

PROCESSING USDA
FOODS AT THE SFA LEVEL

A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom-left towards the top-right, set against a background that transitions from a light yellow at the top to a darker orange at the bottom.

- ▶ USDA processed Foods, along with everything else, must be procured in accordance with federal procurement requirements.
- ▶ USDA has National Processing Agreements (NPA's) with each processor who has been approved to do business with them. This list can be found here:
 - ▶ <https://www.fns.usda.gov/fdd/npa-approved-processors>
- ▶ It is the State Agencies job to sign a State Participation Agreement, which is an amendment to the USDA NPA, for all processors that all SFA's want to do business with in their state. State Agencies processes will vary by state.
- ▶ The state agency in Wyoming procures processed foods on behalf of most of our SFA's, so our procurement method mirrors an SFA's procurement process.
- ▶ Approved companies can only bid on items that are on their USDA approved Summary End Product Data Schedule's (SEPDS).

PROCURING PROCESSED USDA FOODS

- ▶ Procuring USDA Foods for processing does not have to be hard.
- ▶ USDA has partnered with interflex to make processed procurement simple.
- ▶ Using interflex you can create bid specifications, create a bid document and award bids using their website.
- ▶ Interflex has established relationships with most, if not all, USDA approved processors.

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Welcome to



Getting Started!

It's Easy - Just follow these 5 simple steps!

1. Import, build or improve your **specifications**
2. **Create** Your bids
3. **Publish** your bids to vendors
4. **Analyze** your results
5. **Award** your contracts

[Click Here](#) to download a PDF instruction guide.

Training & Support

We offer free training sessions every Tuesday & Thursday at 2:00 pm EST. [Click here](#) or call 855-K12-BIDS to sign up for one of our sessions.

Support Email: bidsupport@interflex.net
Phone: 855-K12-BIDS
FAQs: [Click Here](#)



The lightbulb icon will indicate a helpful hint while using the system.

Supporting Organizations



Interflex has teamed up with the Alliance for a Healthier Generation to identify healthier products and create more nutrition-focused bid specifications. The Alliance's nutrition guidelines provide schools a science-based criteria for selecting food and beverages sold as part of reimbursable school meals and competitive foods, including a la carte and vending. [Read More](#)



Cool School Cafe® (CSC) is an industry leader in K-12 School Foodservice marketing. [Learn More](#)

USDA Bid Tips

The USDA is working with Interflex to provide guidance to BidAdvantage users that will assist schools with procuring and serving healthy foods. The USDA bid tips located throughout the site are meant to underscore dietary recommendations, procurement rules and remind users of the creative ways healthy meals can be prepared.

Consider using your USDA Foods dollars for low-fat meats and lean poultry products.



Web-based Procurement Training

USDA created a web-based procurement training available online through The University of Mississippi's Institute of Child Nutrition (ICN). [Learn More](#)

- ▶ You do not have to use interflex, it is just a tool to make the job easier.
- ▶ First, you must create bid specifications. You'll need to include a description, a pack size and an estimated number of cases you will expect to bring in for the year.
- ▶ The description should be very descriptive and include, the size or number of pieces per serving, 100% whole grain, 51% whole grain, whole grain blend, low sodium, low fat, reduced sodium, reduced fat, or if you want to put a max on fat or sodium, no soy, description of flavoring desired, size of crumble that is acceptable, white meat/dark meat or blend of both, breast meat only, individually wrapped or bulk, whole pizza or wedges or squares etc. etc.
- ▶ On the flip side you also need to be generic enough that you aren't impeding competition by writing a specification that only one vendor can possibly answer. You can write a spec for pizza such as "3.5 to 4.0 oz, whole grain, 50/50 mozzarella, cheese, wedge pizza, in bulk", and just about any pizza company would be able to respond to that specification.
- ▶ The nice thing is that interflex does a great job of assisting in writing a good specification that is descriptive and yet generic.

- ▶ When writing your procurement document you also need to consider how you are going to pay for the processing. Which Value Pass Through (VPT) method are you going to use? Are you going to use different methods depending on the processor? Does your chosen warehouse use Net Off Invoice? Rebates? Fee for Service?
- ▶ The American Commodity Distribution Association (ACDA) has put together an excellent resource called “School Recipient Agency (RA) Processing Handbook”. It goes in to great detail on all the facets of USDA Processing, including: inventory management, forecasting, monitoring, analyzing costs and value, VPT, and procurement.
- ▶ ACDA also provides other resources such as an NOI Processor/Distributor Agreement and a FFS Processor/Distributor Agreement.
 - ▶ www.commodityfoods.org
- ▶ USDA has provided a Cost Analysis Tool to help decide if purchasing through USDA Processing or commercially is cheaper.
 - ▶ <https://www.fns.usda.gov/usda-foods/usda-foods-toolkit-child-nutrition-programs>

DECIDING HOW TO PAY FOR PROCESSING

- ▶ Send procurement document to all vendors on the approved vendor list to ensure fair competition
- ▶ Ensure your chosen warehouse will slot all the items you want to bring in.
- ▶ Figure out how you are going to award a bid. Price alone? Nutrition? Value? Ability of the warehouse to slot spaces for that processor? Acceptability by the students? Many procurement policies require decisions to be made on price alone, however you can probably weight the price as the main factor while including other factors in the final decision.

FINAL STEPS

- ▶ The State Agency will probably require SFA's to have the pounds of product each agency wants and which processor to ship them to, by March. Food orders have to be in to USDA from mid March to mid April.
- ▶ Working backwards, the SFA needs to have awards made by mid February.
- ▶ The procurement document will need to have 4-6 weeks to respond, so it should be released in early January.
- ▶ This is all dependent on your local procurement requirements and your State Agency timelines.

TIMING

Questions?

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