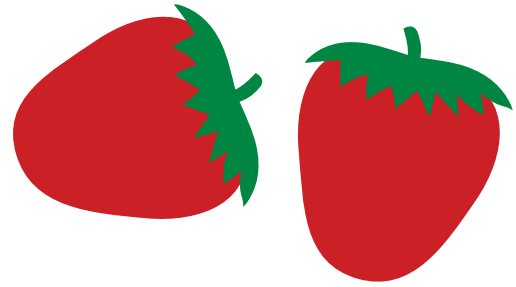


SELLING LOCAL FOOD TO SCHOOLS

A Resource for Producers



ACROSS THE COUNTRY, an increasing number of schools are sourcing locally grown foods for their school meals and snacks and providing complementary educational activities that emphasize food, farming, and nutrition. As a farmer, rancher, fisherman, or other food producer, large or small, this means that there are market opportunities in your own backyard and a chance for your farm's bounty to nourish children in your community. You can play a role in supplying local products to schools to serve during breakfast, lunch, snack times, and supper, as well as educating students about food and agriculture.

School food service programs often work with tight budgets, but this means they know how to be creative in order to serve a variety of high-quality fruits, vegetables, grains, dairy, fish and seafood, and meats to schoolchildren. For example, schools may be interested in competitively priced products that can be included in recipes where the cosmetic appearance does not need to be standard, like products with superficial imperfections or products in need of a market. Since schools have loyal, repeat-customers and often serve meals nearly year-round, they can provide reliable sources of revenue for local farms.

Selling to Schools: Four Paths

Schools buy local products through a variety of different channels. Some receive direct deliveries from farmers or pick up orders at the farmers' market. Others purchase local products through distributors or acquire them through the USDA Department of Defense Fresh Fruit and Vegetable Program (USDA DoD Fresh) produce vendors. Some purchase local foods that have already been turned into ready-to-eat items by food processors, while others seek raw ingredients that they can serve fresh or use for scratch cooking.

Here are four paths you can explore to partner with schools or districts near you:

1. Selling directly to schools.

Some schools buy items directly from local producers. This is often the case if a producer can meet a school's needs when it comes to volume, packaging, delivery, or other requirements. If you aim to sell directly to a school district, you'll want to make sure that your capacity and its needs are aligned. While you might initially think a school's demand might be too much for your farm, you might be surprised—depending on where (salad bar versus serving line) or how often (once per week versus daily) items are served, schools may have vastly different volume needs for different products. For example, a very large school district will only need a few cases of jalapeño peppers per week for its taco bar!

Creating Market Opportunities: A Fish Tale

Real Good Fish, a Fiscal Year 2017 USDA Farm to School Grantee and a community-supported fishery in California, launched the Bay2Tray program to increase access to locally caught fish in school meals, while also supporting the local fishing community. The program purchases seafood from fishers that is often discarded, not due to taste or quality issues, but lack of existing markets, and processes it at a price point that meets school food budgets. Schools get a lower price on high-quality product, and fishers get paid for the delicious fish they catch. It's a win-win!



Local products might be served in meal programs and snacks, but your food can also be offered as part of educational activities and at special events. Some schools host Community Supported Agriculture (CSA) pick-up sites. Others conduct fundraisers, where a portion of local produce sales go back to the school or an affiliated organization. And others host farm stands, farmers' markets, or family engagement nights. The lunchroom isn't the only place where local food can be found at a school. If selling to the cafeteria seems like too much at the start, focus first on opportunities that are right-sized for your farm. Sales of local food that support educational activities or events can help you build good relationships with schools and provide you flexibility to grow your capacity to sell to other programs over time.

Sun Produce Cooperative (Sun Produce Co-op) is a multi-stakeholder agricultural and marketing organization that serves the Phoenix metropolitan area in Arizona. In an effort to build connections with schools, it developed a program modeled off the traditional Community Support Agriculture program, but with a fundraising twist. The FarmRaiser program reserves a portion of the profits from every box sold to the district hosting the program.

"Offering FarmRaiser bags in schools is important to Sun Produce Co-op farmers because the program not only helps them sell more produce but also raises money for school projects. And it is a gateway to strengthening farm to school programs. The farmers often get to meet the students, parents, and staff in the process and always receive a warm welcome! The FarmRaiser bags help reinforce hands-on learning and nutrition education."

- Cindy Gentry,
President of Sun Produce Cooperative



2. Selling to intermediated markets that provide food to schools

Did you know schools most commonly purchase local product through intermediaries, such as distributors, food hubs, and agricultural cooperatives? School districts often contract with these types of organizations-most frequently distributors-to provide and deliver specific foods for school meal and snack programs, such as produce. During the competitive procurement process, districts may ask these organizations to provide local products when available, putting some of the responsibility on the intermediaries to find and purchase local items for the district. This can simplify the purchasing process for the school, and it can also assist producers who may not have the capacity to meet a school's delivery or other requirements directly. If a producer is interested in working with an intermediary, the school's nutrition director or State agency can connect you with its vendor, which may choose to purchase directly from you. You'll want to learn about its vendor requirements, such as specific food safety certifications, that you would need to comply with in order to become a supplier. There is no Federal requirement that producers have Good Agricultural Practices (GAP) certification in order to sell to school meal programs, although some schools or intermediators may choose to require it.

3. Working with the USDA Department of Defense Fresh Fruit and Vegetable Program (USDA DoD Fresh)

Schools may elect to spend a portion of their USDA Foods entitlement to receive fresh fruits and vegetables through USDA DoD Fresh. This program is a partnership between USDA and the Department of Defense (DoD) Defense Logistics Agency (DLA), which contracts with commercial produce distributors, to purchase and deliver produce to participating schools. Producers wishing to provide fresh fruits and vegetables to schools through the USDA DoD Fresh program are encouraged to work directly with the USDA DoD vendor(s) in their State. Producers can find the USDA DoD Fresh vendor in their State by looking at the "**Market Fresh**" contract for that State (www.dla.mil/TroopSupport/Subsistence/FoodServices/Contract-Search/). Produce distributors and producers must meet the produce quality and food safety requirements defined in the contract.



4. Becoming a USDA Foods vendor

USDA Foods provides about 15-20 percent of the food served in the National School Lunch Program. USDA purchases American-grown fruits, vegetables, livestock, poultry, eggs, fish, grains, dairy, nuts/seeds, and oil for USDA Foods in Schools. Procurement is managed by USDA's Agricultural Marketing Service (AMS) using competitive solicitation and award processes. Businesses (including farmers, fishers, ranchers, growers, and processors) must become approved USDA vendors in order to submit bids to supply USDA Foods. Producers can learn more about the AMS procurement process and how to become approved vendors at the [AMS Become a Food Vendor webpage](http://www.ams.usda.gov/selling-food/becoming-approved) (www.ams.usda.gov/selling-food/becoming-approved).

Making the Connection

School nutrition directors typically coordinate food purchases and menu plans for the schools within their districts. Since they have a pulse on the district's food needs, purchasing schedules, and menus, they can help you determine whether your products are a good fit, and they can give you a sense of how best to get involved. You can typically find contact information for school nutrition departments by visiting the districts' websites.

You will be most effective in marketing your products if you learn as much as possible about the schools you hope to work with. Do they serve breakfast, lunch, snacks, and/or dinner, or just lunch? How many students do they serve each day? Do they serve meals in the summer? How do they currently source food? Which distributors do they currently work with? Consider eating a meal at the school or checking out the school's monthly menus online to get a sense of what types of items are served. Information about schools, what local items they purchase, and which products they'd like to buy in the future is also available via their responses to the [USDA Farm to School Census](http://farmtoschoolcensus.fns.usda.gov/) (farmtoschoolcensus.fns.usda.gov/).

Understanding the kitchens and preparation environments of your prospective school customers is also key, specifically in the areas of staff skills, equipment available, time to prepare food, and storage space. Some schools have large walk-in freezers, and some have minimal cold or freezer storage space. Some schools are equipped with highly trained staff and state-of-the-art equipment to process fresh food, while others don't have much more than convection ovens to heat and serve pre-prepared meals. By working with the school nutrition director, you will learn about the school's capacity to handle local products.

Here are some topics to cover in a conversation between a producer and a school nutrition director to discuss local purchasing:

- (1) Desired products & varieties
- (2) Quality standards & sizing
- (3) Quantities
- (4) Pack sizes
- (5) Food safety
- (6) Insurance and licenses
- (7) Delivery sites & distribution logistics
- (8) Procurement process & payment
- (9) Contingencies

How Do Schools Buy Food?

School food authorities that participate in Child Nutrition Programs, such as the National School Lunch Program, receive cash reimbursements for the eligible meals they serve. They use these funds to purchase food and cover other expenses, like labor and supplies. In accordance with Federal regulations, schools are required to follow competitive procurement guidelines. In short, schools must either compare simple price quotes or conduct more formal solicitation processes, depending on the volume of the sale. For purchases of less than \$10,000, an informal direct purchase called a "micro-purchase" may be allowable. The updated Federal procurement regulations allow for State agencies and program operators to self-certify an increased micro-purchase threshold of up to \$50,000, and even over \$50,000 in some situations, as long as regulatory requirements are followed. For more information, see [Updates to the Federal Micro-Purchase Threshold in 2 CFR 200.320 \(a\)\(1\)](http://www.fns.usda.gov/cn/updates-federal-micro-purchase-threshold) (www.fns.usda.gov/cn/updates-federal-micro-purchase-threshold).



Schools use solicitations to communicate what they're looking for and how you may contend for that sale. Solicitations can be as simple as a product description in a phone call, or as complex as a formal Request for Proposals. Regardless of the procurement process, schools can use a number of tactics to target local producers and products, such as specifying farm size, freshness, and/or native varieties. They can also use a geographic preference in the selection process to give certain local products a competitive boost when compared to non-local products.

Educating Students

In addition to selling products to schools, producers can play important roles in exposing children to agriculture and teaching them about food and nutrition. Educational opportunities such as farm tours or classroom/cafeteria visits might be a good fit. Sometimes schools can pay for these services through grants or other funding streams, but even if they can't the relationships are mutually beneficial. You might benefit from a chance to teach students about the food system and healthy eating, creating future customers while getting to build relationships in a new potential market space. We all know that students who feel a connection to the local food served in their meals and snacks are more likely to actually eat it!

Learn More

For more information about supplying local foods to USDA Child Nutrition Programs, see the Bringing the Farm to School Producer Resources at www.farmtoschool.org/bringingf2s.

For more information and resources about local procurement regulations and serving local food in school meals, see www.fns.usda.gov/f2s/procuring-local-foods.



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For more information and to sign up for The Dirt, the e-letter from the Patrick Leahy Farm to School Program, visit www.fns.usda.gov/f2s/e-letter-archive.

Questions? Email us at SM.FM.FarmToSchool@usda.gov.