



## DECA DIRECTIVE 40-04

### PRODUCE OPERATING DEPARTMENT

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**Originating Component:** Performance and Policy (MPOS)

**Effective:** September 21, 2018

**Releasability:** Unlimited. This directive is approved for public release and is located on DeCA's internet website at [www.commissaries.com](http://www.commissaries.com).

**Reissues and Cancels:** DeCA Directive 40-04, Produce Department Operations, September 12, 2012

**Approved by:** Timothy C. Ford,  
Chief, Executive Services Division

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**Purpose:** This Directive:

- Reissues DeCA Directive (DeCAD) 40-4, "Produce Operating Department," February 11, 2009 and establishes DeCA Manual (DeCAM) 40-4.1, "Produce Operating Department Manual," September 20, 2018.
- Is established in compliance with DoD Directive (DoDD) 5105.55, "Defense Commissary Agency (DeCA)," March 12, 2008, and DeCA Directive 70-2, "Internal Control Program," December 17, 2007.

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## SECTION 1: GENERAL ISSUANCE INFORMATION

**1.1. APPLICABILITY.** This Directive applies to all DeCA commissaries.

**1.2. POLICY.** It is DeCA policy that:

a. Store directors and store management must ensure compliance with these guidelines. DeCA has contracted with a variety of produce suppliers to provide fresh fruits and vegetables (FF&V) to DeCA commissaries. These suppliers are required to provide DeCA commissaries with quality produce at a guaranteed minimum percentage of patron savings. The minimum percentage of patron savings is the average amount the contractor will save the commissary patron on all core items over the selling price of the same or similar items from comparable commercial operations within the local commuting area.

b. Quality Standards. All produce purchased for produce departments should be of the highest quality and freshness, consistent with the prevailing commercial standards and market conditions. All products will concentrate on best quality, eye appeal, and sales appeal. Commissary personnel must submit a produce inspection report worksheet (PIW) to DeCA East and DeCA West mailboxes for contract monitoring, and advise and distribute it electronically in accordance with (IAW) contracting guidance when product quality or overall appearance is not acceptable. The PIW must also be sent to the contractor.

c. Produce Sampling Policy. Produce sampling, by assigned employees, is authorized to determine the sales appeal and quality of fresh produce. By sampling, employees become more knowledgeable of new products and are better able to answer patron questions about the palatability of the products. The produce manager may offer produce sampling trays to patrons as a means to stimulate sales and demonstrate new or seasonal produce items.

d. Ordering Requirements. Produce orders must be placed timely and should be placed using the contractor's Web ordering system to the maximum extent possible. Emergency and out-of-cycle orders must be minimal and should be the exception, not the rule. Management approval may be needed before placing an emergency produce order. Ensure never out/core items are in stock and available throughout scheduled operating hours.

e. Receiving. Management attention to proper receiving procedures is essential to ensure the produce department's financial posture remains sound. Receivers must be authorized in writing by the commissary officer, to perform receiving functions for the department.

f. Storage and Handling. Produce department personnel should make every effort to store all produce in proper temperatures, immediately upon receipt, handle all products carefully to prevent damage and ensure merchandise is rotated as needed to prevent spoilage. If possible, it is best to unload, store, and rotate merchandise in one operation. Storage areas should be organized and cleaned prior to the arrival of delivery trucks.

Ensure the temperature in each storage area is the correct one for particular products stored. If there is only one cooler, make sure it is set between 38 and 42 Fahrenheit degrees (3 to 6 degrees Celsius). Personnel must use safe lifting procedures when handling product.

g. Processing. The produce processing room should be arranged to provide an efficient flow of products from the processing area to the display cases on the sales floor. If adequate space is available, separate processing and rework areas are advisable.

h. Scales and Wrapping Equipment. Test weights are used to check all processing room scales monthly for accuracy. Maintain electronically operated equipment IAW current contract.

i. Supplies. Adequate supplies are on hand to meet operating needs.

j. Pricing. A markup of up to 7 percent may be applied to the cost price of all authorized produce items except those purchased from a requisition/order/receipt. This maximum allowable markup is not intended for automatic application to all items equally, but rather should be applied in consideration of the produce department's overall gain/loss posture. It does provide managers with greater flexibility to adapt price structure to safeguard the status of the account, to react to local market conditions, and to regularly offer manager's specials that both enhance department image and contribute to patron savings.

k. The merchandising function involves proper controlled ordering, proper handling, proper receiving, quality control, achieving increased sales, and customer satisfaction. The DeCA produce contract requires the produce contractor to provide the store with additional support and a promotional plan that includes merchandising visits to each store location.

l. Customer Service. The importance of courtesy and service to patrons must be continually stressed to all produce personnel. The professional attitude that employees project when dealing with customers has a lasting effect on customer attitudes toward the rest of the commissary and other store employees. Managers will wear a two-line name tag containing their full name and position title. Employees who work in the sales store area are required to wear a name tag displaying only the employee's first name.

m. Proper stocking equipment, as well as personal safety equipment (e.g., cotton gloves, smocks and safety shoes), will be used.

n. Organic Produce. Organic produce may be offered in commissaries. Organic food is food that has been determined by an independent third party certification program to be produced IAW a nationally approved list of materials and practices. Commissaries will comply with the United States Adopted National Organic Program which prescribes strict growing, production, labeling, and handling standards for organic products, and carries monetary fines for noncompliance. Organic and nonorganic produce items will not be allowed to touch each other in the storage area or on the display cases or racks. In addition, organic produce must not come into contact with fungicides, fumigants, or preservatives. Organic produce should be stored above conventional produce in storage area.

o. Inventory Procedures. Management is responsible for the overall accountability of the department and for ensuring various types of inventories are conducted. All personnel conducting inventories must be trained in the proper methods and procedures to complete inventories successfully.

p. Personnel Scheduling. Management must ensure enough produce is on hand to stock display cases for store opening and throughout the day. Sufficient workforce must be scheduled to meet these objectives and cover receiving, produce preparation, culling, restocking, and assisting customers throughout the operating day until the close of business.

q. Safety. Produce department operations present a variety of hazards, requiring care and attention by supervisors and workers to prevent injuries and property damage. Management is responsible for ensuring all employees follow safety rules and directives. Employees must follow all safety procedures and wear required protective clothing and equipment. Failure to follow procedures and abide by safety requirements may result in disciplinary action to both employee and supervisor. DeCAD 30-17, "DeCA Safety and Occupational Health Program," must be referenced in establishing and maintaining the department's safety program.

r. Security. Produce department operations present a variety of food defense/security vulnerabilities and requires awareness by supervisors and workers to report unusual activity, which occurs where food is prepared or stored. Management is responsible for reporting unusual activity to the local military food inspection/law enforcement personnel. The DeCA Interest Report (DIRep) process, DeCAD 30-18, "Defense Commissary Agency Security Program," must be referenced in establishing and maintaining the department's security program.

s. All produce personnel must maintain a high standard of personal hygiene, as required in the United States Food and Drug Administration (FDA) Food Code or applicable military regulations. Employees may need current food handler's certificates or health cards. Check with your installation health authority.

t. Self-Inspections. To comply with applicable portions of the United States FDA Food Code, the entire produce department, including all equipment, will be inspected at least once per seven days. Management or designated personnel will record the self-inspection on DeCAF 40-86, "DeCA Self-Inspection Food Hazard Control Checklist Produce Department." Keep files on hand for one year.

## **SECTION 2: RESPONSIBILITIES**

### **2.1. HQ DeECA PRODUCE DIVISION AND THE STORE OPERATIONS GROUP SHALL:**

- a. Provide guidance and assistance in implementing these policies and procedures.
- b. Be responsible for determining specific item size/grading standard requirements for FF&V, and for conveying those standards to their commissaries and to the suppliers that shall be identified in the specifications in their applicable produce contract(s). Requirements for commissaries in the Europe Area and Pacific Area will be converted to local market standards and measurements, when needed.
- c. Provide training for produce managers to include all major functions of the produce department.

### **2.2. PRODUCE DEPARTMENT MANAGEMENT SHALL:**

- a. Operate the produce department with no loss to the government, while providing quality produce in sufficient quantities to respond to customer demand.
- b. Provide oversight for ordering and receiving product; develop merchandising and promotional activities; maintain the department's sound financial posture; achieve the greatest possible patron savings; stay abreast of current trends and customer buying habits; and ensure required sanitation, safety, and security standards are maintained.
- c. Promote and ensure recycling of all eligible materials.
- d. Develop effective, ongoing communications with their servicing supplier(s).
- e. Determine the number and frequency of deliveries required to keep a fresh supply of produce on hand and a full variety of items to meet the needs of the department. Order only items and quantities needed for each delivery, as control of produce freshness and quality depends first and foremost on ordering accuracy. All delivery schedules require chain of command approval to include the category manager and contracting officer.
- f. Ensure designated receiving personnel resolve all discrepancies between quantity shipped and quantity received; as well as product condition and quality, with assistance from available medical food inspection personnel and store director, if necessary.
- g. Ensure produce department personnel make every effort to store all produce at the proper temperatures immediately upon receipt, and handle all products carefully to prevent damage. Ensure merchandise is rotated as needed to prevent spoilage.

h. Arrange the produce processing room to provide an efficient flow of products from the processing area to the display cases on the sales floor.

i. Train produce department personnel in quality standards, ordering requirements, receiving, storage and handling, processing, properly storing ethylene producing items, pricing, merchandising, customer service, stocking, organic produce, inventory procedures, safety, and sanitation. Also train personnel in the proper use and care of all equipment and ensure adequate supplies are on hand to meet operating needs.

**2.3. MANAGEMENT CONTROL SYSTEM.** This Directive contains internal management control provisions that are subject to evaluation and testing as required by DeCA Directive 70-2, “Internal Control Program.” All references to internal controls are DeCA Manual 40-4.1, “Produce Operating Department Manual.”

## **GLOSSARY**

### **G.1. ACRONYMS**

<b>DeCA</b>	Defense Commissary Agency
<b>DeCAD</b>	Defense Commissary Agency Directive
<b>DeCAF</b>	Defense Commissary Agency Form
<b>DeCAM</b>	Defense Commissary Agency Manual
<b>DIREP</b>	DECA Interest Report
<b>DoDD</b>	Department Of Defense Directive
<b>FDA</b>	Food and Drug Administration
<b>FF&amp;V</b>	Fresh Fruits & Vegetables
<b>IAW</b>	in accordance with

## **REFERENCES**

DeCAD 30-17, “DeCA Safety and Occupational Health Program,” February 2, 2010  
DeCAD 30-18 “Defense Commissary Agency Security Programs” March 2006  
DeCAD 40-04, “Produce Operating Department,” February 11, 2009 (hereby rescinded)  
DeCAD 70-2, “Internal Control Program,” December 17, 2007  
DeCAM 40-4.1, “Produce Operating Department Manual,” September 21, 2018  
DoDD 5105.55, “Defense Commissary Agency (DeCA),” March 12, 2008  
United States Food and Drug Administration (FDA) Food Code, 2013