Service warehouse, information about that shipment is put into a computer. The computer program asks two questions about every Recipient Institution:

1. Did this Institution request this food?
2. Does this Institution have enough Entitlement dollars remaining to cover the value of this food?

If the answer to both questions is yes, the Institution will be allocated some of this food.

The institution will be notified via email that items have been allocated. At that time, the institution can accept the amount of food allocated, request additional cases, or refuse cases. The institution must make a decision within 10 days of receiving the email or it will be assumed that the Institution wants the exact number of cases that have been allocated.

The institution also must coordinate monthly deliveries with the USDA Administrator at the Andrew's Food Service. The State of Colorado does not warehouse the food. The State will certify the agencies and administer the logistics of getting the right amount of food to the appropriate people.

For additional information about the distribution of USDA commodities in Colorado, visit the Food Distribution Programs website at

<http://www.cdhs.state.co.us/fdp/>

The above website also lists all the Food Distribution Program staff members and their contact information. Feel free to contact them if you have any questions.