Finding, Buying and Serving Local Food

Using Geographic Preference

May 8, 2014

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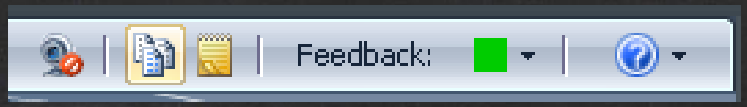

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Poll: Who is on the line?

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Our Presenters

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Overview

- Geographic preference refresher
- A local perspective from Fayetteville, Arkansas
- Examples from Roswell, NM and Omaha, NE
- Resources and questions

Buying Local

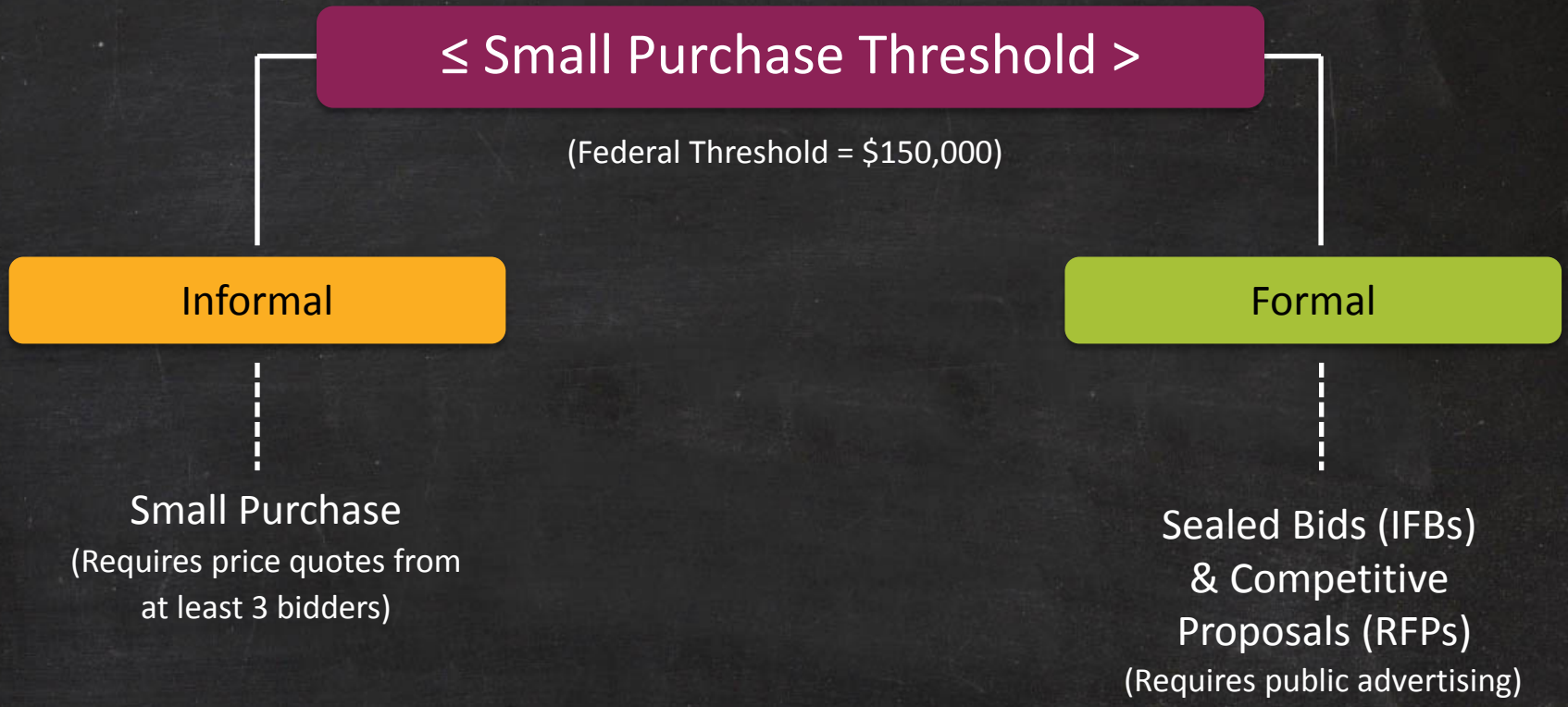
1) **What:** Which types of products?

2) **Where:** From which sources?

3) **How:** **The mechanics of sourcing local correctly.**

» **Today: Introduction to the geographic preference option.**

Procurement Methods



Sections of a Solicitation

- Contract Type
- Introduction/Scope
- General Descriptions of Goods and Services (AKA Specifications)
- Timelines and Procedures
- Technical Requirements
- Evaluation Criteria

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Geographic Preference

The Geographic Preference Option

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The Process

2008 Farm Bill passed by Congress authorized the use of geographic preference.

Food and Nutrition Service published Final Geographic Preference Rule and additional guidance.

Schools define local and decide on the amount of preference to give local items.

Geographic Preference Option Final Rule

What the rule does:

1. Grants authority to school food authorities to define local.
2. Defines unprocessed agricultural products.
3. Clarifies that a preference is a preference, not a specification.

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Who Defines Local?

"…the school food authority making the purchase or the State agency making purchases on behalf of such school food authorities have the discretion to determine the local area to which the geographic preference option will be applied."

What Is “Unprocessed”?

“Unprocessed” agricultural products retain their inherent character. These are the allowed food handling and preservation techniques:

- Cooling, refrigerating, and freezing
- Peeling, slicing, dicing, cutting, chopping, shucking, and grinding
- Forming ground products into patties
- Drying and dehydrating
- Washing, packaging, vacuum packing, and bagging
- Adding preservatives to prevent oxidation
- Butchering livestock or poultry
- Pasteurizing milk

Where Geographic Preference Applies

Cash Reimbursement

DoD Fresh

USDA Foods

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How to Incorporate a Geographic Preference

1) Define local.
2) Determine what type of procurement method to use.
3) Decide how much “preference” local products will receive.
4) Be sure your solicitation makes perfectly clear how the preference will be applied.

Examples from Districts Using Geographic Preference

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Fayetteville Public Schools Seed to Student Program

Ally Mrachek, MS, RD, CD

Farm to School Consultant

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Defining Local

- The definition should fit the needs of the district
  - » Can be different depending on the product
  - » Not too restrictive
- Tier one: within Arkansas state lines
  - » Importance of keeping food $$ within state economy
- Tier two: out of state but within 100 miles of district warehouse
  - » Fayetteville is in NW Arkansas

FPS
Seed to Student
think. grow. eat.

Weighted Preference

Including geographic preference is optional

As allowed under federal law, FPS will provide a price percentage preference during evaluation of quotes to "locally grown products" purchased for school food procurement as defined under this geographic preference. The price percentage is as follows:

1) If a product is grown and packaged or processed within state lines a 10% weighted preference will be applied
2) If a product is grown and packaged or processed out-of-state and within 100 miles of the FPS district warehouse a 7% weighted preference will be applied

The price percentage preference means that for the purposes of comparison, prices for product grown within Arkansas state lines will be adjusted to a price 10% lower than the price quoted for the product by the producer or 7% for product grown out-of-state but within 100 miles of the district warehouse. The price percentage preference affects the quoted price only for awarding of the quote, not the actual price paid to the producer.

Rationale for Weighted Preference

- Reviewed other program's bid documents
  - » Washington State and Mississippi
- Realistic use of geographic preference for existing local procurement program
- Provide an advantage without inhibiting competition
- Created a Weighted Preference Evaluation Form based on desired growers/products
  - » Tried out different scenarios with realistic prices

FPS Seed to Student
think. grow. eat.

Informal Bidding Process Weighted Evaluation Form: *For Official Use Only*

Bids will be awarded to responsible vendors who meet the criteria below and provide products at the lowest price, per federal regulation.

Quote solicitations gathered by (name, and job title): _____ Date: _____

Product and specification: _____

_____

Does the producer agree to the FPS Seed to Student Guidelines, meet producer qualifications, and provide product that meets the specifications above (if no, producer does not qualify for the bidding process)? ☐ YES ☐ NO

% awarded	Farm #1:		% awarded	Farm #2:		% awarded	Farm #3:	
	History of service (2%)			History of service (2%)			History of service (2%)	
	Open to participating in educational programming (2%)			Open to participating in educational programming (2%)			Open to participating in educational programming (2%)	
	Qualifies for geographic preference • Tier 1 (10%) • Tier 2 (7%)			Qualifies for geographic preference • Tier 1 (10%) • Tier 2 (7%)			Qualifies for geographic preference • Tier 1 (10%) • Tier 2 (7%)	
	#/week quote (5%):			#/week quote (5%):			#/week quote (5%):	
	When & # of weeks available (5%):			When & # of weeks available (5%):			When & # of weeks available (5%):	
Total %	Price quote:	Adjusted quote:	Total %:	Price quote:	Adjusted quote:	Total %:	Price quote:	Adjusted quote:

Winner of bid: _____

*Quotes will not be disclosed to any bidding producer until all price quotes are received.
*This document is to be kept on file for public inspection for three years.

Omaha Public Schools, Nebraska

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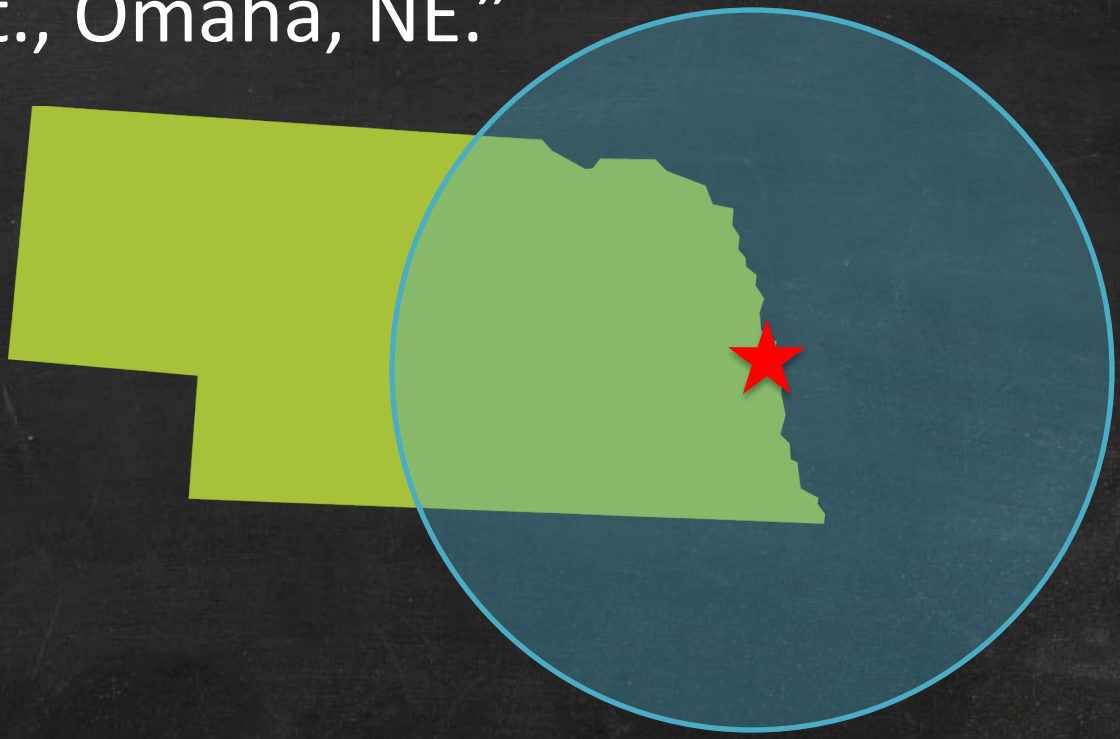
Defining Local

"…local is defined as raised with 240 miles of the Teacher's Administration Building, 3215 Cuming St., Omaha, NE."



Type of Solicitation

- Invitation for Bid

- Item Description: Chicken All-Natural Drumsticks - Bulk, Frozen or Fresh. Average pieces per case 137, average weight per drum 4.64 oz. and average meat weight per drum, at least 2.56 oz. Packaged under USDA inspection and USDA inspected, using USDA approved packaging. Packaged in 40 pound cases. Approximately 269 cases. See attachment for locations and quantities.

How Much Preference

- “Omaha Public Schools will give geographic preference to local all-natural chicken drums in determining the contract award…for the purpose of determining the award, any vendor providing local all -natural drums will receive a reduction of 1% in bid price. This is for bidding purposes only and will not affect the price paid.”

Roswell Independent School District, New Mexico

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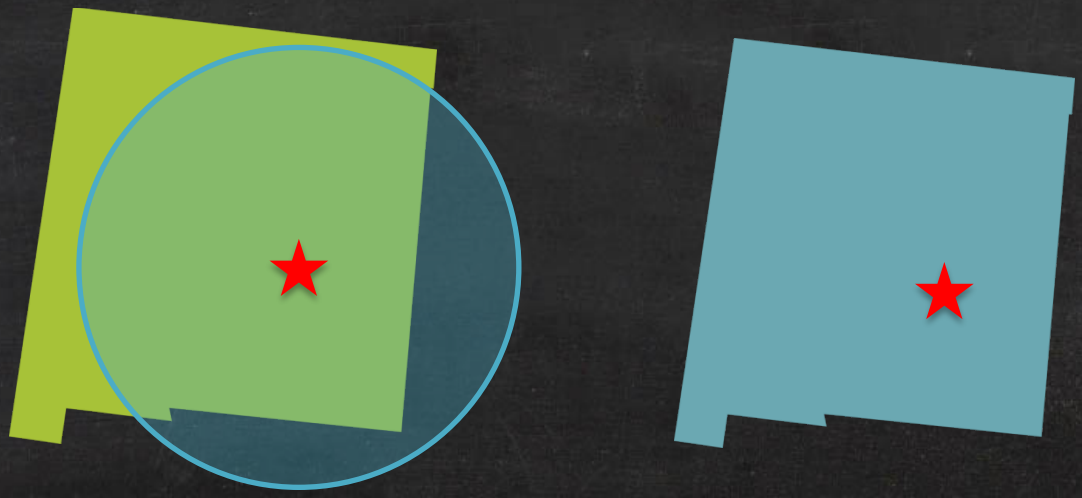
Defining Local

"District defines regionally grown products eligible for this geographic preference at two tiers:

1. Grown within 150 miles of the District.

2. Grown in the state of New Mexico."



Request for Proposal - Introduction

"The purpose and intent of this document is to secure the best quality produce at competitive prices for the Roswell Independent School District. The District will give preference to bidders that provide fresh, seasonal and regionally grown produce…The Roswell Independent School District seeks to increase children's participation in the school meal program and consumption of fresh fruits and vegetables, thereby improving childhood nutrition, reducing hunger, and preventing obesity and obesity related diseases. We seek to do the above by enhancing the health of our school meals by decreasing the distance food travels between farmers and students to our geographic area."

RFP – Introduction (Cont.)

- Service and price are of equal concern. The District is, therefore, willing to consider any and all options that will make service more effective and price more economical while providing reasonable income and security of contract to the bidder…The intent and purpose of this Request for Proposals (RFP) is to establish a contract with qualified sources to supply fresh fruits and vegetables as described in **Appendix A and B.** Please note that Roswell Independent School District (RISD) reserves the right to buy Regionally Grown fresh produce direct from farmers, food hubs, and other small scale aggregators when product is available in support of the division's Farm to Cafeteria efforts."

Evaluation Criteria – Geo. Pref.

"The bidder will provide a list of the regional farms that produce will be sourced from. The list will include farm name, farm location and a list of the products sourced from each farm. All farms must meet district requirements outlined in Appendix A. Farm of origin must be written on each invoice for each delivery. For the purposes of this quote, "farm" is defined as the location where the product is grown, not the address of the packing house or aggregation point…To apply points, all items must be available for a sixty days (60) period unless otherwise specified:

- 20 items grown within 150 miles or 30 items grown within the state of NM = 15 pts
- 10 items grown within 150 miles or 19 items grown within the state of NM = 10 pts
- 5 items grown within 150 miles or 10 items grown within the state of NM = 5 pts"

Other Evaluation Criteria

"Farm to School (FTS) connects schools (K-12) and local farms with the objectives of serving healthy meals in schools; improving student nutrition; providing agriculture, health, and nutrition education opportunities; and supporting local and regional farmers. FTS, at its core, is about establishing relationships between local foods and school children by way of including, but not limited to:

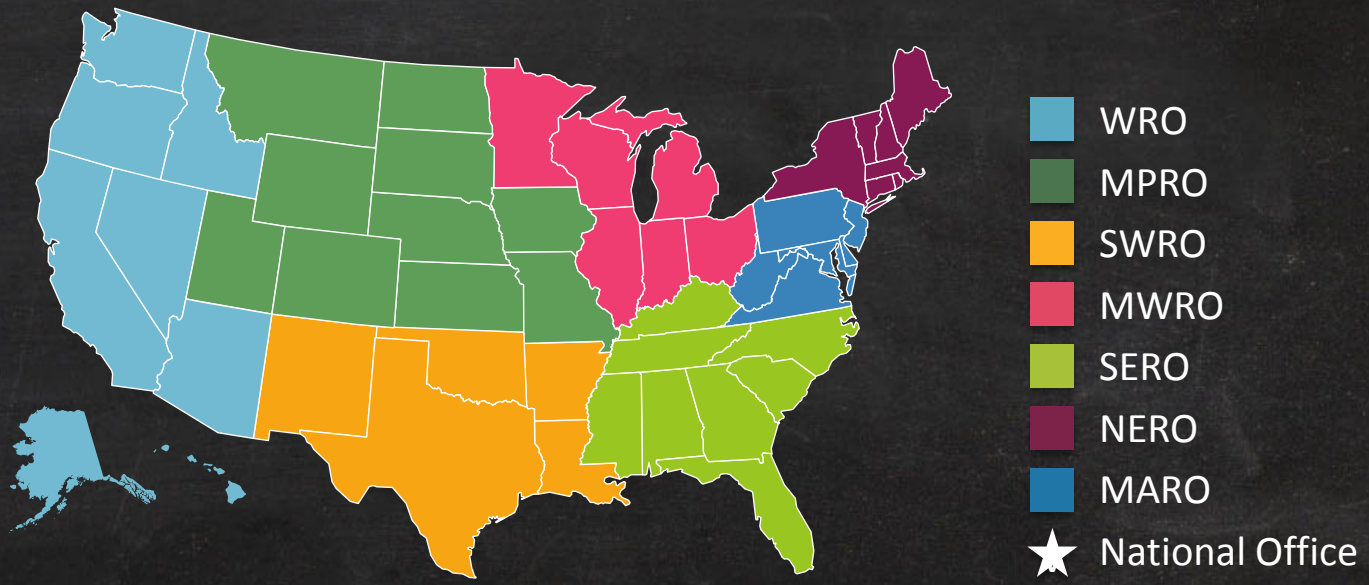
- Local Products in School Meals – breakfast, lunch, after-school snacks, and in classrooms: snacks, taste tests, educational tools.
- Food system curriculum and experiential learning opportunities such as school gardens, farm tours, farmer in the classroom sessions, culinary education, educational sessions for parents and community members, and visits to farmers markets.

Points will be awarded to bidders that offer the following farm to school activities:

  - » Farm Tours for nutrition services = 4 pts
  - » Farm Tours for students = 4 pts
  - » Farm in the classroom = 4 pts
  - » T&TA to school gardens = 4 pts
  - » Promotional material = 4 pts"

Farm to School Resources

- USDA Farm to School Website and E-Letter (at www.fns.usda.gov/farmtoschool)
- Farm to School Census
- Farm to School Regional Leads



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Geographic Preference Resources

USDA
United States Department of Agriculture

GEOGRAPHIC PREFERENCE
What it is and how to use it

THE 2008 FARM BILL directed the Secretary of Agriculture to encourage schools to purchase locally grown and locally raised products "to the maximum extent practicable and appropriate." Further, the Secretary was instructed to allow schools to use a "geographic preference" when procuring locally grown and locally raised unprocessed agricultural products.

There are many ways for schools to buy local products for use in federal school meals programs (see USDA's 10 Facts About Local Food in School Cafeterias). While using geographic preference is not the only option for local food procurement, it is a powerful tool and particularly useful in formal solicitations where respondents are ranked and scored.

Types of products

The ability to apply a preference for local products applies only to unprocessed or minimally processed items. The geographic preference rule does not apply to any products that have been cooked, heated, canned or that have any additives or fillers. It can be applied to a wide array of products that meet the definition of unprocessed or minimally processed such as various forms of fruits, vegetables, meats, fish, poultry, dairy, eggs, and grains.

How to define local?

Definitions for local vary widely depending on the unique geography and climate where a school is located and on the abundance of local food producers and manufacturers. Many schools define local as within a certain number of miles from the school, within the county, or within the state. Alternatively, definitions might include more than one state (i.e., Georgia, Alabama, and Florida) or discrete parts of several states (i.e., specific counties in southwest Washington, northeast Oregon, and Idaho). In addition, many schools use different definitions of local depending on the product or season. Also, please note that when applying geographic preference, origin is tied to the agricultural product, not the location of the respondent.

Who defines local?

Schools define what they mean by local. While many state and/or local governments have adopted definitions of local such as "within the state" or "within the county," schools using a geographic preference when sourcing food for the federal school meal programs are under no obligation to adopt any definition for local that might be in existence in local areas.

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- USDA Farm to School Fact Sheets
- Geographic Preference Q&As (Food and Nutrition Service)
- Geographic Preference: A primer on purchasing fresh local food for schools (School Food FOCUS + Harrison Institute)
- A School's Guide to Purchasing Washington-Grown Food

Remember: Geographic preference isn't the only way to buy local!

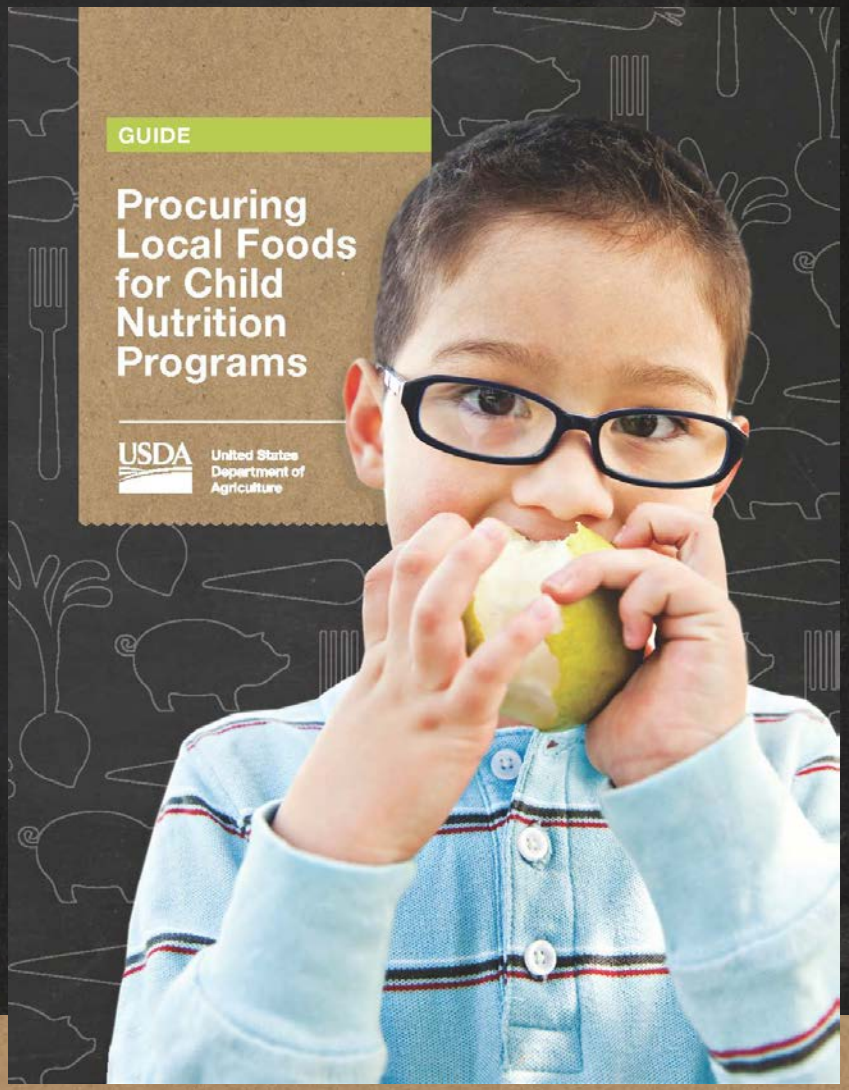
- Working with your distributor/FSMC
- Targeting local with product specifications
- Using technical requirements
- Using a forward contract
- Contacting only local vendors in an informal procurement

Local Procurement Guide – Now Available!

Available at

http://go.usa.gov/KAFH

(the Resources page on the USDA Farm to School website)



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Questions?

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