



Processor Guidance
for
Further Processing of USDA Foods

ACDA Processing Committee
October, 2012

RECOMMENDED PROCESSOR GUIDELINES

This document provides “how to” guidelines for Processors relating to USDA Foods inventory management, allowable variations of fee-for-service and indirect discount “value pass-through” (VPT) methods, and food safety. Please visit the ACDA (American Commodity Distribution Association) website at www.commodityfoods.org to review the RA Handbook before reading this material.

It is essential that each Processor meet with the State Distributing Agency (SDA) to understand:

- State procedures for obtaining a State Participation Agreement (SPA) prior to selling USDA Foods product options in a state.
- State procedures regarding SEPDS approval.
- All State policies for various options (delivery, inventory management, record retention, reporting requirements, including negative inventories and VPT methods available).
- All State limitations or provisions pertaining to cooperative purchasing or statewide bids.
- State procedures and guidance for assisting in managing USDA Foods inventory levels so not to exceed the six-month inventory level.

USDA FOODS INVENTORY MANAGEMENT

Current and proposed federal regulations require the Processor to maintain 6-month inventory levels or less. To determine your months on hand inventory:

1. Calculate the Average Monthly Usage
 - a. Shipped pounds divided by the number of months in the year
2. Take the liability pounds (pounds received less pounds shipped) and divide by the average monthly usage = Months Inventory on Hand.

Request in writing permission when necessary from the SDA to exceed these levels. The following guidance will assist in this process. The key to maintaining inventory at a six-month level is working closely with all partners.

1. Processors are to work directly with Recipient Agencies (RA’s) to develop a USDA Food specific demand plan for diversions, based on RA’s menu needs and potential carry over balances.
 - a. Planning should occur prior to SDA surveys (August – December)
 - b. Processors should work with their sales agents (direct and broker) educating them on the importance of demand planning with RA’s. USDA Food diversions need to coincide with pre-planned menu needs to insure that the RA is not over-sold.
 - c. Processors may provide USDA Foods Calculators to RA’s to assist in the calculation of the volume of raw USDA Foods needed to produce finished product (servings, cases,) for diversion to meet next year’s menu needs.
 - d. Annual Plan (for diversions)
 - e. Monthly Plan (for drawdown)

2. Processors are to monitor inventory levels for RA's on a regular basis (monthly) to insure consistent utilization throughout the school year. Processors need to monitor SDA's aggregate inventory as well, to insure the six-month inventory level, based on average monthly usage, is not exceeded.
 - a. Processors need to identify RA's with no immediate drawdown early in the school year (within 60 days of startup), to insure USDA Foods are processed and finished products are shipped.
 - i. Contact the RA to find out why orders have not been placed
 - ii. Resolve issues – start shipping
 - b. After 90 days, Processors are encouraged to communicate in writing, to zero and low drawdown RA's, the need to start utilizing USDA Food pounds on hand.
3. Processors are to work with the SDA to ensure that their aggregate inventory levels do not exceed the average usage for a six-month period. (7 CFR part 250.30). Monitoring individual RA usage will assist in this effort.
 - a. Follow the state outlined procedure for maintaining inventory levels
 - i. Review your data with the SDA on RA's that are not utilizing diverted pounds and their response to inquiries
 - ii. SDA designate transfer of underutilized pounds to eligible RAs or another state or
 - iii. When necessary, set up "State" account to hold pounds for re-allocation.
 - b. Encourage SDA to provide to the Processor future year allocation/survey information by RA (prior to ordering), so Processor can analyze RA's existing inventory level plus new diversions and flag excessive inventories/diversions based on current usage, and suggest adjustments accordingly.
 - i. Work cooperatively with SDA to resolve instances of perceived RA and State excessive inventories.

VALUE PASS THROUGH METHODS

Federal law requires that RAs receive the full value of their USDA Foods. When processing, this value must be passed through to the RA by the Processor. The method used to credit the RA is called the value-pass-through (VPT). There are four primary forms of VPT, with variations in each. When implementing a VPT method, a written agreement outlining the business practices and responsibilities of the Processor and distributor will insure a clear understanding of the roles of each party.

I. REBATE

Overview

Rebate is a method where the RA pays the "commercial" price for a processed item and submits a request for rebate to the Processor, who issues a check for the value of the donated foods used back to the RA. With rebates, the Processor benefits from receiving payment for the full cost of processed item until it issues payment to the RA for the value of the donated food. The distributor benefits by billing at the

higher commercial price. The RA does not receive the benefit of the USDA Food until it receives the rebate check.

Inventory Management

- In utilizing indirect discount, the Processor should monitor RA inventory levels, using distributor reports, ensuring approved product utilization and draw down of the raw commodity.
- Processor should work with the respective Recipient Agency to ensure available rebate periods are not so frequent as to undermine inventory management among any additional distribution options utilized by the Recipient Agency.

Processes

1. Processor sells and invoices approved products to a distributor at the commercial bid price. Do not deduct the commodity value from the pricing provided the distributor.
2. At this point, the product is “commercial” selling to any customer.
3. Ownership of commercial products transfers to the distributor upon signed receipt of the product into their facility.
4. Distributor pays processor invoices per these terms.
5. The distributor invoices the eligible RA for the commercial price of those products.
6. The RA will, during the appropriate time periods, complete and submit a Processor-supplied refund, or rebate, application for the value of USDA donated foods. Proper supporting documentation will be submitted with this refund application (i.e. – invoice copies, sales reports, velocity reports, etc).
7. Processor will review and verify the refund application and its accuracy and approve or adjust accordingly, using proper documentation as necessary.
8. Processor provides RA with a rebate by check.
9. This transaction between an eligible RA and the Processor is a sale of USDA product.
10. Processor draws down the pounds from the RA balance and reports the transactions on the MPR.

Record keeping:

The Processor should maintain a file with supporting documentation for the reporting of entitlement draw down for each set of rebate transactions throughout the course of the reporting year. This documentation should contain, at a minimum, the following: RA information, orders showing items to which rebates were applied, corresponding dates and refund amounts by RA.

The Processor must conduct sales verification procedures as outlined below.

Sales Verification Procedures:

The Processor is responsible for Monthly Performance Reports and sales verification (if so delegated) by each DA where they hold a contract to process using Refund to Recipient Agency

II. Fee for Service (FFS)

Overview

Fee for Service (FFS), is a method where the Processor bills the costs of processing without the value of the donated food included in the price. Fee for Service is the most direct, least complicated and most transparent VPT method. Fee for Service is the price charged by pound or case which represents the Processor's cost of ingredients (other than USDA Foods), labor, packaging, overhead, and other costs incurred in the conversion of the USDA Food into a finished usable good. Fee for Service is the most commonly used VPT method and is generally approved across the United States. Under FFS, the Processor does not benefit from the value of the USDA Foods used. The effect on distributors depends on which FFS approach is used – FFS by the Processor, or FFS by the distributor (this is also known as Modified Fee for Service, or MFFS.) The RA benefits by receiving the value of the donated food up front by not paying the Processor for the value of the donated food and awaiting the rebate payment. The Processor never takes title of the USDA Foods and retains full accountability and responsibility for the value of the USDA Foods until delivery of the end items to the RA designated delivery point. Processors must have an approved National Processing Agreement with FDD, approved End Product Data Schedules, a bond or letter of credit, and an approved State Participation Agreement and Summary End Product Data Schedules (SEPDS). Processors are accountable for delivering end items in the quantity guaranteed on their EPDS. Any shortages must be made up at their own expense—insuring that any substitution of raw material for USDA Foods is equal to or better than the USDA food specification including only using domestic materials. Processors are subject to independent CPA audits—the frequency determined by the volume of their processing.

Fee for Service Through a Distributor (also known as MFFS or MOD – modified fee for service) – This VPT method has the distributor billing the FFS on the same invoice as the distributor's charges for the item. When implementing Fee for Service through a Distributor, a written agreement outlining the business practices and responsibilities of the Processor and distributor will insure a clear understanding of the roles of each party. In most cases, the RA selects the distributor and, therefore, should initiate the agreement. ACDA recommended Agreements can be found on the ACDA website.

Title of Product:

1. A Distributor never takes title to the USDA Foods contained in Fee for Service (FFS) products delivered by the Processor on behalf of an RA.
2. USDA always holds title for the USDA Foods contained in further processed products although the Processor has accountability for the USDA Foods from acceptance at the plant to the delivery of the finished product to the RA or their designated delivery point.
3. It is essential that the Processor delivering product to a Distributor at the request of a RA get an endorsement on the Distributor's property insurance to cover product in the distributor's control. The reason for this is twofold:
 - a. Existing insurance policies may not cover inventory not "owned" by the distributor

- b. With FFS product, the Further Processor must be made whole for all lost /damaged cases at a distributor by reimbursement for the FFS plus the value of the USDA Food (based on actual replacement costs)
4. It is essential that the Processor delivering product to a Distributor at the request of a RA get an endorsement on the Distributor's property insurance to cover product in the distributor's control. The reason for this is twofold:
 - a. Existing insurance policies may not cover inventory not "owned" by the distributor
 - b. With FFS product, the RA must be made whole for all lost /damaged cases at a distributor by reimbursement for the FFS plus the value of the USDA food (based on actual replacement costs)

Invoicing Options:

1. Processor may elect to invoice the Fee for Service directly to the RA and the Distributor will issue a separate invoice to the RA for handling and delivery.
2. Processor may elect to invoice fee for service and delivery fee on one invoice with each charge identified.
3. Processor may under USDA FD-025 (March 29, 2004)-allow the Distributor to invoice the RA at a total case cost if the procedures outlined in this Policy Memoranda are followed.

Single Line Invoice Option:

If the Distributor is charging the RA a total case price rather than itemizing the breakdown of the Fee for Service and handling/delivery charge, per USDA FD-025 (March 29, 2004), the following requirements must be met:

1. Processor provides written assignment of billing responsibility to Distributor, spelling out the individual charges for the Fee for Service and the distributor delivery/handling charge. These charges should equal the total case price.
2. Processor must provide Distributors, who handle Fee for Service-processed products, a list of all eligible RAs, their respective case allocations and the fee for service per case.
3. Distributor informs each RA in writing of the separate charges.
4. Distributor issues invoice to the RA at the total case price (fee for service + delivery/handling fee).

Record keeping:

1. By Agreement, distributor must provide Processor with a usage report in a mutually agreed format including the RA, product(s) sold and the number of cases delivered. It is essential that the distributor provide this usage report on a monthly basis, at a minimum.
2. The Processor of substitutable product(s), upon receiving this usage report, may draw down inventory based on those sales.
3. The Processor of red meat and poultry product(s) reports the sales activities when the product is shipped and accepted by signed Bill of Lading to the RA or their designee.

III. NOI

Overview

NOI, (Net off Invoice,) , is a method where the Processor bills the distributor at the commercial price, and the distributor bills the RA at the commercial price, including delivery fee, but net of the value of the donated food. The RA must have a balance with the Processor for the USDA Foods code contained in the finished good. The distributor considers the finished good a commercial item until product is shipped to an eligible RA who has a balance with the Processor. Upon delivery to the RA, the distributor requests a billback or rebate for the value of the donated food from the Processor. The RA benefits by paying the commercial price minus the value of the donated food. The distributor benefits by having one sku for an item that can be sold commercially or containing USDA Foods. The distributor does not benefit until the Processor issues the rebate check. NOI is a VPT method often used with USDA Foods such as chicken, cheese, tomato paste or boneless combo beef. Net off Invoice (NOI) is also known as “indirect discount”.

Inventory Management

- Insure that all RAs who diverted USDA Foods will be set-up with their designated commercial distributor. It is recommended that no later than July 15 is a realistic target date for completion.
 - The processor has the responsibility to verify the RA list and allocations with the respective SDA.
 - From this information, the distributor then establishes a “USDA Foods bank” for RAs depositing their allocated pounds into the account.
- The processor provides the distributor the SEPDS, listing all approved product codes and the respective USDA Foods value contained in a case and commercial pricing.
- In utilizing indirect discount, the processor should monitor RA inventory levels, using distributor reports, insuring approved product utilization and draw down of the raw USDA Food.

Processes

1. Processor sells and invoices approved products to a distributor at the commercial bid price. Do not deduct the USDA Foods value from the pricing provided the distributor.
2. At this point, the product is “commercial” selling to any customer.
3. Ownership of commercial products transfers to the distributor upon signed receipt of the product into their facility.
4. Identify negotiated payment terms per standard business practices and include in the attached ACDA approved Distributor/Processor Agreement.
5. Distributor pays processor invoices per these terms.
6. The distributor invoices the eligible RA the commercial price less the USDA Food value per case based on SEPDS A. (Summary End Product Data Schedule)
7. This transaction between an eligible RA and the distributor is a sale of USDA product.

Record keeping:

1. Obligate the distributor contractually, as in the Distributor/Processor Agreement, to provide Processor with a usage report in a mutually agreed format including the RA, product(s) sold and the number of cases delivered. It is essential that the distributor provide this usage report on a monthly basis, at a minimum.
2. The Processor of substitutable product(s), upon receiving this usage report, may draw down inventory based on those sales.
3. The Processor of red meat and poultry product(s) reports the sales activities when the product is shipped and accepted by signed Bill of Lading to the RA or their designee

The Processor must conduct sales verification procedures as outlined below.

Sales Verification. To ensure the RA has received the benefit of the USDA Foods, a sales verification is required. The RA will be requested by either the State DA or the Processor to complete a sales verification process. Please refer to 7 CFR 250.19 (2)(vi)(c) for additional details, or FD-008 (revised,) which allows for electronic sales verification. Sales verification requests will be at a minimum of twice per year, as the Processor is required to include sales verification detail with their January and July MPRs submitted to the State and FNS.

Sales Verification Procedures:

The Processor is responsible for Monthly Performance Reports and sales verification (if so delegated) to each SDA where they hold a contract to process using Net off Invoice.

The Processor needs to establish the following procedures with the Distributor:

- Frequency of usage reports showing sales to eligible RAs (per ACDA approved Agreement)
- Process to insure the Distributor is reimbursed for the “pass thru value discount” they have given to each eligible RA. (per ACDA approved Agreement)

It is essential that Processor work with the Distributor to insure the usage information be broken out by State (if the Distributor is working in more than one State). This will allow the Processor to insure documented sales to eligible RAs are reported to the correct state approved for NOI. (See Distributor Agreement for more information)

At a minimum, the Processor (if delegated) must on a semi-annual basis verify a statistically valid sample of sales as reported by their Distributors to ensure that the appropriate discount is being passed on to the RA. The results of this review (verification) must be submitted to the SDA with the December and June monthly performance reports.

This document is designed to assist Processor in:

- Carrying out this verification
- Determining a statistically valid sample with a confidence level of 95%

An option for a Processor in the event an individual RA does not respond to request for Sales Verification:

1. Select an alternate RA to include in the sample mix.
2. Contact SDA for assistance if it appears that additional RA training/technical assistance is needed.
3. Processor should make every effort to educate an RA throughout the order placement process that sales verification is a key component to NOI transactions. This process fulfills the obligation to verify legitimate sales, while helping an RA optimally manage their entitlement dollars
4. Processor may consider a read receipt from the RA selected an indication that they received the request for verification and there were no errors.
5. Determine appropriate RA contact for product verification.

Conducting the Sales Verification

Processor must ensure that distributors maintain invoices to RA when products are sold through a discount system. FD-007: Processing (Revised) These invoices shall be provided to processor upon request and are the basis for the Sales Verification Report (Exhibit 1) that must be submitted in December (for the months July through December) and in June (for the months January through June) indicating at a minimum, the following:

1. The number of sales made under the Net off Invoice VPT system by distributors during the sample period (the prior three or six months)
2. The number of sales selected for verification using a statistically valid sample (see the following section on Statistical Sampling in the Attachment)
3. The number of sales actually verified by written confirmation, email, or other methods (See a sample sales confirmation letter, Exhibit 2)
4. If a processor can trace an email requesting an approved RA to verify an eligible sale and provides proof that the recipient opened the email, and chose not to respond the sale is verified
5. A list of all exceptions (i.e. records with errors) and the results of the Processor's investigation into the exceptions
6. A list of the transactions as originally reported on the Monthly Performance Report, including the month of the report

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1. The number of sales made under the Net off Invoice VPT system by distributors during the sample period (the prior three or six months)
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4. If a processor can trace an email requesting an approved RA to verify an eligible sale and provides proof that the recipient opened the email, and chose not to respond the sale is verified
5. A list of all exceptions (i.e. records with errors) and the results of the Processor's investigation into the exceptions
6. A list of the transactions as originally reported on the Monthly Performance Report, including the month of the report

Statistical Sampling

Sampling involves two factors: the size of the universe or population of total monthly sales and the level of confidence desired in the results. Required by the regulations sample size based on monthly sales, ensures a 95% confidence level. A reportable sale is one in which there is documentation that the end products were actually delivered to RA and a discount was provided by the purchasing agent based on the value of the USDA Foods contained in the end product.

A. Determining Sample Size

The attached table (Exhibit 3) should be used to determine the sample size. This will provide the 95% confidence level required by the USDA regulations. Using this table, N represents the universe or the total number of sales reported during the month. To determine the sample size required find the number of sales reported per month. To determine the sample size required locate the number of sales reported per month under Column N. The number to the right under Column S is the sample size you will need. For example, if 500 sales were reported during the month than 217 records must be verified. If the number of sales reported falls between two population sizes, use the higher N to determine the sample size. Verification is considered complete when a documented response is received from a RA. Verifications may be made through email.

B. Selecting a Random Sample

To ensure a bias free selection of the sample, a systematic method of selection should be used. Systematic samples are easy to conduct and when the elements (sales) of the systematic sample are drawn from the random population of sales, it is equivalent to simple random sampling. Determination and recommendation of a skip-interval is recommended as the method to select the systematic sample.

How to Determine a Skip Interval

- A. To calculate a skip-interval divides the total number of sales by the required sample size. For example, if you have 900 reported sales, with a required sample size of 269, the skip-interval is 900 divided by 269 equaling a skip interval of 3.

- B. Select a random starting point. The starting point must be between one and the skip-interval. In our example, the second record was selected. You would then proceed to the second record and use this as your starting point.
- C. Select additional records to be sampled by counting forward by the skip interval calculated in step 1. This would mean the fifth record would be the next record selected for sampling. Continue to select records in this manner until the required sample size is reached. In our example, you would select the second, the fifth, the ninth, the eleventh, fourteenth, etc. until the required sample size of 269 is reached.
- D. If you should reach the end of your records before obtaining the required number for you sample, continue by going back to the beginning of your sales records. You would proceed with the sample selection until you have obtained an adequate sample.

Corrective Action Plan

Processor's report must be accompanied by a Corrective Action Plan, which outlines the steps the Processor, will take to eliminate problems identified in the verification effort. Adjust the USDA Food Processing Activity Reports to reflect discrepancies identified during the verification.

IV. CLOSED SKU NOI

Overview

Closed SKU NOI is a VPT method in which the Processor bills the distributor at the commercial price. The distributor may only sell the finished good to an eligible RA with a balance of raw pounds at the Processor. The distributor sells the product to the RA at the commercial price plus distribution fee minus the value of the USDA Foods in the case. The distributor reports to the Processor shipments to RAs, and the Processor adjusts the RA's balance accordingly. The Processor reports transactions on the MPRs. Sales verification is performed by the RA at a minimum of twice per school year as required by the State DA.

A key issue in VPT is who owns, or has title to the donated food at each point of the sale. While this seems legalistic and arcane, it is a critical issue, particularly because of the amount of federal dollars involved. It relates to responsibility and liability.

Record Retention

Each Processor is to keep records of the methodology used for selecting records for each sample, and retain the responses from the RA for at least three years following the close of the federal fiscal year for which they pertain unless longer retention is required for resolution of an audit, litigation or investigation. These retention requirements also apply to records of corrective action taken to resolve each error (such as adjusting the USDA Food Processing Reports) and subsequent plans and actions to prevent or reduce future errors.

FOOD DEFENSE

Distributors must have implemented a Hazard Analysis Critical Control Point (HACCP) Plan and have the ability to provide specific information within the plan relating to the recall of products which contain USDA Foods upon request of the Processor. The following provisions are recommended for inclusion in the plan or in the contract between the Processor and Distributor.

- Evidence of a product traceability system from product receipt to delivery to designated site
- Evidence of conducting a mock recall including commodity product a minimum of one time per year
- Provide processor with 24/7 accessibility of staff in the event of a USDA Hold/Recall—individuals and contact numbers
- Agree not to contact individual RA's prior to discussion with processor verifying product involved in the recall (processor to provide 24/7 contact information)
- Procedure to insure recalled product is not shipped to RA's (FFS through a Distributor) and/or commercial customers (NOI)
- Notification capability to provide updates on USDA Hold and Recall data for customers.

Exhibit 1

Sales Verification Report

Processor _____

Reporting Period (check one):

Year _____

July – December

January-June

1. Number of Sales Reported _____
2. Number of Sales Selected for Verification _____
3. Verification Forms Returned as Correct _____
4. Percent of Correct Verification Forms _____
5. List of All Exceptions.

Agency	Cases per Distributor Report	Cases Actually Verified	Case Changes +/-

Corrective Action Taken:

Exhibit 2

Sample Sales Confirmation Letter to Recipient Agency

Please note that FD-007: Processing (Revised) dated December 30, 2011 allows for electronic sales verification.

To: Recipient Agency Name

Dear Food Service Director:

According to the terms and conditions of our approved Commodity Food Processing Agreement, we are required to do a random sampling of all sales purchased through the Net off Invoice Value Pass through (VPT) System. The purpose of this random sampling is to confirm that sales reported to us by our distributors have been received by the Recipient Agency.

Please read the information below describing sales to your agency. Verify the accuracy of the information by signing in the signature box, and return the signed letter to the processor at the address listed below.

Date of Purchase	Invoice Number	End Product Purchased	Quantity Purchased	Value of Commodity Received	Name of Distributor
(Information regarding the purchases to be completed by company conducting the sales verification. This may be either the distributing agency or the processor).					

If there are any discrepancies from your records, please describe them in detail.

Please Note: Recipient Agencies are required to respond to the random sampling verification by processors within 15 calendar days from the postmark date from the verification request. We appreciate your prompt attention to this verification request.

PLEASE RETURN TO:

Processor Name & Address

SIGNATURE BOX I certify that I have reviewed the above information, and have found it to be accurate, or I have listed my discrepancies. NAME _____ TITLE _____

Table for Determining Sample Size from a Given Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: “N” is population size
“S” is sample size

Krejcie, Robert V., Morgan Daryl W. “Determining Sample Size for Research Activities.”
Educational and Psychological Measurement.

Appendix

For a copy of all FDD policy memos, please visit:

http://www.fns.usda.gov/fdd/policy/schcnp_policies.htm

Policy #	Program	Subject	Issued
SP20-2012	NSLP	Frozen Fruit Products and Nutrition Standards in the National School Lunch and Breakfast Programs	09/11/12
SP39-2012	NSLP	Existing Inventory of USDA Foods and Commercial Products	08/03/12
FD-121	NSLP	Donated Foods Possibly Containing Lean Finely Textured ((LFT) Beef	03/30/12
FD-119	NSLP, Processing	Soliciting Bids from Commercial Distributors for End Products	02/13/12
FD-110 Revised	NSLP, CACFP, SFSP	Clarification in Crediting for, and Use of, Donated Foods in Contracts with Food Service Management Companies--First and Final Contract Years	01/25/11
FD-107	NSLP, CACFP, SFSP, CSFP, FDPIR, TEFAP, CI	Storage and Inventory Management of USDA Donated Foods	06/09/10
FD-105	NSLP, CACFP, CSFP, FDPIR, NSIP	Setting Aside the Commodity Acceptability Reporting Requirement	04/13/10
FD-104	NSLP, CACFP, SFSP, CSFP, FDPIR, TEFAP, CI	Value of USDA Donated Foods for Audits	02/18/10
FD-098	CSFP, FDPIR, TEFAP, NSLP, CACFP, SFSP, NSIP, Processing, CI, SC	FY 2010 Appropriations for Human Pandemic Emergencies	11/05/09
FD-089	NSLP, SFSP, CACFP	Clarification of State Agency Review Requirements for Donated Foods in the National School Lunch Program and Other Child Nutrition Programs	05/21/09
FD-088	FDPIR, TEFAP, CSFP, NSLP	Reimbursement of Intra-State Transportation Costs During Disasters	04/21/09
FD-084	NSLP/CACFP/SFSP	Use of Donated Food in the National School Lunch Program and Other Child Nutrition Programs. Cancelled Policy Memo FD-060.	02/04/09
FD-081	SFSP	Distribution of Donated Foods to Service Institutions Participating in the Summer Food Service Program	11/24/08
FD-080 Revised	NSLP/SFSP/CACFP	Guidance in Crediting for, and Use of, Donated Foods in Contracts with Food Service Management Companies	01/25/11
FD-071	CSFP/FDPIR/NSLP/CACFP/NSIP/	Setting Aside the Commodity Acceptability Reporting Requirement	01/16/08
FD-067 Revised	NSLP	School Food Authorities Acting as a Collective Unit in the Control and Use of Donated Foods	12/14/09
FD-066	CSFP/FDPIR/TEFAP NSLP/CACFP/SFSP NSIP/Processing/ CIs/SCs	Continuation of USDA Food Assistance During a Human Pandemic (revised)	08/31/09
FD-062	CSFP/FDPIR/TEFAP	Electronic Receipting for USDA Direct and	04/25/11

Revised	NSLP/CACFP/SFSP NSIP/Processing/ CIs/SCs	Multi-Food Shipments	
FD-060	NSLP/CACFP/SFSP CANCELLED	Use of Donated Food in the National School Lunch Program and other Child Nutrition Programs	06/21/06 Cancelled- 02/04/09
FD-058	CSFP/FDPIR/TEFAP NSLP/CACFP/SFSP NSIP	Annual Physical Inventory-Reconciliation of Book Inventory to Physical Inventory	06/15/06
FD-053	CSFP/FDPIR/NSLP/ CACFP/NSIP	Set Aside of the Commodity Acceptability Reporting Requirement	03/24/06
FD-052	CSFP/FDPIR/TEFAP/ NSLP/CACFP/SFSP/ NSIP	Annual Physical Inventory - Reconciliation and Offsetting	01/27/06
FD-023	NSLP	Accounting for Donated Foods in Cost-Reimbursable Contracts Between School Food Authorities and Food Service Management Companies.	02/25/04
FD-020	NSLP/CACFP/SFSP/ NSIP/CIs/SC/	Single Inventory and Related Commodity Issues--Clarification of Regulatory Changes and Other Guidance	05/23/03 (revised)
FD-002	NSLP/CACFP	Determining School and Child Care Commodity Entitlements	02/05/03

For all the Food Nutrition Service Policy Memos, visit:

<http://www.fns.usda.gov/cnd/governance/policy.htm>

Found at the above address as well as many other policies:

SP 14-2012 Procurement Questions Relevant to the Buy American Provision 02-13-2012

SP 18-2011 Procurement Geographic Preference Q and A's 02-01-2011

SP 35-2012 Procuring Services of Purchasing Cooperatives, Group Purchasing Organizations, Group Buying Organizations 06-12-2012

SP 41-2011 Indirect Cost Guidance 07-07-2011

Please visit: www.commodityfoods.org where you will find many helpful documents under PROCESSING. Members may access additional documents under the MEMBERS ONLY section, scroll down to PROPRIETARY PROCESSING FORMS.