



FOOD FOR THOUGHT

EPC/MEC COMMODITY NEWS

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May 2010

Special thanks, farewell and welcome

All members of the EPC-MEC Food Commodity program including **Ken Swink** (EPC), and **Ron Miller** (MEC), offer a special “thank you” to those of you who serve on our Regional Advisory Committee. Your dedication and on-going efforts on behalf of the members are very much appreciated.

We also say farewell and thank you to **Judi Hunter** for her contributions to the success of the co-op. We wish Judi the very best as she assumes her new role as the Food Service Director at Northridge Local Schools near Dayton, Ohio. Judi has made a difference and will certainly be missed. We hope to see her back in the 2011-2012 school year as

Northridge Local becomes a new member of the co-op!

We also welcome **Carolyn Ritchie** who has graciously agreed to replace Judi as the Region 8 Advisory Committee contact for the 2010-2011 school year. Carolyn is the Director of Food Service at Eastern Local Schools.

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Print food item usage reports from the GFS website by June 30!

Be sure to visit the GFS website and print out your item usage report of both processed and non-processed food items before June 30. These reports can provide valuable information that you can use for future reference!



Welcome new Co-op members

Several new districts are joining EPC-MEC for 2010-11, and several that had dropped out will be returning.

We welcome:
Brecksville-Broadway Heights, Austintown Local, Carrollton Exempted Village, Cuyahoga Falls, Field Local, Hamilton City, Holy Spirit, Holgate Local, Joseph Badger, Lake Local, Lake Erie Academy, New

Miami, North Canton, Norwood City, Norwalk City, Rossford Exempted Village, Struthers City, Swanton Local, Western Reserve, and Youngstown Christian.

If you know people in these districts and have the opportunity, please welcome them to the Co-Op.

Guidelines established for bonus offerings

Bonus items are occasionally offered to school districts nationwide by USDA. DJ Co-Ops, administrator for the EPC-MEC Co-Op, monitors the USDA website to watch for these offerings.

Guidelines have been established by the Co-Op and GFS that must be met before these items are posted on the DJ website as offerings. Those guidelines include:

- Item has been ordered previously by the Co-Op and has an existing slot at GFS
- The item has *not* been previously ordered by the Co-Op but GFS carries the item commercially
- The item has a track record of moving a minimum of 50 cases per week per distribution center
- **If none of the above are met and no permanent slot is available at GFS, bonus item may be offered as an immediate direct ship (GFS to school district) or will be**

put on a short turnaround (Ex: 30 days) to allow districts to order it quickly into their districts themselves.

DJ Co-Ops offers all items that receive final approval by the Co-Op. If the Co-Op agrees on the addition of a new item(s), we must await the approval of GFS for a new slot or a temporary slot to be created.

The Co-Op Advisory Council, **Ken Swink, Ron Miller** and DJ Co-Ops have been in discussion with GFS to add new slots to the wide range of items already available to member districts. GFS has expressed great interest in accommodating the Co-Op.

However, it is imperative that as new items are made available and ordered by the Co-Op, the products must be used by member districts in a timely manner. The concern in creating new slots is that product is not stored at GFS for long periods of time.

Therefore, guidelines for newly created slots at GFS include regular and consistent drawdown of your commodities. A 90 day window for using your inventory will be established, after which your district's usage will be reviewed. If the commodity is a bonus item, it may be given to other districts in the Co-Op that are using the product.

This constant flow of product through the distribution centers will accomplish several goals:

1. It fulfills the USDA requirement to use your commodities and not "hoard" them (legally USDA owns all commodities until the food is consumed by a student)
2. It allows GFS the "safety" of adding new slots without becoming a storage facility for slow moving items
3. It gives all Co-Op members more choice as items are added to the product list

ODE bonus items misunderstood

Rumors circulated earlier this year that non-co-op members were receiving bonus items that were not available to EPC-MEC members. This issue was brought up in the meeting with ODE on April 14.

Todd Barnhouse explained that at the end of the school year ODE takes all remaining entitlement from non-co-op members and purchases commodities which are then

offered to their districts. The product is purchased with entitlement dollars but ODE labels it as "bonus." Toward the end of the school year EPC-MEC also purchases commodities with remaining entitlement, except we label it "entitlement," which it is.

Staff change at ODE

The Co-op welcomes **Sandra Vasu-Sarver** as the new Director for the Office for Safety, Health & Nutrition at ODE. Ms. Vasu-Sarver replaces **Todd Barnhouse** following his departure.

Ken Swink and **Ron Miller**, along with **Jerry Green** from DJ's, will be meeting with Ms. Vasu-Sarver on June 17, 2010 to discuss the recent changes and the EPC-MEC commodity program.

Carryover issue discussed at ODE meeting

Carryover of entitlement has always been an issue of concern for member districts. **Ken Swink, Ron Miller, the Advisory Board and DJ Co-Ops** have continued to press ODE for permission to keep unused entitlement in the Co-Op.

On April 14, 2010, **Ken Swink, Mark Morrison (GFS) and Jerry Green (DJ Co-Ops)** had a meeting with ODE personnel **Todd Barnhouse, Oji Ohajuruka** and **Ed Doklovic** to discuss carryover as well as other topics.

Todd Barnhouse granted permission for the Co-Op to continue to use entitlement dollars from any given school year through December 31 of the same year. For example, even though the school year ends on June 30, the Co-Op will be allowed to use 2009-10 entitlement until December 31 of 2010.

State and
National
School
Nutrition
Conferences



State SNA Conference

June 15-18
Hyatt on Capitol Square
Columbus, OH

National SNA Conference

July 11-15, 2010
Dallas, Texas

New USDA directive limits excessive balances

A directive from USDA limits the inventory level at each processor to no more than a six month balance. Therefore the Co-Op Advisory Council has directed DJ Co-Ops to address excessive balances annually within the EPC-MEC Co-Op.

Beginning in November each year and running through January, DJ will look at balances at each processor and make adjustments to districts with excessive balances. Districts not using their inventory at processors may have it reduced or removed and given to another district that has a 90 percent usage or higher. *(Note: Districts will be notified before product is taken from them).*

If the district receiving the product has remaining entitlement, then the FMV of the product they are

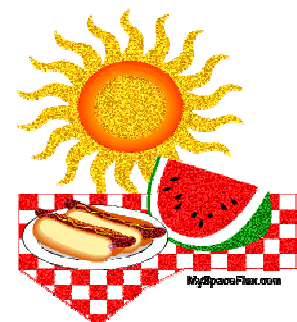
receiving will be taken from them and given to the district giving up the product.

It is imperative that high balances at processors are reduced to conform to established guidelines. If not, USDA will remove it and give it to another State. USDA is no longer allowing this to be a voluntary issue.

The goal is to order only the product you can use within a “reasonable time” (USDA has determined that six months is a reasonable time). This does not mean that by June 30 of each year you must have a zero balance. At any time during the year you may have a six month balance remaining, even on June 30. You want to have a balance to begin the new school year.

Visit us on Facebook

DJ now has a new “face” on FaceBook! We will be developing the page as time goes on, but please log on and become a friend.



Happy year-end to all!

Would like to wish a Happy end-of-the-year to everyone!

Please remember when emailing **Toni**, or anyone at DJ, to include your name and district name. We sometimes get emails without any identifying information so we have to take a “best guess” as to who is communicating with us.

Be sure to stop by EPC-MEC / DJ Co-Ops booth (number 610) at the 56th Annual SNA of Ohio

Conference, June 15-18 at the Hyatt on Capitol Square in Columbus, OH.

We trust you will have a terrific summer!

—Your friends at DJ



Did you know?

The School Lunch Act was signed into law on June 4, 1946.

EPC / MEC COMMODITY PROGRAM

Educational Purchasing Council (EPC)

Ken S. Swink, Executive Director
303 Corporate Center Drive, Suite 208
Vandalia, Ohio 45377

Metropolitan Educational Council (MEC)

Ron Miller, Executive Director
2100 Citygate Drive
Columbus, Ohio 43219
Phone: 614.473.8300

Visit us on the Web!
www.epc-online.org
www.mecdc.org

SAVING YOU DOLLARS

The mission of the EPC / MEC Cooperative is to reduce costs to school districts and offer a better selection of commodity options to schools. The Co-Op receives pricing on processed items from interested manufacturers. The Co-Op advisory board chooses and approves products that member school districts wish to use in their meals. Member schools may use any approved processor, as long as the amount of product ordered meets the state and processor minimums. Each district is charged the contract price and the distributor markup for a delivered-to-the-door price. The program facilitator (currently DJ Co-Ops) also receives a small fee per case shipped to a processor or distributor. All offerings are sent either to the manufacturer or distributor as requested by the member school district.