



PINCO EXECUTIVE COMMITTEE MEETING
JANUARY 13, 2016
10:00AM
PINCO ADMINISTRATIVE OFFICES
44809 BEECH AVENUE, LANCASTER CA 93534

MINUTES:

1. **SIGN-IN: 10:10 a.m. All Executive Committees members present.**

2. **APPROVAL: ADOPTION OF AGENDA.**

Recommendation: It is recommended Executive Committee adopt the January 13, 2016 Agenda as presented.

MOVED PBV SECONDED BARSTOW YES X

3. **PUBLIC COMMENTS:**

Public Business from the Floor – Agendized Items and Non-Agendized Items: The public is invited to address items on the PINCO agenda or any item that is within PINCO's jurisdiction as constituted. Without taking action or entering into a dialog with the public, PINCO Board members may briefly respond to statements made or ask clarifying questions about topics not on the PINCO agenda. Individual speakers are limited to three (3) minutes each with the total time for public input on each item limited to fifteen (15) minutes. All persons requesting to make comments are asked to complete a public speaking form prior to the meeting. You will be asked to provide your full name, who or what you are representing and the topic as an item identified on the agenda or as a non-Agendized item.

4. **APPROVAL: EXECUTIVE COMMITTEE MEETING MINUTES**

Recommendation: It is recommended Executive Committee approve the meeting minutes of October 7, 2015 as presented.

MOVED Westside SECONDED Greenfield YES X

5. **2016-2017 BID CALENDAR AND TIMELINE IN PROCESSING**

Background: At its last meeting, the Bid Sub-committee drafted a three-year bid category calendar with the goal of creating more balance between bid years. With the Bid Sub-committee scheduled to meet and finalize category recommendations, the following categories are slated for the 2016-2017 fiscal year:

Juice, Shelf Stable/Frozen

Eggs

Barrel Cheese

Peanuts, Raw Shelled/Peanut Butter

Purchased Items to the Warehouse

*Bid Sub-committee will review current agreements for consideration of opening additional bids prior to the January 28, 2016 Advisory Committee meeting.

2016-2017 PINCO BID TIMELINE:

February 7 & 14, 2016: Publication/Posting of Bid Categories (Local Newspaper/PINCO Website)

March 1, 2016: Bid Openings/Lancaster Administrative Office

March 1-4, 2016: Bid Re-Cap (Sub-committee to schedule meeting(s))

March 9, 2016: Executive Committee Meeting to review Sub-committee recommendations

March 17, 2016: Advisory Committee Meeting to review recommendations/awards

March 23, 2016: Submit PINCO Award recommendations to Lead Agency Governing Board for Approval

April 6, 2016: AVUHSD Board Meeting for final approval

INFORMATION/DISCUSSION ITEM ONLY; NO ACTION NECESSARY

Paper added for consideration with Bakersfield City numbers in the volume.

Broadline added to list; Timeline TBD.

Jan. 19, Bid Committee meeting at Warehouse-All members are invited.

Barry Sackin to review bids before publication.

6. PINCO WEBSITE UPDATE:

PINCO is continuing its work with ISITE (School Nutrition and Fitness.com) in transfer of data and programming to import and manage receipts, inventories and data used by PINCO Districts. It was our hope by this time to have the site fully operational without the support of Panama Buena Vista of some data but that has not been the case. Lead Agency will update everyone at the January 28, 2016 Advisory Committee meeting or sooner when the transition is completed.

INFORMATION/DISCUSSION ITEM ONLY; NO ACTION NECESSARY

Costs for Services-ISITE

\$1,000-First set up fee

\$695-Annual Host Fee

\$1,000-Actual Programing Fees

7 hour December Invoice for McKnight Consulting

7. MCI/LOS CABOS REBATE UPDATE:

At the beginning of the year, the Lead Agency began working with MCI/Los Cabos to address the Gift Card issue in response to compliance with USDA/CDE guidelines. MCI/Los Cabos agreed to a .37 and .50 rebate for PINCO item #'s 22558 and 22571 respectively for purchases made from July 1-December 31, 2015. Attached is a breakdown of the rebates per District. To streamline the discount process all orders for these items from January 1, 2016 will be reduced in price by this rebate amount.

INFORMATION ONLY; NO ACTION NECESSARY

Info Only

8. SYSCO PRICING DISPUTE UPDATE:

After consultation at the December 17, 2015 Advisory Committee meeting with Fagen, Friedman and Fulfroost, Lead Agency presented a response letter to Sysco Foods of Ventura's conditions in PINCO Agreement #07/15-16. Details to be provided at this Executive Committee meeting and Advisory Committee meeting scheduled for January 28, 2016.

INFORMATION ONLY; NO ACTION NECESSARY

Lead District will notify membership when limits are met of each item.

Mayo lite will not have a limit if agreed as per letter.

9. DETERMINATION OF PROCESS/TIMELINE TO REVIEW PERFORMANCE OF LEAD AGENCY/DISTRICT.

Background: Pursuant to J.P.A. Section Seven, Subsection D (6), the Executive Committee is responsible to "Periodically review the Lead District's performance and recommend to the Advisory Committee appropriate changes." The last Performance Evaluation was submitted by the Lead District and reviewed by the Executive Committee on July 1, 2012.

Recommendation: It is recommended the Executive Committee discuss the timeline, format, protocol of the PINCO Lead Agency/District Performance Review.

INFORMATION AND DISCUSSION ONLY; NO ACTION NECESSARY

Lead District would like a "timeline" ready by 6/16/16 Advisory Meeting. Panama will take the lead in the evaluation procedure.

10. INTERNAL SWEEP POLICY: REVIEW

Background: At the October 5, 2015 Commodity Sub-committee meeting, there was discussion regarding use percentages and timelines associated with the Commodity Management Bulletin approved by PINCO Advisory December 12, 2013. Lead Agency requests the Executive Committee to review/discuss proposed changes and present any recommendations to Advisory Committee on January 28, 2016.

MOVED Wasco Elem SECONDED Delano Elem YES X

See Attached for proposed changes upon Advisory approval. Added changes by executive committee are in red.

II. BROWN ACT: TRAINING OPPORTUNITY OFFERED

Background: There have been concerns raised by some PINCO Districts regarding compliance and protocol related to open meeting policies and the Brown Act. Fagan, Friedman and Fulfrost offer training in this arena which could provide PINCO Members an opportunity to understanding current interpretation and practice of the Brown Act from a “uniform” perspective. Trainings can be tailored to the needs of the Co-op specifically addressing the language and expectations of the J.P.A. and its Members.

Recommendation: It is recommended Executive Committee discuss Brown Act training described above to determine value for PINCO Members and to make recommendations to Advisory Committee for further consideration.

MOVED: Delano Elem SECONDED Westside YES X

Motion was made to get cost estimates with venues and travel expenses by 1/28/16 Advisory Meeting and funds to come from the “Marketing Fund”.

Delano also ask the Lead District to check on differences in the Brown Act as they pertain to different counties.

NEXT MEETING DATES: ADVISORY & EXECUTIVE – SEE SCHEDULE BELOW:

2015-2016 Advisory Committee

January 28, 2016	PINCO Service Center, Bakersfield	Bid/Extension/Proposal Review
March 17, 2016	PINCO Service Center, Bakersfield	Agreement Recommendation
April 14, 2016	PINCO Service Center, Bakersfield	'16-'17 PINCO Buying Guide
May 19, 2016	PINCO Service Center, Bakersfield	Budget review/Calendar
June 16, 2016	PINCO Service Center, Bakersfield	Year-End General Session

2015-2016 Executive Committee

March 9, 2016	PINCO Administrative Offices, Lancaster	2016-2017 Bid Re-Cap
April 14, 2016	PINCO Service Center, Bakersfield	General Business
May 4, 2016	PINCO Administrative Offices, Lancaster	General Business, Budget

ADJOURN: MOVED Panama BV SECONDED Greenfield

- Districts shall only request enough additional commodities to get them through the current school year. Only Districts demonstrating an ability to properly utilize product received from previous sweeps will be given preference on future sweeps.
- Two emails will go out the Co-Op Members regarding the request of additional commodities with a specific deadline date listed. A request for product by a member District after the deadline date has passed will not be honored.
- A forecast report per commodity, based on the first three months of usage, will be used in determining the co-op's need for additional product requests. If the "estimated year-end balance" on the forecast report is less than the first three month's usage for the year, then a motion **by the Commodity Sub-committee** may be submitted to the Advisory Committee to vote on requesting additional product from the USDA Sweep.

3. Process on Removing Swept Commodities from Individual Accounts after a USDA Sweep of the Co-Op

If a USDA sweep occurs, the following process will take place:

- The remaining balance of the specific swept commodity for the entire co-op will be allocated to Districts using our fair-share formula, but excluding any districts who did not utilize(ing) at least 25% of the commodities for the year. Districts can also request to be excluded from the re-allocation of the commodity balance. ~~One email~~ **Two electronic communications will go out within ten business days** will go out to the co-op notifying Districts of the deadline to request exclusion from the re-allocation. The deadline date will be enforced.

4. Steps Analyzing Pre-Planner and Impact of Additional Commodities on the PINCO Service Center Warehouse

- The Commodity Sub-committee will review items added to our pre-planner during the course of the year from the USDA/State, and determine a need within the cooperative by requesting email surveys.
- The Commodity Sub-committee will analyze the quantity of items brought into the Service Center and make suggestions for adding/removing items for the next school year. One analysis will be tracking how quickly the product is pulled from the warehouse inventory.
- If additional commodities are transferred to the PINCO account, this could put strain on the PINCO Service Center's freezer space as more processed items are brought into the warehouse. The end impact, free commodities or not, can greatly affect the true savings in storage issues. This issue will need to be examined **on-going** by the **Facilities and Commodity Sub-committees** and ~~co-op~~ **in making recommendations to PINCO Advisory Committee.**
- The Commodity Sub-committee ~~would like to be added~~ **will be added** as part of the Advisory Committee Meeting Agenda. This will give us an opportunity for the **Sub-committee** to share information gathered on sweeps, products available, pre-planner and impact on the warehouse **and Districts.**

PINCO

Internal Commodity Management Bulletin

A Commodity Committee was created to assist the PINCO Lead District in overseeing the management of both USDA commodities sent to processors and USDA commodities received into the PINCO Service Center Warehouse. ~~The following processes were voted on and approved by the PINCO Advisory Board on December 12, 2013.~~

Adopted by PINCO Advisory Committee as Policy December 12, 2013.

1. Process Preventing Commodity Sweeps by the USDA

In order to prevent commodity sweeps by the USDA, individual Districts must be held accountable for their individual use of the commodities allocated into their accounts. The tangible consequence of not utilizing commodities will be having product "swept" by the co-op and redistributed to Districts in need of the commodity(ies).

PINCO Internal Commodity Sweep:

- Twice a year, on January 1st and May 30th, there will be an internal sweep of commodities not utilized by each district. Districts that have not used 25% of their allocated commodities per vendor/commodity type, will have 50% 50% (remains in policy) of their balance removed from their account and re-allocated to districts requesting the product. Notification will be e-mailed ~~every~~ monthly, for the two months prior to each sweep, informing all Districts impacted that product not utilized will be swept. The notification will include the Fair Market Value (FMV) of the product in danger of being swept. A notice will be included on the weekly newsletter available on the pincoschools.com website **encouraging successful transfer between districts of pounds subject to sweep**. Purchase Orders/Trades utilizing the commodity must be received one month prior to the sweep date. An E-mail reminder (s) will be sent out before the **Pre-Food Safety** December trade session, **encouraging providing Districts opportunity** to trade commodities that they will not use for the remainder of the school year.
- A report/spreadsheets reflecting the percentage of the commodity usage per district/per vendor will be utilized to calculate the amount of commodities used and swept.
- A commodity-specific spreadsheet will be utilized every September to forecast a potential sweeps for the year.

2. Process Regarding Additional Commodity Requests from the USDA Swept Account.

- Requests for additional product from the USDA Swept Account will only be handled once a school year per vendor/commodity
- Requests will need to be voted on and passed by the Advisory Committee
- There will be no individual agreements between one district and the USDA
- Product requested from the USDA Swept Account will be allocated to districts requesting the product only, not to the entire co-op, since swept commodities are not part of the Co-Op's Entitlement Fund and do not get billed from the State.

The division of the commodities requested will be as close as possible to the requested amount from the districts, but may still require a "fair-share" formula within the Districts requesting the product if more or less product is available by the USDA. **This exemption from a co-op wide fair-share allocation is only for product received from a swept account. Fair-share allocations will still be required on all entitlement loads or bonus loads that are billed per case from the State.**