|  |  |  |  |
| --- | --- | --- | --- |
| Texas Department of Agriculture |  | | January 2017  Page 1 of 2 |
| Food Distribution Program (FDP)  Further Processing of USDA Foods  Roles and Responsibilities | | | |
| Name of Contracting Entity | | CE ID | |
|  | |  | |
|  | | | |
| Name of Purchasing Cooperative (If Applicable) | | CE Telephone Number | |
|  | | –     – | |
|  | | | |
| Processing Cooperative Member Roles and Responsibilities | | | |
| Contracting Entities (CEs) choosing to participate in the further processing of USDA Foods assume responsibilities that include, but are not limited to, the following:   1. If the cooperative is managed by a private, third-party entity, ensure the services were properly procured according to local, state and federal rules. Note: third party entity services of a governmental entity are not required to be procured. 2. Ensure that agreements with the third party entity and/or lead school district provide the CE (cooperative members) access to all records, reports, and documents needed to ensure rebates, discounts, and other applicable credits accrue to the CE. 3. Ensure cooperative inter-local agreement outlines the USDA Foods activities to be managed by the cooperative’s third party entity and/or lead school district. 4. Ensure the cooperative follows all local, state and federal procurement guidelines to ensure fair and open competition. 5. Ensure the cooperative sends the solicitations for further processing to companies on the Texas Department of Agriculture (TDA) Approved List of Processors without limitations. For example, a CE cannot choose to send a solicitation to only selective companies on the approved TDA list. 6. Ensure that solicitations for the further processing of USDA Foods are awarded only to processors that are on the TDA Approved List of Processors. 7. Provide good, estimated quantities for the cooperative to include in the applicable solicitation for the processing of USDA Foods. 8. Provide adequate lead time to the manufacturer, including the cooperative third party entity and/or lead school district, for any prior approved products and/or order changes. 9. Ensure the cooperative enters into an agreement with distributors that provide the distribution of processed end products containing USDA Foods; ensure the agreement contains proper language for the resolution of errors, i.e., data, pricing, product; proper retention of data, reports, etc. 10. Access the Texas Unified Nutrition Program System (TX-UNPS) Food Distribution Program (FDP) Module on a regular basis to effectively manage USDA Foods entitlement, food requests, allocations, and as applicable, storage and delivery of USDA Foods from assigned state-contracted warehouse. 11. Manage a good faith effort to ensure entitlement is used within the program year it was earned. 12. Track and manage USDA Foods inventory balances to ensure compliance with TDA and USDA Foods inventory requirements, i.e., inventory levels shall not exceed a six (6) month supply at any given time; access processor tracking systems on a regular basis; and report inventory issues to cooperative, lead school district and/or TDA as applicable. 13. Conduct Sales Verification of end products sold through a distributor, including but not limited to verifying sales and USDA Foods rebates, discounts and credits. 14. Verify receipt of end products delivered by state-contracted warehouse; ensure end products received are the products requested; report discrepancies to the state-contracted warehouse, cooperative third party entity and/or lead school district, and TDA as applicable. 15. Review usage and USDA Foods inventory balances prior to ordering new inventory to ensure effective use of USDA Foods. 16. Utilize carryover inventory from the prior program year no later than each November 30th. 17. Provide timely updates regarding concerns/issues of further processing of USDA Foods to cooperative third party entity, lead school district and/or TDA, as applicable. 18. Attend and/or access online trainings provided by TDA on the management of the USDA Foods program to obtain the latest information on the program. 19. Maintain copies of the original CN Label from the product carton, or a photocopy of the CN Label as it appears on the original product carton; or a photograph of the CN Label as it appears on the original product carton. 20. Ensure that end product invoices from processors and distributors are paid in a timely manner and according to the contract. 21. Ensure documentation is available to TDA for any program review. 22. Identify and train a staff member to serve as a back-up to the Food Service Director that will ensure sustainability in the management of USDA Foods at the CE level. | | | |
|  |  | |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Texas Department of Agriculture |  | | Page 2 of 2 |
|  | | | |
| **Non-Cooperative School Roles and Responsibilities** | | | |
| CEs large enough to request the further processing of USDA Foods as individual schools assume responsibilities that include, but are not limited to, the following:   1. Ensure compliance with all local, state and federal procurement guidelines to ensure fair and open competition. 2. Solicitations for further processing must be sent to companies on the Texas Department of Agriculture (TDA) Approved List of Processors without limitations. For example, a CE cannot choose to send a solicitation to only selective companies on the approved TDA list. 3. Ensure that solicitations for the further processing of USDA Foods are awarded only to processors that are on the TDA Approved List of Processors. 4. Provide good, estimated quantities in the solicitation for the processing of USDA Foods. 5. Provide adequate lead time to the manufacturer for any prior approved products and/or order changes. 6. Ensure the cooperative enters into an agreement with distributors that provide the distribution of processed end products containing USDA Foods; ensure the agreement contains proper language for the resolution of errors, i.e., data, pricing, product; proper retention of data, reports, etc. 7. Access the Texas Unified Nutrition Program System (TX-UNPS) Food Distribution Program (FDP) Module on a regular basis to effectively manage USDA Foods entitlement, food requests, and allocations. 8. Ensure entitlement is used within the program year it was earned. 9. Track and manage USDA Foods inventory balances to ensure compliance with TDA and USDA Foods inventory requirements, i.e., inventory levels shall not exceed a six (6) month supply at any given time; access processor tracking systems on a regular basis; and report inventory issues to TDA. 10. Conduct Sales Verification of end products sold through a distributor, including, but not limited to, verifying sales and USDA Foods rebates, discounts and credits. 11. Ensure end products received are the products requested; report discrepancies to the processor and/or TDA as applicable. 12. Review usage and USDA Foods inventory balances prior to ordering new inventory to ensure effective use of USDA Foods. 13. Utilize carryover inventory from the prior program year no later than each November 30th. 14. Report issues and/or concerns related to the further processing of USDA Foods to TDA. 15. Attend and/or access online trainings provided by TDA on the management of the USDA Foods program to obtain the latest information on the program. 16. Maintain copies of the original CN Label from the product carton, or a photocopy of the CN Label as it appears on the original product carton; or a photograph of the CN Label as it appears on the original product carton. 17. Ensure end product invoices from processors and distributors are paid in a timely manner and according to the contract. 18. Ensure documentation is available to TDA for any program review. 19. Identify and train a staff member to serve as a back-up to the Food Service Director that will ensure sustainability in the management of USDA Foods at the CE level. | | | |
|  | | | |
| Acknowledgement | | | |
| **This document serves as a permanent amendment to the *Commodity Agreement between the Contracting Entity and TDA* on file with your school district. The amendment is specific to the Further Processing of USDA Foods.**  **By signing this document, I acknowledge that I have reviewed and understand the aforementioned roles and responsibilities associated with the further processing of USDA Foods.** | | | |
| Food Service Director Name (Please Print) | | Highest Contracting Entity Official’s Name (Please Print) | |
|  | |  | |
| Food Service Director Signature | | Highest Contracting Entity Official Signature | |
|  | |  | |