



USDA Farmers to Families Food Box Program



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TO: Bruce Summers
Administrator
Agricultural Marketing Service

ATTN: Wing Padilla
Auditor
Internal Audits Branch
Compliance, Safety and Security Division

FROM: Craig Goscha
Acting Assistant Inspector General for Analytics and Innovation

The United States Department of Agriculture (USDA) Office of Inspector General (OIG) has launched a new data product called Data Stories. This product's purpose is to enhance transparency of significant USDA programs using data analytics and visualizations while integrating data storytelling methods.

The first in this series focuses on [USDA's Farmers to Families Food Box Program](#) (Food Box Program). Using unaudited data from USDA's Agricultural Marketing Service (AMS), U.S. Census Bureau data, Housing and Urban Development Opportunity Zone data, and other data sources, OIG explores the program (distributors, food boxes, and recipients) and invites the reader to examine the data in different ways.

AMS' written response to the data story is included in its entirety at the end of the product and this report. OIG applied the established Office of Analytics and Innovation quality assurance standards to ensure the information presented in this product is adequately supported.

We appreciate the courtesies and cooperation extended to us by members of your staff during the data story development. The product contains publicly available information and will be posted in its entirety to our website (usdaoig.oversight.gov).

Attachment

Topic: **Response to Office of Inspector General Data Story – USDA Farmers to Families Food Box Program**

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From: Bruce Summers, Bruce.Summers@usda.gov
Administrator, Agricultural Marketing Service

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The Agricultural Marketing Service (AMS) appreciates the Office of Inspector General’s (OIG) interest and work necessary to present the data story. We also appreciate OIG for providing AMS an opportunity to respond to the OIG’s Data Story – USDA Farmers to Families Food Box Program. Below are our comments.

“Background” Section:

AMS would like to provide the following additional context to this section:

At the request of the Secretary, AMS designed and implemented a purchase program to respond to a multifaceted and rapidly unfolding crisis caused by the onset of the COVID-19 Pandemic. The loss of demand at restaurants and other retail outlets was causing produce to be left to rot in the fields and milk to be dumped, among other food loss. At the same time, people were losing their jobs and lining up at food banks for help. Drawing on their acquisition expertise, and with support at all levels of the U.S. Department of Agriculture’s (USDA) management, the AMS acquisition staff designed a purchase and distribution program that was up and running in approximately a month.

“How Much Did the Boxes Cost?” Section:

AMS would like to provide additional context to the sentence “The map below shows the distributors with the highest total boxes delivered, highest average cost per box, and the highest contracted dollar amount used to purchase boxes.” AMS would like to clarify that the extreme price range was driven primarily by box content, packaging, and distribution variables. As users analyze the data, it should be noted that efforts to normalize or draw conclusions on cost data by box may be difficult. Variability in box contents, even of similar product groupings, could include higher-cost specialty crop items that may not be universally distributed geographically. Box distributions were intended to reach often remote areas of the country and, thus, include highly variable transportation costs, which are not visible in the overall blended cost of the box.

Although USDA differentiated box types for various product groupings, and while box types varied greatly in size, contents, and destination, a “box” referenced in these data should not be construed to a “one size fits all” type of analysis.

- Combination box price range: \$10.30 - \$150.00.
- Dairy box price range: \$5.00 - \$85.20.
- Milk box price range: \$1.35 - \$35.05.
- Produce box price range: \$9.70 - \$90.00.
- Meat box price range: \$17.65 - \$149.01.

Prices were evaluated as “fair and reasonable.” Price ranges were due to the following factors, among others:

- Packaging. Box sizes (both in dimension and weight) varied, and some products were delivered in totes as agreed to by some food banks.
- Distribution. Deliveries were made to rural and difficult-to-reach places, such as remote Alaska, which is reachable only by plane. Transportation costs were likely one of the larger contributors to variations in box prices. Recall one of the key program drivers was to extend food support to areas of the country with the greatest need.
- Box Contents. Different prices for meat, dairy and produce. The commodity variety and quantity caused a range in box prices. Another key aspect of the program was to support American farmers, including those with higher-cost specialty crops. These higher-cost crops added layers of variability to the range of box prices.

Similarly, under *Key Takeaways*, the wide variance of \$1.80 per box to \$150.00 per box depended on the packaging, distribution factors, and box contents. As a clarification, the cost of the box was incurred by the Government, not the recipient agency or individual. The price range is accurate but deserves additional explanation. As an example, the low price of \$1.80 represents a gallon of milk and the high range of \$150 represents boxes that were shipped to remote parts of Alaska via small plane. On average, boxes ranged from 10 to 25 pounds.

- Fresh Produce Box: Average price of \$25 per box.
- Dairy Box: Average price of \$33 per box.
- Meat Box (chicken and pork): Average price of \$53.94 per box.
- Combination Box (produce, dairy, or meat): Average price of \$62.56 per box.
- Fluid Milk: Average price of \$12.78 per box.
- Total: Average price of \$27 per box.

“Producers” Section:

The U.S. Government Accountability Office (GAO) report stated that “USDA did not systematically collect and analyze data about producers necessary to assess the extent to which the Food Box Program achieved its goal of supporting producers.”

At the request of the Secretary of Agriculture, AMS developed and implemented the multi-billion dollar Food Box Program within a month. While critical vendor performance

information was the priority, the Administration’s most immediate priority was the urgent distribution of perishable food, support of American farmers, and getting food to hungry Americans. The aggressiveness of the rollout of the new program did not allow AMS sufficient time to develop additional data collection and reporting needs to assess impacts to producers. In addition, the USDA did not require this data to be collected. As the program progressed and additional data was requested, AMS adapted to the extent possible. As an example, to assist with planning and to ensure deliveries were distributed where it was most needed, AMS adapted the type of information collected to provide better visibility on box deliveries nationwide.

“Recipients” Section:

Recipients are correctly defined as the non-profits that received the boxes. AMS collected the name, city, and zip code of the non-profit to report food box delivery locations. AMS also purchases food on behalf of USDA’s Food and Nutrition Service to support domestic nutrition assistance programs, including The Emergency Food Assistance Program (TEFAP), but does not collect recipient data beyond delivery locations. Therefore, the recipient data collected during the Farmers to Families Food Box Program is consistent with data collected in other purchase programs.

“Data Exploration: County View” Section:

Under *Key Takeaways*, GAO stated that “on average, 6,739 households living at/below poverty by county received food boxes,” and “on average, 832 households living at/below poverty by county did not receive food boxes.”

As clarification, AMS did not collect household or individual recipient information; instead, AMS collected the names of the non-profit organizations and their location by city and zip code. These individual locations more than likely served surrounding counties, zip codes, and opportunity zones. AMS does not have data to validate the number of households that received boxes. An attempt to utilize the non-profit’s city and zip code data to determine the number of households that received food boxes is pure conjecture.

“Opportunity Zones View” Section:

AMS believes the following information presented as *Key Takeaways* is misleading:

- “21.7 percent of designated Opportunity Zones received food boxes.”
- “On average, 399 households living at/below poverty by Opportunity Zones received food boxes.”
- “On average, 351 households living at/below poverty by Opportunity Zones did not receive food boxes.”

AMS only tracked the zip code where the product was delivered – a field entered by the vendor. As in other nutrition assistance programs, these destinations typically are warehouses or other locations that then distribute food across a geographic area. If deliveries were made to a zip code

within a county, more than likely people within the opportunity zones and other zip codes in that county and surrounding counties received food.

AMS randomly selected seven food banks of various sizes and locations to illustrate how the utilization of the delivery zip code to report on distribution to zip codes and opportunity zones is misleading and erroneous. These food banks participate in TEFAP and received food boxes through the Farmers to Families Food Box Program.

In the figure below, a report from AMS would show that 13 locations received products, each within 1 county and with 1 zip code. The location may or may not be in an opportunity zone. However, based on information pulled from these food bank’s websites on the counties served by those locations, and using the counties to determine the potential number of zip codes and opportunity zones served, the food banks serve over 100 counties, over 2,000 zip codes, and over 1,000 opportunity zones. Attempting to link only the limited data point of delivery locations to zip codes and opportunity zones greatly understates the reach of both the TEFAP program and the Farmers to Families Food Box Program.

Food Bank	Number of Delivery Locations	Counties Served	Zip Codes Served	Opportunity Zones Served
Los Angeles Regional Food Bank	3	1	290	274
Farm Share Inc. (Florida)	5	67	961	427
Feedmore Western New York	1	4	155	41
Houston Food Bank	1	18	324	195
Utah Food Bank	1	29	284	46
Fredericksburg Regional Food Bank (Virginia)	1	5	44	10
Greater Cleveland Food Bank	1	6	109	56

As illustrated, the data OIG used is insufficient to make the connection to opportunity zones and zip codes, creating a misleading and inaccurate percentage.

“Zip Code View” Section:

Same comment as above with the *Key Takeaways*:

- “20.2 percent of zip codes received food boxes.”
- “On average, 1,232 households living at/below poverty by zip codes received food boxes.”
- “On average, 234 households living at/below poverty by zip codes did not receive food boxes.”

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