

## Finding, Buying and Serving Local Food

Using the Informal Procurement Method

February 27, 2014

To hear the webinar, dial 800-988-0278; passcode: 75319



USDA FARM-TO-SCHOOL PROGRAM

## Housekeeping

- » To download handouts:
- » To make a comment or ask a question:
  - » Type your question or comment using the Q&A tab
  - » Ask your question or comment on the phone at the end of the webinar by pressing \*1
- » Please turn off your computer microphone, all audio will be through the phone.
- » The webinar will be recorded and available on the USDA Farm to School website: <http://www.fns.usda.gov/farmtoschool/webinars>

USDA FARM-TO-SCHOOL PROGRAM

## Poll: Who is on the line?



USDA FARM-TO-SCHOOL PROGRAM

## Our Presenters



**Jenny Montague**  
Food Service Director  
Kalspell Public Schools



**Lisa Griffin**  
Director of Child Nutrition  
Union Public Schools



**Christina Conell**  
Program Analyst  
Food and Nutrition Service

USDA FARM-TO-SCHOOL PROGRAM

## Overview

- Informal Procurement Method
- Small Purchase Thresholds
- Using the Informal Method to Purchase Local
- Examples from Union Public Schools
- Example from Kalspell Public Schools
- Questions



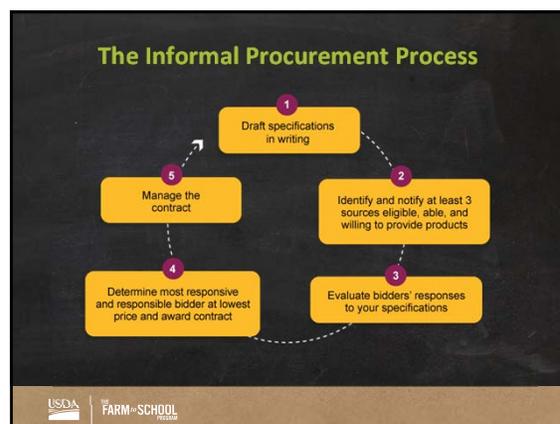
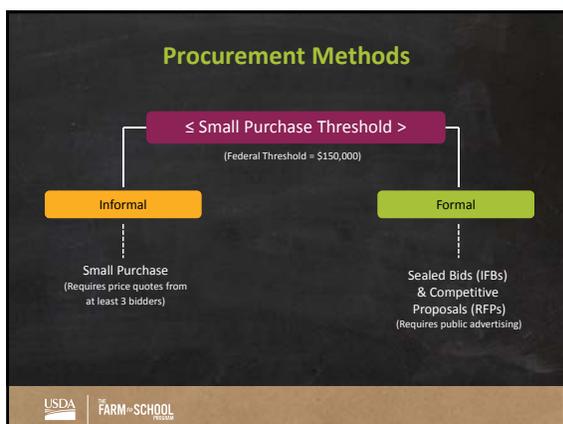
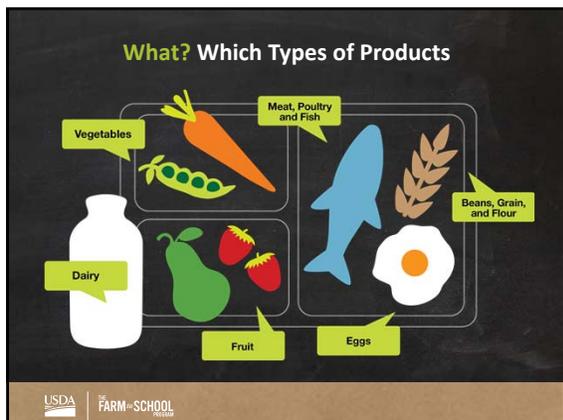
USDA FARM-TO-SCHOOL PROGRAM

## Buying Local

- 1) **What:** Which types of products?
- 2) **Where:** From which types of sources?
- 3) **How:** The mechanics of sourcing local correctly.
  - » Today: Approaching only local sources under an informal procurement



USDA FARM-TO-SCHOOL PROGRAM



### Small Purchase Procedure

**Use it when:**  
The estimated amount of your purchase falls below your small purchase threshold.

USDA | THE FARM-SCHOOL PROJECT

### A Couple Things to Remember

- » Federal regulations require that all procurements are *competitive* (even if other entities do not).
- » States and local regulations *may* set a lower small purchase threshold imposing more formal procedures. *The most restrictive threshold applies.*
- » Schools are not required to use the informal procurement method for small purchases.

USDA | THE FARM-SCHOOL PROJECT

### Small-Purchase Thresholds: An Example

Level	Amount
Federal Small-Purchase Threshold	\$150,000
State Small-Purchase Threshold	\$40,000
Local Small-Purchase Threshold	\$7,000



### Poll: What is your applicable small purchase threshold?




### Approach Local Vendors

- For purchases under your small purchase threshold, you can get quotes from 3 (or more) local farms or vendors.
- But remember: You need written specifications.




### Document the Bids You Receive

Vendor	Tom's Toms	Vickie's Vines	Fresh Network	
Date received	July 1	July 6	July 10	
Responsive and Responsible	Yes	Yes	No, can only deliver 5 months of year	
Price/lb	\$2.20	\$2.05	\$2.75	



### Splitting Procurements

- SFAs cannot arbitrarily divide purchases to fall below the small purchase threshold.
- In some instances, however, characteristics of a product or market justify the need to separate it from the overall procurement.




### Approaching Local Vendors: Union Public Schools




### About Union Public Schools

- » **Number of Schools:** 18
- » **Number of Students:** 15,500
- » **Number of Meals Served:** 9400 lunches, 5000 breakfasts
- » **Percentage of Students Receiving Free and Reduced Price Lunches:** 66%
- » Urban District
- » **Fun Fact:** Union spent about 15% of the produce budget on local products.



### Where Union Public Schools Finds Local Producers

- » State Department of Agriculture, Farm to School Coordinator, Farmer's Markets
- » News articles
- » Other school districts that participate in Farm to School
- » By asking local grocery stores and restaurants where they get their local products
- » Produce distributors
- » Local Extension Office



### Importance of Specifications

- Apples, Red, 40 pounds per case
- Good or Bad Specification?
- Which do you want?




### Example: Tomatoes in Tulsa, OK

- Hydroponic
- Available 10 months of the year
- US No. 1, fully ripe, red color-stage 5-6
- 10 day shelf life
- Organic
- Delivered to 18 schools 2 days prior to service
- Proof of liability insurance due with bid
- GAP certified
- 36 cases per week




### Approaching Local Producers

- » Call suppliers
- » Provide the same information to each producer
- » Document bids




### Lessons Learned

- » Quality issues (decay) due to water and correction taken
- » Packaging/units and reduction in costs
- » Distributor quality checks and rejection-work out details before this happens
- » Transportation Issues



### Tips for Buying Local Using the Informal Procurement Method

- » Start out simple with one or two items.
- » Write specs.
- » Get to Know Your Farmer!
- » Be flexible in your menu writing so local can be included.



### Using the Informal Procurement Method: Kalispell Public Schools



### About Kalispell Public Schools

- Number of Schools: 11
- Number of Students: 6,000
- Number of Meals Served: 3500
- Percentage of Students Receiving Free and Reduced Price Lunches: 42%
- Fun Fact: We saved money by switching to local beef burger patties.



### Where Kalispell Finds Local Producers

- Lists Supplied by State Agency or Farm to School Lead at Trainings
  - » State or USDA Certified Beef Processors
  - » GAPs Certified Producers
- State Farm to Cafeteria Online Database
  - » <http://farmtocafeteria.ncat.org/producer-database/>
- Attending Local Food Expo, Events and Agricultural Meetings
- Local food resource guides
  - » <http://nourishtheflathead.org/map/>
- Word of Mouth



### Example of an Informal Procurement for Local Ground Beef Patties

- » Available Year Round
- » 80/20 grassfed ground beef
- » 2 oz. fresh patties (6/1)
- » 3 day shelf life fresh, or 7 days frozen
- » 15 x 20 lb cases per week
- » Delivered to 4 kitchens in refrigerated truck
- » Proof of liability insurance
- » State Inspected Facility (Required to be Eligible)
- » Last year \$36,000 to selected vendor



### Tips for Buying Local Using the Informal Procurement Method

- » Build the relationship – selling in this manner may be new to the producer, be flexible and learn together
- » Consider distribution and storage
- » Make sure they they are GAP certified and/or properly inspected – make a visit yourself and bring a checklist



### Farm to School Resources

- » USDA Farm to School Website and E-Letter (at [www.fns.usda.gov/farmtoschool](http://www.fns.usda.gov/farmtoschool))
- » Farm to School Census
- » Farm to School Regional Leads
- » More procurement resources coming soon!



Legend:

- WRO
- MPRO
- SWRO
- MWRO
- SERO
- NERO
- MARO
- ★ National Office

USDA FARM-TO-SCHOOL PROGRAM

## Questions?



USDA FARM-TO-SCHOOL PROGRAM