



ARIZONA DEPARTMENT OF EDUCATION

HNS # 08-2024 Revision 1

Original Signed

MEMORANDUM

To: School Food Authorities Operating the National School Lunch Program

From: Melissa Conner, Senior Deputy Associate Superintendent
Arizona Department of Education, Health and Nutrition Services Division

Date: April 29, 2025

Subject: Revised Try It Local: Arizona's Local Food for Schools Program and Reimbursement

The purpose of this memorandum is to provide a revised version that supersedes the guidance previously issued in HNS# 08-2024. This update includes a change concerning the extension of the Try It Local eligible reimbursement period and fund availability, which has been extended from August 30, 2025, to **June 30, 2026**, or until funds are obligated, whichever is first.

Try it Local: Arizona's Local Food for Schools Program. Try It Local is an Arizona Department of Education (ADE) campaign intended to promote local Arizona products for use in School Meal Programs. The program aims to strengthen local and regional food supply chains and to encourage and support School Food Authorities (SFAs) with creating sustainable local procurement practices.

Try It Local is being temporarily funded by the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) through the Arizona Department of Education's participation in the Local Food for School (LFS) Cooperative Agreement Program. USDA, in continued efforts to support SFAs responding to challenges of supply chain disruptions brought on by the COVID-19 Pandemic, has awarded \$4,380,275 for assistance in purchases of unprocessed or minimally processed domestic local or regional foods for use in meals served in School Meal Programs. The remainder of the memorandum will focus on reimbursement opportunities associated with this initiative.

Criteria for Allowable Foods

Food purchases eligible for reimbursement under LFS must be unprocessed or minimally processed, local or regional, domestic, and purchased for use in School Meal Programs, to include National School Lunch Program (NSLP), School Breakfast Program (SBP), NSLP Seamless Summer Option (SSO), and NSLP Afterschool Care Snack Program (ASCSP). Incidental costs (such as those related to storage and distribution) that are a part of the normal or customary purchase price charged by a vendor for any given food product are also allowable. While purchasing from socially disadvantaged farmers and ranchers and small businesses is not a requirement for reimbursement, the intent of the program is to establish a

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more robust Arizona local food supply chain and provide monetary incentives that support purchases from underutilized vendors.

Criteria for Allowable Purchases

Invoices eligible for reimbursement using LFS funds are for foods meeting the definition of unprocessed or minimally processed, domestic local or regional, and used in meals associated with the School Meal Programs. SFAs are required to follow and document procurement practices that comply with all applicable federal, state, local, and tribal procurement laws and regulations, including 7 CFR Part 210.21, 2 CFR Part 200.318-327. Invoices are subject to ADE retention schedules and audit reviews. LFS funds cannot be used to reimburse food purchases already paid for using Supply Chain Assistance Funds (SCA), Fresh Fruit and Vegetable Program (FFVP) funds, and Department of Defense Fresh Produce (DoD) funds.

Reimbursement System

SFAs may request reimbursement for each allowable food purchase utilizing the reimbursement system in the online ADEConnect application: *CNP Supplemental Payments*. The Local Education Agency Entity Administrator must add the ADEConnect application for SFAs to submit LFS reimbursement requests to ADE.

Eligible Reimbursement Dates and Fund Availability

ADE will process requests for reimbursement through submission of eligible paid invoices dated July 1, 2023, and later, on a first come first serve basis, **through June 30, 2026**, or until funds are obligated, whichever is first. Health and Nutrition Services (HNS) will monitor the fund balance and utilization by each SFA and reserves the right to implement a funding cap per entity.

Required Documents and Information for Reimbursement

SFAs are required to upload a copy of the invoice in the *CNP Supplemental Payments* system to support allowable foods. When the invoice does not fully support the allowable foods, SFAs may be required to include supportive documentation with the invoice. HNS has created a [Step by Step Instruction: How to Request Try it Local Reimbursement in the CNP Supplemental Payments System](#).

Technical Assistance Requests

ADE is available to support SFAs with questions and to provide technical assistance via the [Try It Local: School Interest Form](#).

SFAs with questions concerning this guidance should contact (602) 542-8700 or email USDAFoods@azed.gov.

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Questions and Answers

Q1. For which Child Nutrition Programs may *Try it Local* funding be used to support the service of meals and snacks?

A1. LFS funds are available only to SFAs operating the NSLP for use in the following programs: NSLP, SBP, NSLP SSO and NSLP Afterschool Care Snack Program.

Q2. How will schools be reimbursed for purchases?

A2. SFAs will submit a claim for reimbursement within the *CNP Supplemental Payments* application located in ADEConnect. ADE will process *Try it Local* claims for all eligible purchases dated no earlier than July 1, 2023, on a first come first serve basis up to **June 30, 2026**, or until all funds are obligated, whichever is first. SFAs will be required to upload a copy of each invoice or receipt to support the claim. For receipts with multiple food items, allowable expenses must be clearly marked to expedite processing. HNS may implement a funding cap per entity to ensure equitable and fair access to LFS funds.

Q3. What documentation is required for reimbursement through *Try it Local*?

A3. Documentation needed to support use of funds may include invoices, receipts, and proof of domestic local product, including photos of the packaging or box. SFAs must maintain appropriate records to support the proper use of LFS funds. SFAs receiving LFS funding are required to maintain proper documentation on the procurement and purchasing of allowable food items.

Q4. What is the definition of “local and regional food” for the *Try it Local* program in Arizona?

A4. Local and regional food is raised, produced, aggregated, stored, processed, and distributed in Arizona where the final product is marketed to consumers, so that the total distance that the product travels between the farm or ranch where the product originates and the point of sale to the end consumer is at most 400 miles, or both the final market and the origin of the product are within the same State or territory.

Q5. Can you clarify what foods are considered “unprocessed or minimally processed”?

A5. Examples of allowable food products include fruits and vegetables (including 100% juices); grain products such as pastas and rice; 100% meats (whole, pieces, or food items such as ground meats); meat alternates such as beans or legumes, and dairy foods such as cheese and yogurt. Foods in a wide variety of minimal processing states (e.g., whole, cut, pureed, etc.) and/or forms (e.g., fresh, frozen, canned, dried, individually packaged, etc.) are also allowable.

Q6. What are examples of foods that are generally unallowable for reimbursement through *Try it Local*?

A6. Foods that are generally understood to be significantly processed or prepared are unallowable. Examples of unallowable products would include pre-cooked and ready-to-cook goods such as breads, tortillas, muffins, or crackers (including mixes when ingredients cannot be confirmed as local/ regional); prepackaged sandwiches or meals; other prepared and/or pre-cooked items that come ready-to-eat or that require no further preparation beyond heating (e.g. chicken nuggets, fish sticks, pre-made pizzas, etc.).

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Examples of Allowable Foods	Examples of Unallowable Foods
<ul style="list-style-type: none"> • Fresh fruits and vegetables and 100% juice • Raw, uncooked meats, whole cut, fresh, frozen, formed into shapes • Dairy products like yogurt and cheese (shreds, cube, packaged as bulk or individually wrapped) • Beans and legumes • Grain products (i.e., uncooked rice, pasta, oatmeal, blue cornmeal, and flour) 	<ul style="list-style-type: none"> • Cooked meats, breaded meats, sausage • Baked breads, muffins, crackers, and cookies • Tortillas, ready to eat and ready to cook • Premade sandwiches, pizza, and other combination, ready to heat, and bake foods • Frozen bread and roll dough • Bottled water

Q7. Is fluid milk an allowable reimbursement through *Try it Local* in Arizona?

A7. Although milk can be a local, minimally processed item, *Try it Local* funding aims to elevate school breakfast and lunch menus by reimbursing the purchases of food items that have historically been challenging to access locally. Currently, milk will not be reimbursed through *Try it Local*. ADE recommends the use of Supply Chain Assistance (SCA) funds for milk purchases.

Q8: Can the *Try it Local* funding be used to purchase livestock, live animals, or cattle?

A8: No. Funding can only be used to purchase unprocessed or minimally processed foods, such as meat, poultry, fruit, vegetables, seafood, and dairy.

Q9. What is meant by socially disadvantaged producers?

A9. USDA defines “socially disadvantaged” as a “*farmer or rancher who is a member of a Socially Disadvantaged Group. A Socially Disadvantaged Group is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.*”

Q10: Does the headquarters of a producer or supplier have to be in the same state or within 400 miles of the delivery destination to be considered a “local or regional” supplier?

A10: The headquarters of the producer does not apply to the local requirement, but the product must be produced within the state, territory or within 400 miles of the delivery destination. The product must remain in the state, territory or 400 miles to meet the local definition.

Q11. Can a school partner with an organization that has a local distribution site, but its national corporate headquarters is in a separate location that does not meet the “local or regional” definition?

A11. The headquarters of the distribution site does not apply to the local requirement, but the product must be produced within the state, territory or within 400 miles of the delivery destination. The product must remain in the state, territory or 400 miles to meet the local definition.

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Q12. Are there any resources to help me connect with vendors that meet the criteria of small business or socially disadvantaged through the *Try it Local* program?

A12. Yes, the Arizona Department of Education can assist SFAs throughout the state to connect with local farmers, ranchers, producers, processors or distributors including those that are in a socially disadvantaged group or are a small business. Please complete the [School Interest Form](#) if you are interested in accessing these resources or need one-on-one technical assistance.

Q13. Are produce growers required to adhere to Good Agricultural Practices (GAP) Certification for *Try It Local*?

A13. No. It's important to note that although GAP certification is not required for produce growers to sell to schools, it is important that general food safety practices are in place.

Q14. Are there circumstances in which *Try It Local* funding can be used to pay for processing costs?

A14. Minimal processing costs are allowable when the costs are included in the price of the final product, or if the costs are included as part of the procurement of the final product. These situations should be discussed with HNS prior to submitting an invoice for reimbursement.

Q15. Can SFAs participate in *Try it Local* if they utilize contracts to procure vended meals and/or the services of a Food Service Management Company (FSMC)?

A15. Yes. *Try it Local* is available to all SFAs. HNS team members will assist SFAs through the reimbursement process in accordance with their existing contracts for vended meals or services through a FSMC. Generally, the FSMC makes the purchases and provides the SFA documentation for the allowable purchases.

Example: SFA 1 contracts with a vendor (another SFA or an FSMC) for meals. SFA 1 receives an invoice for \$8,000 along with three invoices showing the pasta, fruits, and vegetables served in that month's meals count as qualifying purchases and total \$3,300. SFA 1 can use \$3,300 of LFS funds to pay a portion of the monthly invoice, and the remaining \$4,700 (foods not eligible under *Try It Local*) would be paid for using non-LFS funds. Since LFS funds go into the non-profit food service account, SFA 1 cannot pay LFS funds to an FSMC or other SFA serving as a meal vendor for any charges outside of their contract's agreement.

Q16. What is the definition of secondary source used in the *CNP Supplemental Payments* system?

A16. The secondary source field should be used when the local product is not delivered or picked up directly from the farm. In these instances, the SFA should indicate a method of distribution such as an aggregator or distribution company.

Q17. How are reimbursement payments issued?

A17. ADE will review claims submitted in the *CNP Supplemental Payments* for eligibility on a first come first served basis. Claims deemed eligible will be approved and processed for payment issuance. Claims are not subject to deadlines and will be processed for eligible purchases made July 1, 2023, through June 30, 2026, or until funds are obligated, whichever is first.

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