

Commodity Procurement Program Overview



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Dairy, Grain, and Oilseed Branch
Commodity Procurement Program



Commodity Procurement Mission

AMS Commodity Procurement facilitates the marketing of 100% domestic agricultural products through the purchase of food for International and Domestic nutrition assistance programs...feeding the hungry around the world.



Federal Procurement Program

Federal Acquisition Regulations (FAR)

Agriculture Acquisition Regulations (AGAR)



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COMMODITY PROCUREMENT PROGRAM

Products Purchased

Domestic Nutrition Programs	International Nutrition Programs
Peanut Products	Peanut Products
Oil Products	Oil Products
Dry Beans	Dry Beans
Peas/Lentils	Peas/Lentils
Grain Products	Grain Products
Rice	Rice
Fruit	Bulgur
Vegetables	Corn Products
Livestock	
Poultry	
Fish	
Dairy	

Programs Supported

Domestic Nutrition Programs	International Nutrition Programs
National School Lunch Program	Food for Peace
Child and Adult Care Food Program	McGovern-Dole Food for Education
Summer Food Service Program	Food for Progress
Nutrition Services Incentive Program	
The Emergency Food Assistance Program	
Commodity Supplemental Food Program	
Food Distribution Program on Indian Reservations	



Types of Purchases

- **Entitlement/Meal Package/Program Purchases**

- Largely based on nutrition program recipient demand
- Procurement agent for USDA's Food and Nutrition Service, U.S. Agency for International Development, USDA's Foreign Agricultural Service and the Nutrition and Food Aid Programs they administer
- Relatively consistent year-to-year



Types of Purchases

- **Section 32**

- Clause 2 of Section 32 of the Act of August 24, 1935: “encourage the domestic consumption”
- AMS analyzes market conditions and recipient needs – “good product at a good price”
- Typically distributed to Food Banks



Types of Purchases

- **Disaster/Emergency**

- Presidentially declared disasters within the United States or its territories
- Emergency food assistance around the world
 - Conflict
 - Natural disasters

COMMODITY PROCUREMENT PROGRAM

Fiscal Year 2021 Dairy Purchases

Pounds and Totals:

AMS Dairy	410,805,445	\$482,636,146.13
Schools	101,224,720	\$176,202,389.67
Cheese	99,056,241	\$173,812,460.05
Milk, UHT	381,427	\$251,215.58
Yogurt	1,787,052	\$2,138,714.04
Child/Adult Care Feeding	128,720	\$252,436.32
Cheese	128,720	\$252,436.32
Summer Feeding	1,094,865	\$1,831,284.91
Cheese	1,018,580	\$1,784,445.65
Milk, UHT	76,285	\$46,839.26
Elderly (CSFP)	38,387,988	\$45,859,203.21
Cheese	14,077,800	\$24,273,675.37
Milk, Instant	3,714,048	\$11,728,370.39
Milk, UHT	20,596,140	\$9,857,157.45
Food Banks (TEFAP)	12,363,631	\$9,767,064.39
Cheese	2,423,100	\$4,278,163.91
Milk, Fluid	1,222,443	\$389,318.11
Milk, UHT	8,718,088	\$5,099,582.37
Indian Reservations (FDPIR)	1,723,617	\$2,079,214.24
Butter	82,080	\$170,574.55
Cheese	910,800	\$1,564,504.92
Milk, Evaporated	111,537	\$77,785.89
Milk, UHT	619,200	\$266,348.88



Dairy Purchases with Section 32

- **Section 32 can not be used for price supported commodities**
- **First purchase of dairy products under Section 32 was in September 2016 – Cheese**
- **First fluid milk purchase by AMS was in September 2018**

New Type of Purchase – COVID RELIEF

- **Due to the Global Pandemic, COVID Relief funds were granted to USDA for Food Purchase and Distribution Programs administered by AMS and FNS**
- **COVID Relief Purchases for DGO Branch FY 2021:**

Commodity	Pounds	Dollars
Butter	225,720	\$464,725.68
Cheese	17,164,590	\$33,838,919.73
Milk, Evaporated	371,790	\$306,644.95
Milk, Fluid	10,527,687	\$3,116,675.34
Milk, Instant	119,808	\$390,364.42
Milk, UHT	16,287,375	\$8,374,997.84

Commodity	Pounds	Dollars
Cereal	19,923,742	\$22,740,679.38
Corn	4,747,824	\$2,050,937.22
Crackers	1,905,120	\$4,492,454.40
Flour	10,837,700	\$4,094,415.24
Oil	12,237,136	\$10,068,338.35
Pasta	39,819,624	\$25,546,099.22
Peanut	18,980,016	\$27,596,209.03
Rice	28,745,400	\$13,127,696.95
Tortillas	2,268,000	\$2,142,986.40

COMMODITY PROCUREMENT PROGRAM

Grain and Oilseed Purchases: Domestic Feeding Programs

AMS-Domestic	305,709,912	\$244,070,146.81
Schools	29,615,422	\$18,872,096.30
Food Banks (TEFAP)	94,679,330	\$74,254,347.99
Elderly (CSFP)	40,696,470	\$37,080,442.43
Indian Reservations (FDPIR)	1,134,395	\$1,890,257.19
Summer Feeding	32,197	\$46,701.11
Child/Adult Care Feeding	87,536	\$66,485.60
COVID Relief	139,464,562	\$111,859,816.19



AMS Team Effort

- **CPP expertise is in Contracting**
- **Rely upon other AMS Programs for agricultural market expertise**
 - Dairy Graders
 - Federal Grain Inspection Service
 - Livestock and Poultry
 - Specialty Crops Division



AMS Team Effort

- **Partnership with AMS Programs**

- Facilitate discussions with Industry
- Market research for new purchase programs
- New vendor outreach
- Expertise for specification/requirements development and modifications
- Economic analysis and documentation for Section 32 purchases
- Input on Independent Government Cost Estimates and Fair and Reasonable Pricing
- Quality Assurance
- Complaint resolution

DGO Contact List

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