

Poultry Reprocessing

Use of White and Dark Meat items

How does Commodity Processing currently operate?

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- The United States Department of Agriculture (USDA) offers States an estimate of the dollars planned to support a particular commodity. Multiple forms of a commodity are available as ordering options, one of which is bulk for reprocessing. For example, funds to support the turkey market may be spent on turkey roasts, turkey ham, whole turkeys or bulk pack turkeys. The bulk pack is specifically designed for efficient processing into end products such as sliced deli meat, hot dogs, etc. The State coordinates with school districts the best forms in which to order this commodity to meet schools needs.

For raw bulk donated foods to be further processed into selected end products, the State distributing agency or recipient agency contracts with commercial food processors to have the donated foods converted to more useable forms. This legally binding agreement (or processing agreement) allows the processor to receive USDA donated food like bulk chicken as an ingredient in the production of a finished end product like chicken nuggets or patties. In turn, the value of the donated food is passed through to the recipient agency in the form of a lower cost for the finished product.

The USDA purchases and delivers bulk donated foods to the designated processing location as ordered by the State. Some State agencies delegate certain processing functions, such as ordering, bidding, and monitoring, to school districts. Others manage these functions themselves.*

* Found on USDA website*

What benefits do Commodity Processing participants receive?

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- By participating in Commodity Processing, state distributing agencies and recipient agencies find that they can: Stretch their commodity dollars by ordering lower-cost bulk products;
 - Eliminate back-hauling charges because USDA vendors deliver commodities directly to processors;
 - Increase their variety of end products;
 - Reduce labor costs and cash outlays for food preparation
 - Reduce storage costs.
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- For more information on Commodity Processing, visit [Commodity Processing Regulations](#) or [Foods Processing Resources](#). *

* Information collected from USDA website

Is there only one type of Commodity Processing Agreement?

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- No. Processing agreements can be between either the distributing agency and a processor, or a recipient agency and a processor. There are three basic types of agreements: In an effort to reduce costs and paperwork, under the National Processing Agreement (NPA), National School Lunch Program (NSLP) has taken on the roll of holding the agreement with the processor and approving all of the end products that will be manufactured under the agreement. By the 2007 School Yea, all multi-State processors were slated to have a national agreement in place. For additional information on NPA, visit <https://www.fns.usda.gov/fdd/npa-approved-processors>.
- Under a State agreement, the distributing agency negotiate bids/ and/or prices, selects the processor and the end products which will be produced, and enters into an agreement with the processor. Recipient Agency Agreement. Under a recipient agency agreement, the recipient agency or school enters into an agreement with the processor. This kind of arrangement requires the approval of the distributing agency.
- Once approved, the recipient agency may purchase end products from that processor. A recipient agency agreement should be used after the agency has completed its procurement process. State Master Agreement. Under a State master agreement, the distributing agency enters into an agreement with the processor and only designated eligible recipient agencies may purchase end products from the processor.*

* Information collected from USDA website

What is the value of the foods processed under Commodity Processing Agreements?

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- In SY 2005/6, approximately \$1 billion worth of USDA commodities were made available to schools. Of that total, about \$300 million were further processed under processing agreements.*

* Information collected from USDA website

Poultry Cuts

- Poultry refers to the edible flesh, with adhering bones, of any bird that is commonly used as food. Types of poultry include chickens, ducks, geese, turkey, quail, pheasant. All poultry is processed in a similar manner. It is either cooked whole or segmented in a number of ways depending on how it is to be used.
- USDA processes Chicken and Turkey for School Meals



White Meat Cuts/ Dark Meat Cuts

White Meat Cuts

White or light meat comes from the breast and wings. The breast and wings are generally separated.

Dark Meat Cuts

The dark meat of poultry comes from the legs, which can be broken down into two parts: the thigh and the drumstick.

* Data from BC food handling training guide

Commodity Order Calculation Tool

Commodity Order Calculation Tool

School Name	Recipient Agency	Return to Broker:
Contact Name	CO-OP	Return to Manufacturer:
Phone	BID #	
Delivery Date	Date	
Ship To		

End Product Code	Product Description	Net Weight Per Case (lb)	Servings Per Case	Net Weight per Serving (oz)	DF Dark Lbs/Cas	DF White Lbs/Case	Enter # of Cases Here	Total DF lbs Dark	Total DF lbs White	Total Finished Average NET Weight case X
White and Dark LBS #100124										
	Pre Cooked Turkey Savory Crumble (2oz. MT/MT ALT)	40.00	284	2.25	24.1000	20.9600		-	-	-
	Pre Cooked Turkey Meatballs (2oz. MT/MT ALT)	30.00	184	2.6	15.8000	13.7300		-	-	-
	Pre Cooked Turkey Chorizo Crumbles (2oz. MT/MT ALT)	40.00	245	2.61	21.8200	18.9700		-	-	-
	Pre-cooked Turkey Sausage with Italian Style Seasoning (2oz MT/MT ALT)	30.00	195	2.45	30.8900			-	-	-
	Sliced Canadian Style Turkey Ham (1 oz MT/MT ALT)	25.00	263	1.52	27.6100			-	-	-
	Diced Turkey Ham (1oz MT/MT ALT)	10.00	105	1.51	11.0500			-	-	-
	Diced Oven Roasted Turkey Breast (1oz MT/MT ALT)	10.00	81	1.96		8.3000		-	-	-
	NAE Browned Turkey Breast Steak (2oz MT/MT ALT)	24.68	140	2.82		25.5000		-	-	-
	Fully Cooked Dark Turkey Barbacoa (2oz MT/MT ALT)	20.00	97	3.29	20.2200			-	-	-

Unbalanced Diversion

End Product Code	Product Description	Net Weight Per Case (lbs.)	Servings Per Case	Net Weight per Serving (oz.)	DF Dark Lbs/Case	DF White Lbs/Case	Enter # of Cases Here	Total DF lbs - Dark	Total DF lbs - White	Total Finished Average NET Weight case X Lbs
White and Dark LBS #100124										
	Pre Cooked Turkey Savory Crumble (2oz. MT/MT ALT)	40.00	284	2.25	24.1000	20.9600	300	7,230.0000	6,288.0000	12,000.00
	Pre Cooked Turkey Meatballs (2oz. MT/MT ALT)	30.00	184	2.6	15.8000	13.7300	100	1,580.0000	1,373.0000	3,000.00
	Sliced Canadian Style Turkey Ham (1 oz MT/MT ALT)	25.00	263	1.52	27.6100		250	6,902.5000	-	6,250.00
	Diced Oven Roasted Turkey Breast (1oz MT/MT ALT)	10.00	81	1.96		8.3000	225	-	1,867.5000	2,250.00
						TOTALS:	875	15,712.5000	9,528.5000	23,500.0000
Dark Thigh LBS #100883										

Updated
10/31/23

DF TOTALS	Current Pounds in K12	Difference**
Total 100124 White:	9,528.5000	(9,528.5000)
Total 100124 Dark:	15,712.5000	(15,712.5000)
Total 100883 Thigh:	-	0.0000
Total Finished Average Net Weight of order*:	23,500.00	



Unbalanced Diversion

Make sure to enter any carryover pounds you will have in Column I Row 75, 76, 77

RA IS RESPONSIBLE OF USING 100% OF POUNDS DIVERTED both 100124W & 100124D

	<i>Pounds to Divert</i>			
Commodity Processing Whole Bird % Ratio	29374.6495	School Year Pounds	School Year Needs	Current Whole Bird % Ratio
46.51%	13662.1495	White	9528.5000	37.7501%
53.49%	15712.5000	Dark	15712.5000	62.2499%

End Product Code	Product Description	Net Weight Per Case (lbs.)	Servings Per Case	Net Weight per Serving (oz.)	DF Dark Lbs/Case	DF White Lbs/Case	Enter # of Cases Here	Total DF lbs - Dark	Total DF lbs - White	Total Finished Average NET Weight case X Lbs
White and Dark LBS #100124										
	Pre Cooked Turkey Savory Crumble (2oz. MT/MT ALT)	40.00	284	2.25	24.1000	20.9600	240	5,784.0000	5,030.4000	9,600.00
	Pre Cooked Turkey Meatballs (2oz. MT/MT ALT)	30.00	184	2.6	15.8000	13.7300	170	2,686.0000	2,334.1000	5,100.00
	Pre Cooked Turkey Chorizo Crumbles (2oz. MT/MT ALT)	40.00	245	2.61	21.8200	18.9700		-	-	-
	Diced Turkey Ham (1oz MT/MT ALT)	10.00	105	1.51	11.0500		180	1,989.0000	-	1,800.00
	Diced Oven Roasted Turkey Breast (1oz MT/MT ALT)	10.00	81	1.96		8.3000	55	-	456.5000	550.00
	NAE Brownd Turkey Breast Steak (2oz MT/MT ALT)	24.68	140	2.82		25.5000	50	-	1,275.0000	1,234.00
						TOTALS:	695	10,459.0000	9,096.0000	18,284.0000

Updated
10/31/23

DF TOTALS	Current Pounds in K12	Difference**
Total 100124 White:	9,096.0000	(9,096.0000)
Total 100124 Dark:	10,459.0000	(10,459.0000)
Total 100883 Thigh:	-	0.0000
Total Finished Average Net Weight of order*:	18,284.00	

Balanced Diversion

Make sure to enter any carryover pounds you will have in Column I Row 75, 76, 77

RA IS RESPONSIBLE OF USING 100% OF POUNDS DIVERTED both 100124W & 100124D

	<i>Pounds to Divert</i>			
Commodity Processing Whole Bird % Ratio	19553.1875	School Year Pounds	School Year Needs	Current Whole Bird % Ratio
46.51%	9094.1875	White	9096.0000	46.5150%
53.49%	10459.0000	Dark	10459.0000	53.4850%

Diversion for Poultry Best Practices

- Plan menu items for the year
- Plan on some mixed items also- white/dark meat combos this helps with balancing
- Divert based on pounds and let that convert to entitlement dollars
- Use the calculators- they must be used
- Dark /white diversion are more challenging if you divert based on a dollar amount vs. pounds. You need to use both White Meat and Dark Meat so you need to be able to massage the pounds to get the correct mix.
- know the processor and what the breakdown of white and dark meat is.
- If state becomes unbalanced- trucks can be canceled, shorts can happen, unused pounds can be swept. SEE next page for example!

Example of the snowball effect of unbalanced banks

- Example of unbalanced banks and the state accounts.
- Each school may think their unbalanced drawdown is not a big deal when looking at 1,000 lbs difference.
- However if we have 40 schools with that mind set then we run into 40k lbs worth of potential problems.
- please note also Schools buying off of bids also need to be sure they are including options for both white and dark meat because that's where the issue starts to unfold, before diversions are even made.

K 12 and Processor Link

- Lastly there are professional tools that schools have access to for commodity bank account management
- K 12 foodservice <https://www.k12foodservice.com/>
- Processor Link <https://www.processorlink.com/>

K 12 Foodservice

% = percent used

Manufacturer	RA Number	Recipient Agency	State	COOP	Distributor	Commodity	SY Allocated LBS	Total SY Allocated LBS	YTD Usage LBS	Balance LBS	Usage %	% balance
Manufacturer A	123	NO Name School	USA	NONE	Distributor A	100124D	401.1750	401.1750	-398.5979	2.5771	99	0.64%
Manufacturer A	123	NO Name School	USA	NONE	Distributor A	100124W	348.8250	348.8250	-146.7522	202.0728	42	57.93%

Processor Link

% = percent of balance left

State	RA Nbr	School District	Sales Channel	Management Co.	Material Nbr	Commodity Name	Transferred	Available	Shipped Distributor	Balance	% balance	% Utilized
USA	123	NO Name School	Distributor A		110244	Cheese, Mozzarella, Unfrozen	1,600.00	1,600.00	674.75	925.25	57.83%	42.17%

Thank You for your time

- Any questions or help please reach out
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