TEFAP Inventory Training
for Subcontractors

• Please ask questions! (for yourself or others)
• We want everyone to walk away understanding why inventory is required, and how to use our forms.
• Our goal is consistency and accuracy statewide. People have different sizes of food banks, meal programs, or warehouses which makes it challenging. If you aren’t sure how something applies to your specific situation, then we’d love to think it through with you!
• Your Regional Representative and Contractor are great resources if you ever get stuck or have an issue come up.
TEFAP Subcontractor Inventory Reporting

Things you should know about TEFAP Subcontractor Inventories.

- TEFAP inventory reports are due to contractors monthly
- Beginning inventory must match the previous months ending inventory
- Received food must match BOL received from the contractor
- Expectation is that food pantries and meal programs will do a physical count of food products every month
- Damage or loss must be tracked
  - Loss forms must be filled out
- Physical and book inventories must match
**TEFAP Subcontractor Inventory Reporting**

Subcontractor Inventory Items
- Month of report
- Type of distribution site
- Food Pantry/Meal program
- Name
- Total Clients
- Total Household Members
- Total Meals Served
- TMP
- Commodity Description

![Inventory Report Form](image-url)

The Emergency Food Assistance Program (TEFAP) — Subcontractor Inventory Report

Report Month/Year:

Type of distribution site:  
- Food Pantry
- Meal Program

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<thead>
<tr>
<th>Food Pantry Name:</th>
<th>Meal Program Name:</th>
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<table>
<thead>
<tr>
<th>Total Clients:</th>
<th>Total Meals Served:</th>
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<tbody>
<tr>
<td>Total Household Members:</td>
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<table>
<thead>
<tr>
<th>TMP</th>
<th>Commodity Description</th>
<th>Beginning Inventory</th>
<th>Cases Received</th>
<th>Total Cases</th>
<th>Issued to Clients</th>
<th>Damage **</th>
<th>Book Inventory</th>
<th>Physical Inventory</th>
<th>Report Check*</th>
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*Clients refer to the person receiving TEFAP food on behalf of their household.

**Complete a Commodity Loss/Adjustment Report for Subcontractors for any damaged commodities, or for any overage/shortage listed on this inventory report.
Beginning inventory must match the previous months ending inventory. This means if the previous month's physical inventory is 11 then your beginning inventory must be 11. If you didn’t end the previous month with an item then your beginning inventory must be zero.

Cases received is what was received during the month the report is being done for. These items should be listed on a bill of lading issued by your contractor. Only TEFAP items should be recorded on the TEFAP inventory report.

Total cases is the total of the Beginning Inventory and Cases received.
Issued to clients is the total handed out to clients during the month the inventory is being done for.

Damage is the total loss / adjustments recorded for that item during the month the report is being completed. A loss report is required for all loss or adjustment made. We will cover loss reports later in this training.

Book Inventory is the result of the subtraction of issued to clients and damage from total cases.
Physical Inventory is the count conducted at the end of each month and recorded here. It should match the book inventory for the same month. All subcontractors are required to conduct a physical count each month.

Report Check is the difference between the book inventory and physical inventory. This should always read as zero. If it reads any other number the report should be corrected so that it reads zero.
Commodity Loss Reporting

The Emergency Food Assistance Program (TEFAP)
Commodity Loss / Adjustment Report for Subcontractors

Program: [ ] TEFAP  [ ] TMP
Contractor Name: ____________________________ Date of loss: __________
Contact Person: ____________________________ Contact Phone: __________
Address: ____________________________

<table>
<thead>
<tr>
<th>Commodity Description</th>
<th>Material Number (Contractor to TB in, if unknown)</th>
<th>Number of Cases</th>
<th>Type</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td></td>
<td>Theft, Damage, Spoilage, Inventory Adjustment</td>
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Briefly explain how loss/adjustment occurred:

Type of Loss / Adjustment

☐ Theft
If the loss was due to theft, immediately contact the police and obtain a police report. Include a copy of this report with your form submission. Theft includes: embezzlement, willful misapplication, and fraud.

☐ Damage
If the loss was due to damage, what type was it?
☐ Warehouse Handling  ☐ Commodity Received Damaged

☐ Spoilage
If the loss was due to spoilage, was it caused by bug or rodent infestation?  Yes  ☐ No
If spoilage was due to bug or rodent infestation, you must call the local health department to inspect. Include a copy of the report with your form submission.

☐ Inventory Adjustment
Discrepancy between the book inventory and the physical inventory on your Inventory Report, in the report check section.  ☐ Overage  ☐ Shortage
Commodity Loss Reporting

Contractor Use Only

Contractors are required to investigate any and all loss of donated food, including inventory adjustments, regardless of the value, in order to determine if a claim must be pursued against the responsible party. Claim determination must be completed within 30 days from the date of discovery, or from the date that the information was first received indicating that the loss/adjustment had occurred, whichever is later.

Additional guidance can be found in the TEAP Procedures Manual (WSDA Publication 485) in the section titled: Donated Food Inventory Adjustment Procedures, as well as in the USDA Food and Nutrition Service FNS Instruction 411-1 Rev. 2.

Date Received:

To determine the value of loss, please use the current published USDA Food Price List, found on the Food Assistance website at: agr.wa.gov/FoodProg/FoodOrderInfo.aspx

Number of Cases: ___ x Price: ___ = ___ Value of Loss/Adjustment

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Number of Cases: ___ x Price: ___ = ___ Value of Loss/Adjustment

Number of Cases: ___ x Price: ___ = ___ Total Value of Loss/Adjustment

Responsible Party: [ ] Subcontractor  [ ] Natural Event  [ ] Other: __________________________

Was the loss greater than $500? [ ] Yes  [ ] No  [ ] If yes, notify WSDA immediately.

☐ Pursue further claim action, contact WSDA for further instruction.

☐ Not required to pursue a claim.

Date Investigation Complete: __________________________

Print & Sign
What do you do now?

1. Start a November Inventory Report with a true and accurate Beginning Inventory. Make sure you actually count what is in your possession to get this number.
   - If it’s possible to create an October Inventory Report on our template then that is ideal since 10/01/21 was the start of a new Federal Fiscal Year. If you have not been keeping an inventory at all, or wouldn’t be able to find all of the information, then please don’t make it up and just start with a clean November Report.
2. Retain your BOL’s. (*Bills of Lading – the paperwork you get from your Contractor when picking up or receiving food.*)
3. At the end of the month, make sure you enter an accurate number of cases received, what you issued to clients, items damaged, and your physical ending inventory.
4. Send your Inventory Report to your Contractor every month.
5. Use a Commodity Loss/Adjustment Form if necessary when compared to your October Inventory Report.
6. Make sure your beginning inventory is always the same as your previous month’s ending inventory, even if you don’t distribute or receive cases of an item in your possession in a given month, it should be reported on your inventory.

*Note: Use a “First In, First Out” method of distribution, and try to distribute as much as you’re bringing in each month. This will help prevent loss from spoilage and keep your inventory at a manageable quantity.*
Contact Us!

James Scovel – Warehouse & Inventory Guru

- jscovel@agr.wa.gov
- 360-725-5641

Your Regional Representative

- Kyle Merslich, Erin Kester, Mallorie Shellmer, Nichole Garden, or James Scovel
- Not sure who your rep is or how to contact them? See the WSDA Food Assistance Staff page and Regional Rep Map here: https://agr.wa.gov/services/food-access/contact-us