Ready to Tender: Preparing farmers to supply to school feeding programs
Overview

- Agriculture procurement in the US
  - Who sells locally to schools?
- Value proposition to farmers
- US Procurement Policy
  - Funds available
  - Strategies to increase local sales
Who grows the food

Farms and their value of production by ERS farm type, 2014

Percent of U.S. farms or production

<table>
<thead>
<tr>
<th>Farm Type</th>
<th>Share of farms</th>
<th>Share of production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (GCFI less than $350,000)</td>
<td>89.6</td>
<td></td>
</tr>
<tr>
<td>Midsize (GCFI $350,000 to $999,999)</td>
<td>21.8</td>
<td></td>
</tr>
<tr>
<td>Large-scale (GCFI $1,000,000 or more)</td>
<td>6.0</td>
<td>47.2</td>
</tr>
<tr>
<td>Nonfamily</td>
<td>6.0</td>
<td>10.4</td>
</tr>
</tbody>
</table>

Note: GCFI refers to gross cash farm income. ERS refers to Economic Research Service. Nonfamily farms are those where neither the principal operator, nor individuals related to the operator, own a majority of the business.

Who sells local?

Local food farms and sales by farm size and market channel use

Number of local food farms

- GCFI less than $75,000
  - 138,598
- $75,000 - $349,999
  - 16,610
- $350,000 or more
  - 8,467
- All LF farms
  - 163,675

Local food sales (billion $)

- GCFI less than $75,000
  - 0.78
- $75,000 - $349,999
  - 1.2
- $350,000 or more
  - 4.1
- All LF farms
  - 6.1

Legend:
- DTC only
- Both
- Intermediated only
Spike in direct market sales

Increase in local & regional marketing channels

Since 2007, growth in--

- Farmers' markets (2014)
- Regional food hubs (2014)
- School Districts with farm to school programs (2011-12 school year)

Percent change

Sources: USDA, Agricultural Marketing Service, Food Nutrition Service; National Farm to School Network.
Value to farmers

1. Expand market opportunity, income potential
2. Sell ‘surplus’ product
3. Diversify market, help manage risk
4. Generate awareness and marketing opportunity for farm and products
5. Increase demand and awareness for local foods
6. Circulates money within the community to support the local and state economy
$789 million
invested in local communities. Learn more

THE MULTIPLIER EFFECT

SCHOOL SPENDING ON LOCAL FOOD DRIVES OVER
$1 BILLION
IN LOCAL ECONOMIC ACTIVITY
Connecting to policy

Expenditures on nutrition programs

Procurement Methods

≤ Small Purchase Threshold

(Federal Threshold = $150,000)

Informal

Small Competitive Purchase
(Requires price quotes from at least 3 bidders)

Sealed Bids (IFBs)
& Competitive Proposals (RFPs)
(Requires public advertising)

Formal

Micro Purchase

Noncompetitive Purchase
(value of purchase may not exceed $3,000)
USDA Farm to School Grant Program

Assist eligible entities in implementing farm to school programs that improve access to local foods in eligible schools

Types of grants; Planning, Support, Implementation, Training
USDA Grants and Loans that Support Farm to School Activities

Funding from the US Department of Agriculture is available to assist farms, schools, and every link in between in feeding kids healthy local meals; teaching them about food, farming and nutrition; and supporting local agricultural economies. While the programs listed below provide a good starting point for those looking to bolster farm to school efforts, other USDA grant and loan programs support local food systems work as well. Visit [www.usda.gov/knowyourfarmer](http://www.usda.gov/knowyourfarmer) for more information.

### Funding Agency
- Agricultural Marketing Service
- Farm Service Agency
- Food and Nutrition Service
- National Institute of Food and Agriculture
- Rural Development

### I am a Local Government
- Farmers Market and Local Food Promotion Grants
- Farm to School Support Service & Conference and Event Grants
- Beginning Farmer and Rancher Development Grants
- Business and Industry Guaranteed Loans
- Community Facilities Grants and Loans
- Rural Business Enterprise and Opportunity Grants
- Value-Added Producer Grants

### I am a Farmer, Rancher, or Farm Landowner
- Farmers Market and Local Food Promotion Grants
- Farm Loans
- Farm Storage Facility Loans
- Farm to School Support Service & Conference and Event Grants
- Sustainable Ag Research and Education Grants
- Business and Industry Guaranteed Loans
- Value-Added Producer Grants

### I am a State Agency or Tribal Government / Org.
- Farmers Market and Local Food Promotion Grants
- Federal-State Marketing Improvement Grants
- Specialty Crop Block Grants
- Farm to School Support Service & Conference and Event Grants
- Team Nutrition Training Grants
- Beginning Farmer and Rancher Development Grants
- Business and Industry Guaranteed Loans
- Community Facilities Grants and Loans
- Rural Business Enterprise and Opportunity Grants
- Value-Added Producer Grants

### I am a Non-Profit Organization
- Farmers Market and Local Food Promotion Grants
- Farm Storage Facility Loans
- Federal-State Marketing Improvement Grants
- Specialty Crop Block Grants
- Farm to School Support Service & Conference and Event Grants
- Community Food Project Grants
- Agriculture, Food and Research Initiative Grants
- Sustainable Ag Research and Education Grants
- Business and Industry Guaranteed Loans
- Rural Business Enterprise and Opportunity Grants
- Value-Added Producer Grants

### I am a Private Business, Public Benefits Corporation or Ag Co-Op
- Farmers Market and Local Food Promotion Grants
- Farm Loans
- Farm Storage Facility Loans
- Farm to School Support Service & Conference and Event Grants
- Community Food Project Grants
- Agriculture, Food and Research Initiative Grants
- Sustainable Ag Research and Education Grants
- Business and Industry Guaranteed Loans
- Rural Business Enterprise and Opportunity Grants
- Value-Added Producer Grants

### I am a Higher Education Institution
- Federal-State Marketing Improvement Grants
- Farm to School Support Service & Conference and Event Grants
- Beginning Farmer and Rancher Development Grants
- Agriculture, Food and Research Initiative Grants
- Sustainable Ag Research and Education Grants
- Business and Industry Guaranteed Loans
- Rural Business Enterprise and Opportunity Grants
- Value-Added Producer Grants

### I am a K-12 Public, Private, or Indian Tribal School
- Farm to School Planning & Implementation Grants
- Equipment Assistance Grants
- Community Facilities Grants and Loans

**Note:** Eligibility guidelines can be quite specific, so be sure to confirm your eligibility on the webpage for the grant or loan program before applying. In addition, non-eligible entities can often partner with eligible entities to benefit from programs they might not otherwise have access to.
Summary

• Small-medium sized family farmers participate in farm to school
• Farmers see increased income and stability
• Farm to school is a growing U.S. Market
  – Potential at 20 billion a year → currently around 1 billion
• Systems change requires federal and state policies to help farmers sell to local markets
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Policy Director

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