

THE EMERGENCY FOOD ASSISTANCE PROGRAM

POLICY AND PROCEDURES MANUAL

FOOD BANK ORDERING AND ACCEPTANCE PROCEDURES

A. General

The purpose of this Section is to establish procedures for food banks to order and accept USDA foods made available under The Emergency Food Assistance Program (TEFAP). TEFAP shipments ordered by the State Agency (Family Support Division) will generally be in truck lot quantities for delivery to one, two or three food banks directly from USDA's contracted vendor/producer.

B. Requesting USDA Foods

1. As USDA advises the State Agency of the types, quantities and shipping periods of USDA foods available, food banks will be surveyed in order to solicit their preferences and/or requests. This includes foods purchased and charged against the annual State Agency "entitlement" (i.e. dollar fair share) and "bonus" foods offered to the State Agency without regard or charge to the entitlement balance.
2. USDA, to the extent practical and appropriate, makes food purchases based on:
 - a) agricultural market conditions;
 - b) preferences and needs of states and eligible recipient agencies; and
 - c) preferences of recipients.
3. Food banks shall request/accept only such quantities of USDA foods that can be fully distributed without waste or loss within a six month period (unless a longer period is approved by the State Agency).

C. Inspecting USDA Shipments

1. Prior to accepting and unloading a shipment, the food bank should ensure the high security seal(s) is intact and must make a record of the serial number of the seal. If the seal is broken, lacking, or the serial number does not match the number on the supporting documentation, notify the State Agency immediately (573) 751-4328.
2. The food bank is responsible for the removal of the high security seal(s). For frozen or refrigerated foods, the food bank must check the thermometer

(usually located outside of the truck) to ensure the temperature in the freezer or refrigeration unit is at an acceptable level, in accordance with USDA guidance. The unit must be switched on and working.

3. The food bank must determine if there is an overage or shortage from the quantity of USDA Foods ordered. (A more careful count must be conducted as the shipment is unloaded and prior to the carrier departing.)
4. The shipment must be inspected to ensure the USDA Foods have been delivered in good condition and with no evidence of product tampering.
5. Fresh fruit or vegetable shipments, with the exception of fresh apples, must be inspected by a USDA representative prior to unloading. (The vendor must arrange for the inspection at each delivery destination and pay any costs associated with inspection.)
6. Prior to accepting and unloading a shipment the food bank should inspect for damage and/or out-of-condition product. (Inspecting for damaged, disfigured or discolored cans or cases, which may indicate spoilage, leakage or deterioration. Foods such as grain products and dried fruit should be thoroughly inspected for infestation.)

If the USDA Foods shipment is found to be damaged and/or out-of-condition, immediately notify the State Agency (573) 751-4328. Additional documentation and action may be required by USDA when unloading, segregate damaged or out-of-condition USDA foods from other foods.

D. Accepting and Receipting USDA Foods Shipments

1. If the inspection of the shipment indicates some, but not a major portion of the USDA Foods in the shipment are out-of-condition, or that there is only a minor discrepancy from the quantity of USDA Foods ordered, accept the shipment and segregate any out-of-condition USDA Foods. Notify the State Agency (573) 751-4328 immediately, and file a complaint in WBSCM for tracking purposes.
2. The food bank must ensure the delivery receipt (e.g., BOL) indicates the quantity of USDA Foods received, including product that is rejected at the time of receipt for being out-of-condition and the quantity received in good condition, before signing and dating such receipt and returning it to the vendor or carrier. The signed delivery receipt must match the Goods Receipt quantity entered in WBSCM.
3. The food bank is responsible for entering the Goods Receipt in WBSCM within two (2) calendar days of receipt of the product.

E. Unloading the Shipment

1. All product shipments to the food bank should be on pallets or the equivalent (e.g., slip sheets) that are in acceptable condition.
2. The food bank is responsible for unloading the shipment of USDA Foods and for removing and disposing of dunnage and other debris. If product arrives unpalletized or pallets that are poorly stacked which requires restacking, the food bank may request reimbursement for costs associated with restacking ONLY with appropriate documentation, including photographs, PRIOR to the shipment being accepted. (In this situation the State Agency must be notified immediately (573) 751-4328.)
3. For shipments of frozen or refrigerated foods, the food bank must ensure that the freezer or refrigeration unit remains on during unloading.
4. The food bank must complete the unloading of the shipment, and the removal of dunnage and other debris, within the period of free time. For palletized loads, free time is up to two (2) hours. For non-palletized loads, free time is up to six (6) hours. (Failure to complete the unloading within the free time may incur a demurrage or detention charge, which the food bank may be obligated to pay.)
5. If the food bank inspection indicates that some, but not a major portion of the USDA Foods in the shipment are out-of-condition, or that there is only a minor discrepancy from the quantity of USDA Foods ordered, the food bank may accept the entire shipment, and segregate any out-of-condition USDA Foods, making note on the delivery documentation (e.g., BOL) as applicable. Note: Once the trucker's delivery receipt is signed and has been noted as to any damage and/or shortage, it is final. Do not sign or initial a delivery receipt for the product delivered before it has been determined whether there is damage, shortage, and/or overage received in the shipment. It is imperative that any of the previous be noted accordingly on the delivery receipt on which the food bank is receipting for shipment.
6. The completion of any report after the food bank has signed a clear delivery receipt, (no notation of shortage and/or damage) for the truck driver will not nullify the previously signed clear delivery receipt. When USDA's Food and Nutrition Service (FNS) presents a claim to the truck line, the carrier may furnish the signed clear delivery receipt as proof that no loss or damage occurred while the product was in their trailer. In these instances the food bank will be held liable for the loss, since by signing a clear delivery receipt, USDA's rights to recovery from the carrier have been compromised.
7. The vendor is responsible for re-sealing/re-bracing the truck for subsequent deliveries, such as in split shipments. In a split shipment, the food bank at the next delivery location must ensure the high security seal(s) is intact and

that the serial number on the seal matches the number on supporting documentation.

8. For additional shipment information, refer to Food and Nutrition Service (FNS) Instruction 709-5 Rev 2 "Shipment and Receipt of USDA Foods" and FNS Policy FD-062 "Electronic Receipting for USDA Direct and Multi-Food Shipments" at the end of this Section.

F. Disposition and Replacement of Out-of-Condition Foods

In accepting USDA-donated food shipments with damages, it is essential that correct amounts be reported on the form FD-3, and other related shipping documents (delivery receipt or bill of lading). In general, the way USDA shipments with damages are handled is based on the amount damaged.

Extensive Damages – 50% or More

1. If a shipment is received and damage appears to be extensive, the food bank shall report this information immediately to the State Agency.
2. Do not unload the shipment until instructions are received from the State Agency. In these cases, the State Agency will contact USDA and advise them of the nature and extent of damages and await their instructions.
3. Depending on the kind of damage, USDA could reject the entire shipment back to the carrier. In other cases, an inspection may be made by a USDA official. In this situation, the inspector will determine if a significant part of the damage can be salvaged.

Damages – Less than 50%

1. If lesser amounts (up to 49%) are damaged, this should be annotated on the delivery receipt or bill of lading by indicating the total units (cases or bales) received and the number of units with damages.
2. Obtain agreement as to the count and obtain the signature of the truck driver or the carrier's representative on the delivery receipt or bill of lading.
3. Generally, no part of the shipment should be rejected to the carrier or loaded back on the truck.

Recouping Damaged USDA Foods

1. To the maximum extent possible, damaged USDA foods should be recouped or salvaged. Remove dented, leaky or swollen cans from cases. With cereal products, remove broken or torn bags from bales. Any undamaged product can then be repacked in remaining cartons or containers.
2. Any unsalvageable product shall be destroyed in such a manner that it cannot be consumed by humans or livestock.

Reimbursement for Expenses in Salvaging Damaged Foods

Food banks can be reimbursed for their out-of-pocket expenses which they incur in the salvage of USDA foods. The food bank which performed the services may claim reimbursement from USDA through the State Agency. In these cases, however, reimbursement may not also be claimed on the Record of Expenditures Under TEFAP Financial Assistance (FD-32D).

1. Out-of-Pocket Expense: This refers to the costs which the food bank bears that are over and above its usual costs.
2. Acceptable Items for Reimbursement: These include charges incurred by a food bank which are in addition to normal storage and handling charges, such as the hiring of workers specifically for the purpose of reworking and repackaging damaged foods, costs of containers for repackaging damaged foods, and hauling costs incurred in the disposal of unsalvageable goods.
3. Non-Acceptable Items for Reimbursement: Labor performed by regularly employed personnel during the normal work day, repair of bracing, leveling off cargo by an intermediate consignee, or unloading dunnage, debris, and other foreign matter connected with the inbound shipment shall not be considered out-of-pocket expense.
4. Claims for Reimbursement: Bills for expenses shall be submitted to the State Agency on form FSA-21, "Public Voucher – Commodity Programs".
5. The food bank must maintain its copy of the FSA-21 on file for a period of at least three years following the federal fiscal year (October 1 – September 30) to which it pertains.

G. Records

1. The food bank must maintain documentation of:
 - The serial number of the high security seal(s).
 - The temperature of the freezer or refrigerated truck or trailer upon arrival.

- The result of any inspections by state or local health authorities or USDA certification agent to determine the condition of USDA Foods.
 - The disposition of USDA Foods received out-of-condition, including as applicable, the destruction of such foods, or a signed salvage receipt from the vendor or carrier.
2. All records must be retained for a period of three (3) years from the close of the fiscal year (October 1- September 30) to which they pertain.