

# THE COMMODITY CONNECTION

September 2005

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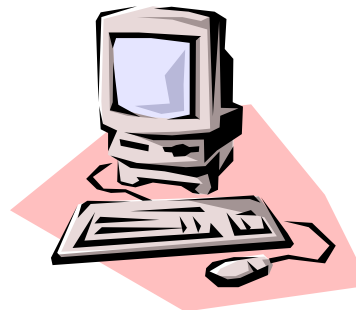
## A MESSAGE FROM THE CHIEF

Welcome to the inaugural issue of the Food Distribution Program's commodity newsletter. We have given our newsletter a new title, "The Commodity Connection," to better reflect its purpose and intent; we hope you find the newsletter informative, interesting, and enjoyable!

I'd like to begin by thanking all of you who offered me their well wishes on my recent appointment to the Food Distribution Bureau Chief position. It is an honor for me to have been selected to serve, and I will strive to provide all of you with the most effective and efficient food distribution program; one that will meet your needs while continuing to serve the needs of Ameri-

can agriculture. In this regard, I have three main goals for the program.

First, I want to move the Food Distribution Program into the 21st century by providing you with a "Demand Driven," web-based commodity allocation and distribution system. What do I mean by this? I mean a system whereby each agency, schools and TEFAP Emergency Feeding Organizations (EFOs) alike, have the opportunity to "spend" their commodity entitlement on the commodity products that are best for their program. And for schools, this also means having the ability to decide where, when, and how these commodities will be received. It means giving you the choice, up



front, so that you can better integrate commodity with commercial purchases. For TEFAP EFOs, this means you can better merge your commodities with your private donations. This will be accomplished using the World Wide Web, and will be modeled after many of the Internet shopping sites most of us have all used.

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## Contributors:

- Phillip J. Gambutti, Chief, Food Distribution Programs
- Hope Holland, Coordinator, TEFAP
- Jean Paxson, Processing Program Specialist
- Edward Cier, Supervisor APA
- Carol Dilts, Allocation Supervisor
- Maria Keitt, Allocation Assistant

## 2005/2006 ADMINISTRATIVE FEES

For the 2005/2006 school year, the following administrative fees will be in effect.

Commodity products accepted from your monthly allocation notice and picked up from our warehouses will be charged **\$2.35** per case.

There has been a slight change in charges for proc-

essed product; all processed product will be assessed a **\$1.45** administrative fee. The following processed products will not be charged the administrative fee:

- Potato products received under the Bulk Potato Project;

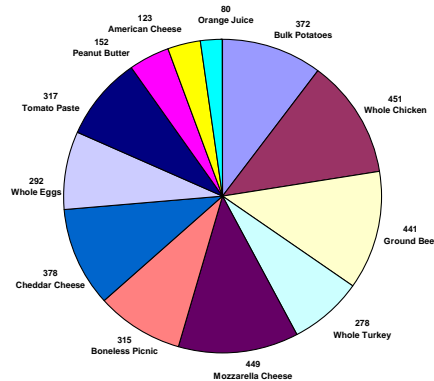
- Processed products containing Bonus Non-Fat Dry Milk (NFD); and
- Any processed product where our administrative fee substantially reduces (≥ 50%) the value of the donated food contained in the product.

All NJDA Administrative fees for processed products will be included in the 2005/2006 Approved Processed Product Catalog. This catalog will be updated and posted on the Child Nutrition Electronic Access System at [www.state.nj.us](http://www.state.nj.us)

## COMMODITY PROCESSING

I first want to welcome you back from your summer break. I hope you all had a great summer, are well rested, and ready for a busy school year.

While you were away, we in the processing program have been gearing up for the start of school. We completed 2005/2006 processor allocations and submitted our orders to the USDA. A total of twelve commodities were made available to you during the selection process. The allocations demonstrated that the most popular commodities for processing are whole chicken and mozzarella cheese, each with a 65% participation rate. In addition, 54% of you will participate in our Bulk Potato Processing Project. On average, 45% of you will participate in the processing program during the school year. A total of 9,339,625 pounds of commodities valued at \$6,606,896.21 will be diverted to 27 approved manufacturers for further processing.



I have a few processing-related reminders:

First, the Bulk Potato Processing Project. As you may already know, this is an "all or nothing" processing option. Under the project, we have ordered fresh bulk potatoes directly from the USDA and made them available to you for processing.

To accomplish this within the parameters of our program operations, we cannot offer you entitlement white potato products from our warehouses. What does that mean? Well, even if you chose not to participate in the project, you will not be allocated French fries, potato wedges, or potato rounds from our warehouses. We believe this project will save you money and that is why we are testing the concept. As part of this effort, we will not charge you our \$1.45

administrative fee on processed potato products.

Second, Net-Off-Invoice (NOI) value pass-through option. If you chose a NOI processor, you have a responsibility to ensure that you receive the donated food value of the commodities contained in the finished product you purchase. For NOI to be effective, you must participate in the sales verification process. I know its extra work, but its worth it; ultimately it saves you money!

Finally, by now you should have received our special announcement regarding Landis Meat Company; on July 29th, Landis sold certain assets to Maid-Rite Steak Co. Through their contract with us, Maid-Rite has provided written assurance that they will maintain Landis' products, pricing, and delivery for 2005/2006. Therefore, we have agreed to assign Landis' processing allocations to Maid-Rite for both beef and pork. If you selected Landis as your processor, your finished products will now be manufactured by Maid-Rite and you should not notice any significant differences. As an added assurance, we have requested Maid-Rite submit samples of their Landis products to Rutgers for quality evaluation. Should this arrangement be unsatisfactory to you, please contact our office.

## THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

The Emergency Food Assistance Program (TEFAP) is designed to distribute free surplus federal foods to eligible, needy persons throughout the country. The New Jersey Department of Agriculture (NJDA) is the agency responsible for administering TEFAP. The NJDA contracts with six EFOs designated to coordinate the program at the local level and are located regionally throughout the State.

These EFOs, in conjunction with the NJDA, have developed a network of local distribution agencies (LDAs) responsible for the distribution of these foods to needy persons. An LDA can be a pantry, soup kitchen, or shelter. All LDAs must be public or private non-profit organizations.

How does the program operate? The United States Department of Agriculture (USDA) offers various entitlement and bonus foods to the NJDA. The NJDA purchases entitlement foods from the commodity offerings. The foods are then shipped to a State contracted warehouse and several EFOs during the confirmed shipping periods. Surplus foods are offered to each EFO according to a formula that identifies the percentage of persons eligible for TEFAP.

Who is eligible to receive TEFAP commodities? Any individual or family participating in one or all of the following programs:

- Supplemental Security Income (SSI)
- The Food Stamp Program
- Women, Infants, & Children Program (WIC)
- Temporary Assistance to Needy Families (TANF)

A family in which the total household income does not exceed 185% of the federal poverty guidelines may also be eligible.

Please refer to the back page of this newsletter for a list of the six EFOs contracted with the NJDA for receipt of USDA commodities.

*(continued on back page)*

## A MESSAGE FROM THE CHIEF *(continued from page 1)*

I have put together an internal task force to begin working on the development of such a system, and once the basic foundation has been established, will bring in select agencies for their thoughts and input. I hope to have a system ready to test a year from now, with full implementation ready for the 2007/2008 school year.

My second goal is improved communications with recipient agencies. There is so much happening in the Food Distribution Program; that's why I've reinstated this newsletter. We hope to

publish the newsletter three times a year: fall, winter, and spring. In addition, we will provide monthly bulletins, which will bring you information that you need to know right away. In the not too distant future, we hope to communicate with you via email, so critical information can be distributed as we receive it.

My third goal is training and development. This extends to the Food Distribution Program staff as well as recipient agencies. The better trained we are, the better service we can provide you. And

the more you know about the commodity program, the better able you will be to "manage your commodity account."

We plan to host a special full day seminar in March, and we are happy to attend any workshop, meeting, and/or conference of any interested party to discuss the Food Distribution Program. Just give us a call!!

Again, I appreciate your support and I hope you enjoy "The Commodity Connection" newsletter.

## MONTHLY ALLOCATIONS

As we begin the new school year, we'd like to remind you of the procedures for completing and submitting your monthly allocation notice to this office.

Monthly allocations will be mailed no later than the 5th day of the month. You must complete and return your monthly allocation by the 15th of the month and include your extra request, if any.

Please make sure that you total all cases accepted, and ensure that a contact person and phone number are completed at the bottom of the allocation; this will make it easier for us to reach you if we have any questions and will better enable us to serve you.

Always check your calendar for school closings and holidays. If your pick-up date is scheduled during a closing, please change the date on your allocation notice and initial; remember to notify your carrier of the pick-up date change. If your carrier has pick-up date changes, we are to be notified by the 20th of the month. If this deadline is not met, we cannot guarantee pick-up date changes will be granted.

Commodities must be picked up in suitable vehicles; "open body" vehicles **will not** be loaded. Our warehouses have been instructed to turn away vehicles that are dirty or unsuitable for hauling food. We recommend you insure your pick-up vehicle meets the require-

ments of NJDHSS Code regarding Food Transportation.

Unless you have a written agreement in place with an off-premise storage facility, all commodities picked up at the warehouse **must** be delivered the on the same day; commodities are not to remain in your pick-up vehicle overnight. If you contract with an off-premise storage facility, **you must** submit a copy of the agreement to this office.

We would like to thank you for working with us toward making the allocation process smoother and more efficient; we look forward to another productive school year.

For your information, State offices will be closed on the following dates during the upcoming school year:

Labor Day	September 5th
Columbus Day	October 10th
Election Day	November 8th
Veteran's Day	November 11th
Thanksgiving	November 24th
Christmas	December 26th
New Year's Day	January 2nd
Martin Luther King Day	January 16th
Lincoln's Birthday	February 13th
President's Day	February 20th
Good Friday	April 14th
Memorial Day	May 29th





# NEW JERSEY

## DEPARTMENT OF AGRICULTURE

P.O. Box 334, Trenton, New Jersey 08625  
**Richard J. Codey, Acting Governor**  
**Charles M. Kuperus, Secretary**

Division of Food and Nutrition  
 Food Distribution Programs  
 (609) 292-0337  
 (609) 984-5367

*A copy of this newsletter must be placed on file in the Food Service Director's office and retained with other essential records for a period of 3 years following the close of the Federal Fiscal Year to which they pertain.*

*Please reproduce this newsletter and distribute to each Cafeteria Manager/Director in your district.*

*All programs of USDA are available to everyone without regard to Race, Color, Sex, National Origin, Age, or Handicap.*

*The New Jersey Department of Agriculture (NJDA), through its Division of Food and Nutrition, Food Distribution Programs, reaches out to many levels of our State's citizens.*

*The NJDA administers several programs which provide United States Department of Agriculture (USDA) foods to the School Lunch Program, Charitable Institutions, Summer Feeding and Camp Programs, Child and Adult Care Feeding Program, and The Emergency Food Assistance Program (TEFAP).*

*The NJDA stands ready to assist those who have dedicated themselves to providing high quality, nutritious foods to the many eligible program recipients throughout New Jersey.*

## TEFAP CONTRACTED EFOs (continued from page 2)

Community Food Bank (CFB)  
 31 Evans Terminal Road  
 Hillside, New Jersey 07205  
 (908) 355-3663  
 Fax: (908) 355-0270

NORWESCAP  
 201 Broad Street  
 Phillipsburg, New Jersey 08865  
 (908) 454-4322  
 Fax: (908) 454-2030

Middlesex County Economic  
 Opportunities Corporation (MCEOC)  
 132 Second Street  
 Perth Amboy, New Jersey 08861  
 (732) 324-1580  
 Fax: (732) 324-8675

Community Food Bank/Southern  
 Branch (CFB/SB)  
 6735 Blackhorse Pike  
 Egg Harbor Twp., New Jersey 08902  
 (609) 383-8843  
 Fax: (609) 383-0474

Food Bank of Monmouth/Ocean  
 Counties (FBMOC)  
 3300 Route 66  
 Neptune, New Jersey 07753  
 (732) 918-2600  
 Fax: (732) 918-2660

Southern Regional Food Distribution  
 Center  
 6140 Mays Landing Road  
 Vineland, New Jersey 08360  
 (856) 327-3145  
 Fax: (856) 825-9618

GFB Greater Mercer Food Cooperative  
 151 Mercer Street  
 Trenton, New Jersey 08611  
 (609) 396-1506  
 Fax: (609) 392-8363

Food Bank of South Jersey (FBSJ)  
 1501 John Tipton Blvd.  
 Pennsauken, New Jersey 08109  
 (856) 662-4884  
 Fax: (856) 662-4489

