REPORT TO CONGRESS:
MULTI-AGENCY TASK FORCE
TO PROVIDE COORDINATION AND
DIRECTION FOR USDA FOODS PROGRAMS ADMINISTERED
BY THE FOOD AND NUTRITION SERVICE

January 2021 - July 2022

United States Department of Agriculture
Food and Nutrition Service
Supplemental Nutrition and Safety Programs
Alexandria, Virginia

ISSUE

The Agricultural Act of 2014 (P.L. 113-79, the 2014 Farm Bill) was signed into law on February 7, 2014. Section 4205 of that Act required the establishment of a Multi-Agency Task Force to provide coordination and direction for U.S. Department of Agriculture (USDA) Foods administered by the Food and Nutrition Service (FNS) with the following requirements:

> The Task Force must have at least four members: a representative from the Food Distribution Division of FNS, appointed by the Under Secretary for Food, Nutrition, and Consumer Services to serve as the Chairperson of the Task Force. Additionally, the Task Force must include at least one representative from the Agricultural Marketing Service (AMS), appointed by the Under Secretary for Marketing and Regulatory Programs; at least one representative from the Farm Service Agency (FSA), appointed by the Under Secretary for Farm and Foreign Agricultural Services; and at least one representative from the Food Safety and Inspection Service (FSIS), appointed by the Under Secretary for Food Safety.
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> The Task Force is responsible for evaluating and monitoring USDA commodity programs to ensure that through the distribution of domestic agricultural products, the programs support the U.S. farm sector and contribute to the health and well-being of individuals in the United States. The Task Force is further required to review and make recommendations on: specifications used for the procurement of food commodities, the distribution of food commodities, and the degree to which the quantity, quality, and specifications of procured food commodities align with the needs of producers and the preferences of recipient agencies.

FNS submits this report covering the period of January 2021 through July 2022 to the Senate Committee on Agriculture, Nutrition, and Forestry and the House of Representatives Committee on Agriculture in fulfillment of the annual reporting requirement in Section 4205(d) of the 2014 Farm Bill.

MULTI-AGENCY TASK FORCE MEMBERS

The Task Force was created in April 2014. Laura Castro, Director of the USDA Foods Operations Division at FNS is the chair of the Task Force. While the 2014 Farm Bill specified that the Task Force should include representatives from FNS, AMS, FSA, and FSIS, the consolidation of the USDA Foods procurement functions under AMS has led to a shift in participation. The Task Force now includes representatives from FNS, AMS, and FSIS, as FSA no longer has a role in USDA Foods procurement.

This report covers the meetings held quarterly between January 2021 and July 2022. Task Force meetings included FNS Associate Administrator for the Supplemental Nutrition and Safety Programs, Diane Kriviski, AMS Deputy Administrator for the Commodity Procurement Program, David Tuckwiller, Task Force Chair and Director of the FNS USDA Foods Operations Division, Laura Castro, and staff from AMS, FNS, and FSIS. The Task Force continues to review a series of action items and address new topics, including:

- Review product availability and purchase plans for USDA Foods programs to provide healthy foods that support domestic agriculture;
- Implement processes to spend new funds made available to support emergency feeding organizations and schools impacted by supply chain disruptions and increased food prices;
- Improve access to nutrition, allergen, and ingredient information for USDA Foods products procured by USDA and provided to schools;
- Review and update USDA Foods processes and operations through continual improvement efforts, such as the Business Management Improvement (BMI) initiative;
- Review stakeholder needs and prioritize product development and reformulation efforts for USDA Foods.

PROGRESS ON ACTION ITEMS

Review product availability and purchase plans for USDA Foods programs
Context: FNS and AMS work together to procure food for USDA Foods programs, including The Emergency Food Assistance Program (TEFAP), Commodity Supplemental Food Program (CSFP), Food Distribution Program on Indian Reservations (FDPIR), National School Lunch Program (NSLP), Child and Adult Care Food Program (CACFP), and Summer Food Service Program (SFSP). These purchases are typically supported by appropriated program funds and Section 32 funds. FNS and AMS collaborate to plan purchases that offer a variety of healthy options and meet the needs of program recipients, while also supporting domestic agricultural markets.

Progress: USDA continued to plan for and purchase record volumes of food in FY2021 through USDA Foods programs to provide nutritious food to individuals and families in need, while supporting domestic agricultural markets. In total, approximately $3.7 billion dollars of USDA Foods were purchased, including appropriated program funds, $700 million in Section 32 bonus purchases to stabilize domestic agricultural markets, and COVID relief and recovery funds including the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), the Families First Coronavirus Response Act (FFCRA) (P.L. 116-127), the COVID supplemental funds under the Consolidated Appropriations Act, 2021 (COVID Supplemental, P.L. 116-260), and the American Rescue Plan Act (ARPA) (P.L. 117-2).

Implement Processes to Spend New Funding to Support Emergency Feeding Organizations and Schools Impacted by Supply Chain Disruptions

Context: USDA received two additional sources of program funding in FY2022 and processes were established to allocate funds according to the goals of each source. As part of the Build Back Better Initiative and under the American Rescue Plan Act, USDA provided $1 billion to support emergency feeding programs, with up to $500 million to support additional food through TEFAP, $100 million in grants to improve the reach of TEFAP into rural, remote, and underserved areas through the TEFAP Reach and Resiliency grants, and $400 million in cooperative agreements with State agencies and Indian Tribal Organizations (ITOs) to support local food purchases. Separately, the Commodity Credit Corporation Supply Chain Assistance funds provided an additional $300 million for USDA Foods in Schools food purchases and $200 million for cooperative agreements with State agencies to support local food purchases.

Progress: USDA is working with States to determine their needs and fully expend the additional funds provided. USDA has obligated nearly all of the $700 million in additional USDA Foods resources for TEFAP and schools, released a Request for Applications (RFA) and awarded TEFAP Reach and Resiliency grants to 38 States in the first of two rounds, and released two RFAs to award cooperative agreements to States, territories, and tribes to support local and regional food purchases for schools and emergency feeding organizations, respectively.

Nutrition, allergen, and ingredient information collection for USDA Foods in Schools
Context: In order to provide vendor-specific product information to USDA Foods in Schools stakeholders, USDA implemented a process to systematically collect nutrition, allergen, and ingredient information from USDA Foods vendors through the GS1 Global Data Synchronization Network (GDSN).

Progress: In 2021, USDA announced that vendors would be required to provide product information through GS1 GDSN in order to meet contract requirements for USDA Foods deliveries beginning in 2022. FNS will use the information uploaded by vendors to provide USDA Foods product information on the public website starting in October 2022 to inform school district ordering and menu decisions.

Review and Update USDA Foods Processes and Operations Through Continual Improvement Efforts, such as the USDA Business Management Improvement (BMI) Initiative
Context: The purpose of the BMI initiative is to assist USDA in reviewing and updating processes used in ordering, procuring, and receiving USDA Foods. Several focus areas were identified through the BMI initiative and USDA is working to further explore these areas and integrate other changes to improve the operation of USDA Foods.

Progress: Recent BMI accomplishments include defining requirements for a forecasting system to help project USDA Foods purchase volumes and be able to use this data in the future to expand long-term contracting efforts. The first phase of this forecasting system will be launched in FY2023. USDA also introduced a Request for Information (RFI) to collect feedback from USDA Foods vendors about how to better align USDA procurement processes and requirements with commercial practices. AMS and FNS are reviewing the suggestions and determining a plan to integrate them into business processes, where feasible. BMI efforts to date have led to improved program efficiencies and cost savings for USDA Foods recipients and vendors.

Prioritize Product Development and Reformulation Efforts for USDA Foods
Context: USDA maintains an annual process to review and prioritize product development and reformulation efforts for USDA Foods. This process allows stakeholders, such as vendors, States, and recipients, to share feedback with USDA about changes they would like to see to USDA Foods specifications or available products and for USDA to consider this feedback on a regular cycle.

Progress: FNS and AMS routinely discuss stakeholder feedback to determine which items should be prioritized each calendar year, considering available staff resources. This effort helps ensure that USDA can make targeted improvements to USDA Foods quality, consistency, and alignment with stakeholder needs. Most recently, USDA has worked on increasing the number of products available that meet the needs of kosher and halal observant communities, introduced a mixed fresh produce box for TEFAP to build on the success of the Farmers to Families Food Box program, and added fresh milk options for TEFAP after testing the procurement and distribution of this short shelf-life product through Section 32 bonus purchases.