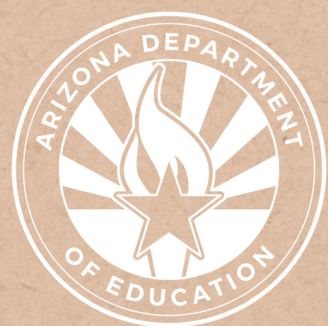


# Procurement of Food & the Geographic Preference Expansion



Health and Nutrition Services  
Arizona Department of Education



# Intended Audience

This training is intended for **School Food Authorities (SFAs)** operating the **National School Lunch Program (NSLP)**.

# Objectives

**At the end of this training, attendees should be able to:**

- understand the basic procurement regulations associated with operating a Child Nutrition Program;
- understand geographic preference; and,
- provide a basic overview of how to procure local foods.

## **TRAINING HOURS**

Information to include when documenting this training for Professional Standards:

**Training Title:** Procurement of Food & the Geographic Preference Expansion

**Key Area:** 2000 - Operations

**Learning Code:** 2400

**Length:** 1.0 Hour



## **DISCLAIMER**

This training was developed by the Arizona Department of Education (ADE) Health and Nutrition Services Division (HNS). The content in this training is intended for professionals operating one or more USDA Child Nutrition Programs in Arizona under the direction of ADE. The information in this training is subject to change. Attendees are encouraged to access professional development materials directly from the training library to prevent use of outdated content.

## **PROCUREMENT DISCLAIMER**

All legal questions concerning the sufficiency of a procurement award should be referred to the SFAs legal counsel. When the Federal Procurement Standards do not address a specific procurement issue, local governments and nonprofits must abide by the applicable state, local, and/or tribal procurement standards or regulations - whichever applies to the specific local government or nonprofit.

# Quiz Time



Throughout this guide, there will be comprehension quiz questions to test your knowledge and help you apply what you're learning. Be sure to review these quiz questions and answers available within the guide.

The question mark icon below will indicate a comprehension quiz question.



# Table of Contents

Section 1: Introduction to Procurement

6-38

Section 2: Procuring Local Roadmap

39-55

# Introduction to Procurement



SECTION 1

# Helpful Terminology

## Definitions

- **Buy American Provision:** The National School Lunch Act requires School Food Authorities (SFA) to purchase, to the maximum extent practicable, domestic food commodities or food products.
- **Domestic Commodity or Product:** An agricultural commodity that is produced in the United States and a food product that is processed in the United States using substantial agricultural commodities that are produced in the United States.
- **Formal Purchasing:** Procurement process required when the value of the purchase exceeds the applicable Federal, State, or local small purchase threshold (\$350,000 or the most restrictive threshold). There are two primary forms of formal procurement:
  - Invitation for Bid (IFB)
  - Request for Proposal (RFP)
- **Invitation for Bid:** Used for purchasing a common food product with a detailed uniform specification that will command a large enough group of responders that price can be the only determining factor for the bid award.
- **Micro Purchasing:** Purchasing method utilized for a one-time purchase or multiple purchases buying the same type of items from different vendors that offer the same product or service at a reasonable price to distribute equitably with a dollar amount under \$15,000.
- **Procurement:** The process of purchasing goods and services from a vendor. Procurement applies to all schools regardless of size, number of students, how much money is spent, or if you have a contract with a caterer or FSMC.
- **Request for Proposals:** Technical solicitation that requires the vendor to explain how the objectives would be met and a cost element identifying the cost to accomplish the proposal.
- **Simplified Acquisition Threshold:** The amount at which the SFA must use the formal procurement method. See specifications for Arizona below:
  - Public District: \$100,000
  - Charter School: \$350,000 (Procurement Exception); \$100,000 (No Procurement Exception)
  - Private School: \$350,000
  - Bureau of Indian Education (BIE): \$350,000 (Bureau-operated); \$5,000-\$100,000 (Tribally controlled)
  - Residential Child Care Institution (RCCI): \$350,000
- **Small Purchasing:** Purchasing method used to buy the same items from a single place on a regular basis with a dollar amount of anything under the SFA's Simplified Acquisition Threshold.
- **Substantial:** Description related to the Buy American Provision that means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically.

# Introduction to Procurement

## **Procurement**

- Process of purchasing goods and services from a vendor
- Applies to all schools regardless of size, number of students, how much money is spent, or if you have a contract with a caterer or Food Service Management Company (FSMC)

## **Purpose of Procurement Regulations:**

- Regulations were created in order to obtain goods and services efficiently and economically comply with Federal, State, and Local regulations
- Prevent fraud, waste, and abuse
- Maximize free and open competition
- In summary, to help SFAs become more comfortable with the procurement process

# Parts of Procurement

## **PURCHASING**

Method type (Micro, Simplified Acquisition, or Formal)

## **GOODS AND SERVICES**

Supplies, food, equipment, software, contracted services

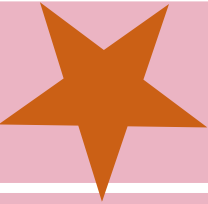
## **VENDOR**

- Consumer Clubs (*e.g. Sam's Club, Costco*)
- Commercial Food Service Companies (*e.g. US Foods, Shamrock, Sysco*)
- Restaurant Supply (*kitchen supplies, small wares e.g. Webstaurant*)
- Fresh Food Markets
- Local Grocery Stores
- Catering Companies
- Food Service Management Companies (FSMC)
- Service Providers (*e.g. equipment maintenance or repair, exterminators, etc*)

# Procurement Regulations

**National School Lunch Program (NSLP) requirements are found in the Code of Federal Regulations (CFR) at 7 CFR 210 and the methods SFAs must follow to properly procure goods and services are in 2 CFR 200.320. Additional procurement regulations are found in 2 CFR Part 200.318-326. Parts 3016 and 3019 have been superseded by 2 CFR Part 200.**

WHY: Regulations were created in order to obtain goods and services efficiently and economically, comply with Federal, State, and Local regulations, prevent fraud, waste, and abuse, maximize free and open competition, and finally to help SFAs become more comfortable with the procurement process.

NSLP PROGRAM REGULATIONS		NSLP PROGRAM REGULATIONS QUICK POINTS
<b>Code of Conduct, Procurement Procedures, and Contract Monitoring</b>	2 CFR 200.318 7 CFR 210.21(C)	Ensuring proper procedures and code of conduct related to; conflicts of interest, state and local regulations, solicitation documentation, and contracts.
<b>Buy American Provision</b>	7 CFR 210.21(d)	Requirement to purchase agricultural/processed commodity product produced in the USA.
<b>Required Contract Provisions, Cost-reimbursable Contracts</b>	7 CFR 210.21(f)	Contractors use of only allowable costs for non-profit school food service account.
 <b>Geographic Preference</b>	7 CFR 210.21(g)	Applying a geographic preference when procuring local products.
<b>Full and Open Competition Procedures</b>	2 CFR 200.319	Conducting procurement in a way that eliminates any outside preference, and is not restrictive of competition.
<b>Procurement Methods</b>	2 CFR 200.320	Outlining informal, formal, and non-competitive procurement methods.
<b>Small, Minority, Women's Business</b>	2 CFR 200.321	Outlines the requirements for contracting with small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms.
<b>Cost/Price Analysis</b>	2 CFR 200.324	Establishing costs that are reasonable based on risk, labor, investments, and federal contracts.
<b>Required Contract Provisions</b>	in Appendix II to 2 CFR 200	Contract requirements including contract violation terms, termination, and labor practices.

# Steps of Procurement

**01****Determine what you need – Forecast and Create Specifications**

- Be detailed and specific so you can compare “apples to apples”

**02****Estimate purchase amount – Threshold**

- Estimate total of single purchase
- Estimate total of yearly purchases
- Estimate amount of contract
- For multi-year contract, must estimate total for all the years

**03****Choose procurement method (Micro, Simplified Acquisition, Formal)**

- Base decision on process and amount

**04****Follow requirements for method of purchase (documentation)**

# Procurement Documentation

## **SFAs should start by drafting up the Procurement Procedures to be followed**

- ADE template available on the NSLP/SBP Program Forms and Resources webpage:  
<https://www.azed.gov/hns/nslp/forms>

## **The CNP Procurement Procedures template includes procedures and clauses that are specific to the CNPs.**

- Procedures for all the methods possible (Micro, Simplified Acquisitions, Formal)
- Code of Conduct
- Required clauses to be included in formal solicitations
- Affirmative action clause: taking steps to use small, minority, women's business and labor surplus enterprises, when possible
- Oversight: overseeing contractors to ensure all contract provisions are fulfilled for the duration of the contract
- Buy American clauses for all food purchases
- Market Basket Analysis, GPOs/Cooperative Purchasing, Piggybacking



All of ADE's procurement resources can be found at [azed.gov/hns/nslp/forms](https://www.azed.gov/hns/nslp/forms)

# Forecasting

## **WHY FORECAST?**

Forecasting is one of the most important elements of an effective procurement plan; good procurement requires advance planning.

## **THE STEPS OF FORECASTING**

- Review past records/data/purchasing behavior and apply to current situation.
- Review any old solicitations before re-using them to ensure they are still compliant and accurate.
- Review current resources and services to ensure that only necessary purchases are made; take inventory.
- Once the forecasting and planning process is complete, the SFA will be able to determine the estimated dollar value of its procurements for the coming year.
- This estimated dollar determination allows the SFA to choose the appropriate procurement method to use.

# Forecasting Overview

## Factors to keep in mind when forecasting:

- **Identify** menu planning considerations including what food items are needed, how many, how often, what portion can USDA foods provide, and what is the availability.
- **Consider** past year purchases, what changes are needed, has student enrollment increased or decreased, and what is the revenue and loss ratio.
- **Determine** if the price is cost effective.
- **Finalize** the projected budget and threshold amount.
- **Establish** the cadence of purchases, the number of vendors needed, and need to know information to distribute to vendors.

# Procurement Methods

- You must use one of the procurement methods for any purchase you make
- Remember: Procurement is about the **amount** and **process**
- All purchases will fall under one of the following categories:

## ✓ MICRO PURCHASING

- Threshold = under \$15,000
- One-time, single purchase or should distribute equitably

## ✓ SIMPLIFIED ACQUISITION PURCHASING

- Threshold = \$15,000 - \$350,000 (or State (District)/local threshold amount)
- 3 quotes
- Better to ensure the best price meeting specifications is identified.
- May be used for single purchase if the purchase is within the threshold window.

## ✓ FORMAL PURCHASING

- Threshold = above \$350,000 (or State (District)/local threshold amount)
- IFB (Invitation for Bid) or RFP (Request for Proposal)



According to AZ: "Aggregate dollar amount" means purchase price, including taxes and delivery charges, for the term of the contract and accounting for all allowable extensions and options.

Aggregate: Entire Identified Need

# Procurement Methods

## Purchases at or below Simplified Acquisition Threshold.

**Informal**

**Micro  
Purchase**

**Simplified  
Acquisitions**

## Purchases above Simplified Acquisition Threshold.

**Formal**

**Invitation for  
Bids  
(Competitive  
Sealed Bids)**

**Request for  
Proposals  
(Competitive  
Proposals)**

# Micro Purchase Overview

## **PROCESS:**

- One time purchase OR equitable distribution of multiple purchases (buying the same type of items from different vendors/groceries stores/places that offer the same product or service at a reasonable price)

## **AMOUNT:**

- Up to \$15,000

## **EXAMPLE:**

I buy the same grocery list items rotating between Safeway, Bashas', Costco, and a local farm stand.

## **REQUIREMENTS:**

- Transactions are below \$15,000
- Price must be reasonable
- Purchases (Transactions) distributed equitably among qualified suppliers offering the same/similar services (Spread the Wealth)

## 2 CFR 200.320 (a)



### ⦿ § 200.320 Methods of procurement to be followed.

The non-Federal entity must have and use documented procurement procedures, consistent with the standards of this section and §§ 200.317, 200.318, and 200.319 for any of the following methods of procurement used for the acquisition of property or services required under a Federal award or sub-award.

(a) **Informal procurement methods.** When the value of the procurement for property or services under a Federal award does not exceed the *simplified acquisition threshold (SAT)*, as defined in § 200.1, or a lower threshold established by a non-Federal entity, formal procurement methods are not required. The non-Federal entity may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include:

(1) **Micro-purchases** –

(i) **Distribution.** The acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (See the definition of *micro-purchase* in § 200.1). To the maximum extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers.

# Micro Purchase Documentation

For Micro Purchases, you do not have to comparison shop or provide quotes, but you do need to show that you have spread your purchases among different vendors and save the documentation. You must provide documentation that includes the following:

- Date of purchase
- Item(s) or service(s) purchased
- Vendor name and details
- Total cost of purchase(s)
- Receipt(s) of purchase(s)

# Simplified Acquisitions

## PROCESS:

- Buying the same items from only one place on a regular basis

## AMOUNT:

- Any purchase below the Simplified Acquisitions threshold (\$350,000 **or the most restrictive threshold**);
- Must be done for any purchase above \$15,000;
- Can be done at any amount under \$15,000

## EXAMPLE:

- I buy milk from Costco every week/month;
- I buy my groceries from Fry's every week/month;
- I figure out who is the cheapest and always buy from them.

## REQUIREMENTS:

- Total of all purchases is below \$350,000 (or your local threshold)
- Use when purchasing multiple times from the same vendors for the same products/services
- Use when one-time purchase is within Simplified Acquisitions threshold.
- Must document the process

# 2 CFR 200.320 (a)



## (2) *Simplified acquisitions* –

- (i) ***Simplified acquisition procedures.*** The aggregate dollar amount of the procurement transaction is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by the Federal agency, the recipient or subrecipient may exercise judgment in determining what number is adequate.
- (ii) ***Simplified acquisition thresholds.*** The recipient or subrecipient is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk, and its documented procurement procedures, which may be lower than, but must not exceed, the threshold established in the FAR.

# Simplified Acquisition Documentation

Simplified Acquisition procurement must still be conducted in a manner that maximizes full and open competition. SFAs should include the following in writing before contacting any potential offerors, or specifications.

- Quantity
- Quality
- Type of goods or services

It is recommended that SFAs contact at least three places or vendors who are eligible, able, and willing to provide the product or service. The solicitation must include the requirement that goods must be produced and processed in the United States (Buy American) for food purchases only. Also, these specifications must be specific and shared with each vendor.

# Micro vs Simplified Acquisition

## MICRO

**PROCESS:** One-time purchase OR should equitably distribute multiple purchases (buying the same items among different vendors/places that offer the same service and reasonable price)

- **AMOUNT:** Up to \$15,000

Example: I purchase the same office supply items rotating between Office Depot, Staples, Costco, and Sam's Club

## SIMPLIFIED ACQUISITION

- **PROCESS:** Buying the same items from only one place on a regular basis
- **AMOUNT:** Up to \$350,000 (above \$15,000 this has to be done)

Example:

- I purchase office supplies repeatedly.
- I purchase a \$15,000 piece of equipment for my kitchen.

# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

- A** Micro purchase
- B** Simplified Acquisitions
- C** Neither



# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

**A** Micro purchase

**B** Simplified Acquisitions

**C** Neither



# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

- **Simplified Acquisitions**

What should my specifications look like?



# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

- **Simplified Acquisitions**

What should my specifications look like?

- **whole wheat, sliced, delivered**



# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

- **Simplified Acquisitions**

What should my specifications look like?

- whole wheat, sliced, delivered

I called three companies and obtained quotes and chose the company with the lowest price who can deliver. Can I continue to buy my bread from this same vendor?



# Quiz Time

I need to purchase bread for my meal service and estimate the cost for the year to be \$16,000. I need the bread delivered weekly because I do not have the capability to store large amounts.

What procurement method should I use?

- **Simplified Acquisitions**

What should my specifications look like?

- **whole wheat, sliced, delivered**

I called three companies and obtained quotes and chose the company with the lowest price who can deliver. Can I continue to buy my bread from this same vendor?

- **Yes!**



# Formal Purchase Overview

When the value of the purchase exceeds the applicable Federal, State, or local threshold for Simplified Acquisitions (\$350,000 or the most restrictive threshold), use the Formal procurement method.

For Formal Purchasing, the SFA must decide if their solicitation will result in:

- Fixed Price Contract (IFB or RFP)
- Cost Reimbursable Contract (only RFP)

The goal of both IFB and RFP methods is to obtain the best valued product at the lowest price.

## Formal

Purchases above Simplified  
Acquisition Treshold

**Invitation for  
Bids  
(Competitive  
Sealed Bids)**

**Request for  
Proposals  
(Competitive  
Proposals)**

# Formal Purchase Overview

## FORMAL PURCHASE - IFB VS RFP

### Invitation for Bids (Competitive Sealed Bids)

- Primary consideration is price.
- Award is made to the most responsive and responsible respondent whose publicly opened bid is lowest in price.
- Used when there is no substantive difference among products or services that meet the specifications.
- Key difference among bids is price.

### Request for Proposals (Competitive Proposals)

- Technical solicitation that requires the vendor to explain how the objectives would be met and a cost element identifying the cost to accomplish the proposal
- Price (the major consideration) is only one of the criteria considerations.
- Allows for negotiations

# Formal Purchase Overview

## FORMAL PURCHASE - IFB VS RFP

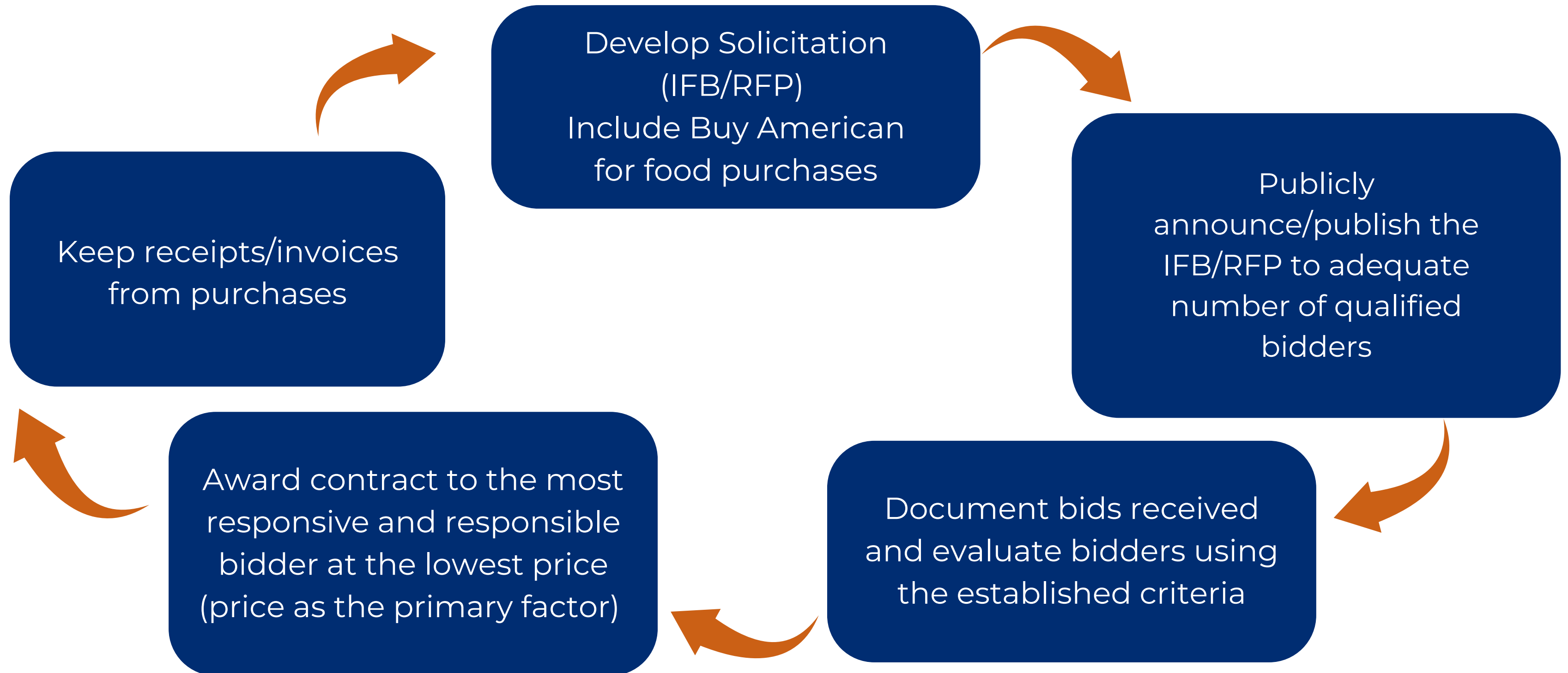
### Invitation for Bids (Competitive Sealed Bids)

- Ideal when the SFA knows exactly what they want and they are trying to find the best price.
- Things like customer service, delivery terms, etc. can be written into the specifications of an IFB as pass/fail.

### Request for Proposals (Competitive Proposals)

- Ideal when the SFA has a need and isn't sure what the best possible solution is.
- The SFA evaluates both the best solution and the best price.
- RFPs are objectively more work for everyone involved.
- RFPs can be for fixed priced or cost reimbursable products/services.

# Formal Purchase Process



# Cooperative Purchasing

## **Purchasing Goods and Services Using Cooperative Agreements, Agents, and Third-Party Services**

- SFAs may consider entering into an agreement with cooperative purchasing groups as a way to increase purchasing power.
- This agreement is not a method of procurement, but rather an agreement to competitively procure common or shared goods and services.
- Once this agreement is in place, the group can solicit goods or services as if they were one large entity, following all applicable rules and regulations.
- Cooperative purchasing under a federal award by sub-recipients of the state (SFAs) must follow the procurement standards in 2 CFR 200.318-200.327. \*see 200.317



## **NOT ALL COOPERATIVE PURCHASING GROUPS/COOPERATIVES ARE THE SAME**

- 3 categories of group purchasing efforts exist
  - CNP operator only and/or CNP State Agency cooperatives
  - Agents
  - Third-party entities

# Cooperative Purchasing

## SFA-only/CNP State agency cooperative agreements

- Occurs when a group of SFAs join together to purchase food and supplies for the Child Nutrition Programs.
- Cooperatives work together to forecast their needs and procure goods together.
- Joining a cooperative purchasing group is NOT a method of procurement.
- SFAs agree to competitively procure goods and services jointly in compliance with the Program and government-wide regulations in 7 CFR 210.21 and 2 CFR 200.317-.327, respectively.
- The SFA is responsible for monitoring the contract.
- **If the product is not purchased by the cooperative or is not available from the procured source, SFA must conduct separate competitive procurement procedures.**



SFA's must perform applicable due diligence with any type of cooperative purchase and solicitation.

# Cooperative Purchasing

## Agents

- Occurs when **SFAs competitively procure the services of an agent**. The agent then conducts procurement on behalf of the SFA for all necessary food and supplies.
- The **agent is contractually obligated to conduct all competitive procurement processes** in accordance with Federal regulations.
- **Agent must be selected through competitive procurement** based on anticipated agent fee;
- Agent fees must be a fixed fee, not a percentage of cost;
- Agents must follow purchasing procedures consistent with 7 CFR 210.21 and 2 CFR 200.317-.327
- Agent must have SFA's best interest in mind;
- Agent must not have any conflict of interest;
- **SFAs must monitor agent's performance and ensure agent is following Federal regulations.**



SFA's must perform applicable due diligence with any type of cooperative purchase and solicitation.

# Cooperative Purchasing

## Third-party Entities

- Occurs when an SFA participates in a solicitation with a third-party entity.
- Third party entities help manage the issuance of bid packages/requests for proposals and the award of contracts.
- SFAs must perform due diligence. Due diligence refers to the responsibility of a contract user to independently verify that the awarded cooperative procurement contract conforms to their applicable rules and regulations and that the awarded vendors' quotation and members purchase order complies with the terms of the contract.
- Contract management applies to ALL procurement regardless of method.



SFA's must perform applicable due diligence with any type of cooperative purchase and solicitation.

# Procuring Local Roadmap



SECTION 2

# Procuring Local Overview

Local procurement options **differ** greatly across communities depending on district and school size, proximity to agricultural areas, growing season, and demographics. There are so many ways to procure local.

First, we need to define “local,” identify what foods can be purchased locally, and determine which vendors can provide local foods. There are many options for defining “local,” and definitions vary widely depending on the unique geography and climate where a school is located, and on the abundance of local food producers and manufacturers. Local foods may include:

- fruits
- vegetables
- beans
- grains and flour
- meat, poultry, fish, eggs
- condiments

# Procuring Local Overview

## **Questions to consider before you begin procuring local:**

- What products do you want to source first, and where can you find them?
- What is the vision for your local buying program and what types of producers can support that vision?
- Do you want to bring as much local product as possible onto the menu as quickly as possible?
- Do you want to couple local purchases with farm visits and educational activities?
- What products are you already sourcing from your nearby area?

# Procuring Local Overview

## Get started with procuring local!

1. **Determine** what your school district is already buying local.
2. **Network** within your community to find out about that have worked well nearby.
3. **Consider** seasonality. When buying local, it is important to keep in mind the growing season.
4. **Work** with your local extension office and/or HNS Specialist. Extension agents have a good relationship with local farmers and might be able to point you in the direction of the farmers that most closely meet your needs.
5. **Learn** the language. Be ready to ask questions about anything you do not understand. Also, try and become familiar with the language of produce. Produce is sorted based on different classifications of size and quality.

# Learn the Produce Language

## Sorting and Grading Description

- Once fresh produce is harvested, it has to be sorted and graded to ensure that vendors receive a high-quality product that they can sell to shoppers. The sorting and grading process often involves checking how the fruit or vegetable looks on the outside, its size, shape, color, blemishes, or marks on the skin – these are called “quality grades.”
- Some vendors have their own sorters who are responsible for the quality grading of grocery store produce. The employees look at all the fruits and vegetables before they’re sent to be packed for transport to the grocery store’s warehouse or distribution center. However, most farmers do their own sorting once they’ve ensured they meet grocery store quality grades.
- This process also involves checking for:
  - Pest infestation
  - Fruit or vegetable ripeness
  - Produce that isn’t ready to be sent to grocery stores yet

# Learn the Produce Language

## Produce is sorted by:

- **Color** - Average, darkest, lightest, and peak color, variegation
- **Blemishes** - (Defect) Detecting light, medium, dark & total scarring
- **Size** - Average diameter, characteristic diameter or volume
- **Shape** - Aspect ratio and roundness
- **Sorting** - Identifying defects by name through a predefined organization system
- **Weight** - Designed for high speed precision weighing
- **Stems & Blossoms** - Identify stems and blossoms from defects

# Local Producers

- **Direct Farmer**: products are shipped via the straightest line possible from the farm to the consumer
  - Ex. Bene Vivendo Farms, Blue Sky Organic Farms
- **Aggregator**: a company that negotiates with producers of the food items on behalf of groups of consumers
  - Ex. Sun Produce, Peddlers Son
- **Mainline Distributor**: distributors that deal with vast quantities of products and are often able to provide better discounts and pricing options for those who buy in increased volumes
  - Ex. Shamrock Foods, Charlie's, USDA DoD Fresh, Pivot Produce

# Useful Purchasing Method

**Micro purchases** are especially useful when purchasing local products in order for SFAs to receive a variety of products seasonally and build flexibility into their menus.

As a reminder, micro purchases enable SFA's to procure supplies or services without soliciting competitive quotes as long as the price is considered reasonable. The only caveat being that micro purchases must be dispersed equally among qualified suppliers and all purchases are documented.

# Using DoD Fresh to Purchase Local

Schools that wish to order local produce through USDA DoD Fresh can begin by looking for the State of Origin information or look for produce indicated as locally grown in the FFAVORS catalog. This can be done by accessing the State of Origin report in FFAVORS.

If schools wish to request local products not listed in the FFAVORS catalog, they can contact their USDA DoD produce vendor and Defense Logistics Agency (DLA) Representatives ([www.fns.usda.gov/usda-foods/usdadod-fresh-fruit-and-vegetable-program](http://www.fns.usda.gov/usda-foods/usdadod-fresh-fruit-and-vegetable-program)) to ask if the product is available and can be added to the catalog.

# Resources to Connect with Local Distributors

- [\*\*Local First Arizona\*\*](#) sponsors the Good Food Finder initiative, which makes it easy to buy and support local food across Arizona. The website includes:
  - Farmer's Market locations
  - Community garden locations
  - Local farmer and producer lists
- [\*\*Arizona Farm Bureau\*\*](#) Fill Your Plate tool makes it easy to locate farms and farmer's markets, find recipes, and even visit local farms.
- [\*\*USDA FNS\*\*](#) Procuring Local Foods Guide highlights the variety of mechanisms schools can use to purchase local products while staying in accordance with federal procurement regulations.

# Geographic Preference Expansion Related to the Final Rule

## What's changed?

- Child Nutrition Programs: Meal Patterns Consistent With the 2020-2025 Dietary Guidelines for Americans final rule **expands** the geographic preference option to allow CNP operators to use “**local**” as a procurement **specification** for unprocessed agricultural products for CNPs.
- CNP operators may now use **local** (e.g., “locally grown”, “locally raised”, or “locally caught”) as a specification for local unprocessed agricultural products purchased for program meals, snacks, and milk. They can require that an **unprocessed agricultural product** be locally grown, raised, or caught to meet the solicitation requirements and remove products or bids that do not meet this standard from consideration.

# Feature Local Items on Your Menus

## 1

### Decide what can be purchased locally.

- Start with items you already use in your menus
- Narrow those items down to 1-2 products that you could source locally
- From those 1-2 products, can you source 100% locally or only a percentage?
- Always keep costs, availability, and delivery in mind

## 2

### Decide how you can feature one local produce item.

- Feature one local produce item on your salad bar or serving line
- Identify your frequency - 1x a month / 1x a week
- Could you connect this to a special event?
- Consider what is feasible and realistic and determine amount of prep work involved

## 3

### Brainstorm a new menu item highlighting the local product.

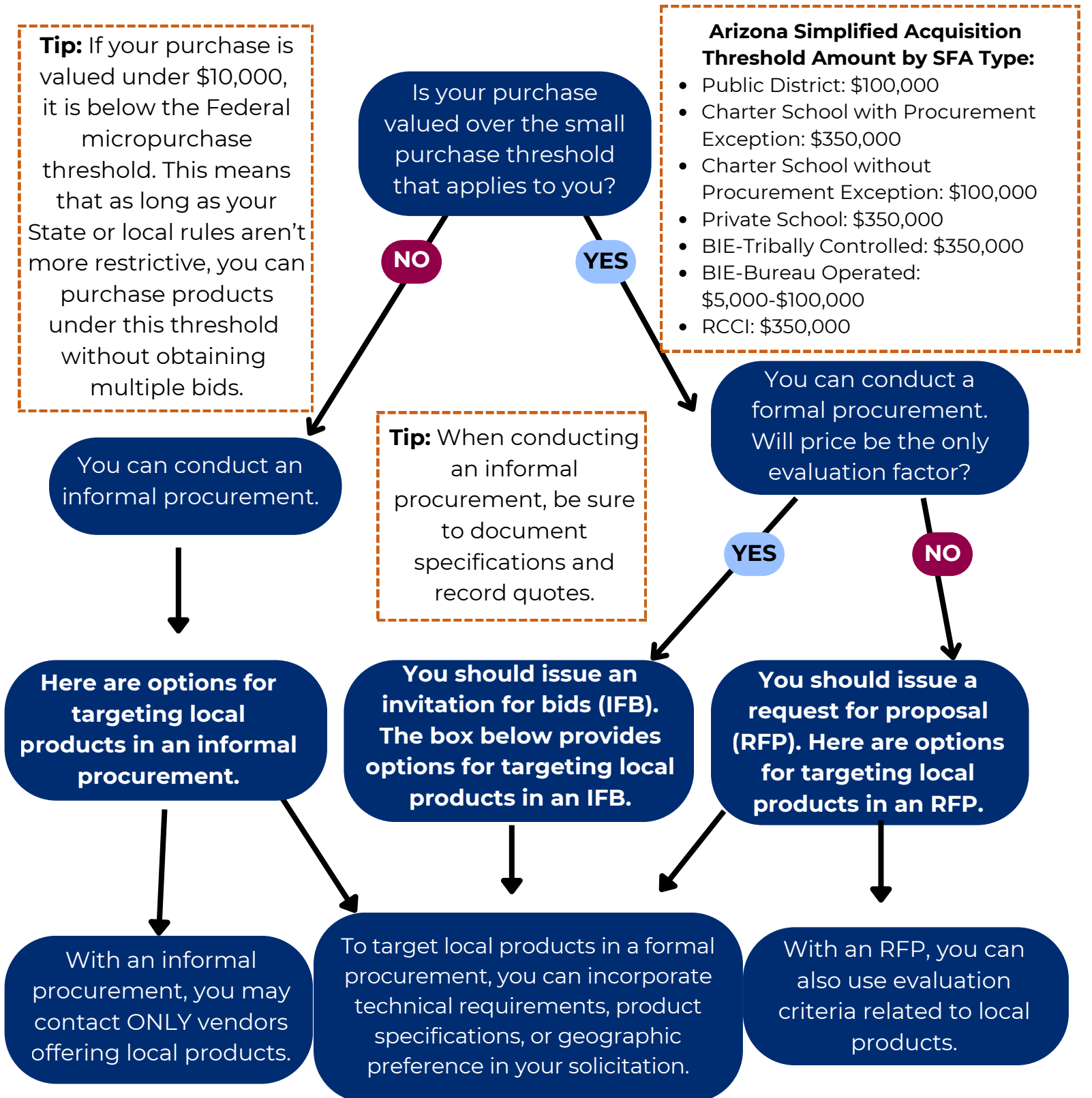
- Consider crediting and nutrition information
- Ensure consistency when scaling from test batch to quantities for service
- Promote it day before and day of and highlight on the full menu

# Procuring Local Decision Tree

## 2024 Update!

CNP operators, State agencies purchasing for CNPs, and the USDA Department of Defense Fresh Fruit and Vegetable Program (USDA DoD Fresh) may use **local** as a specification and continue to set a geographic preference when soliciting or buying unprocessed agricultural products.

## Procuring Local Decision Tree



For a more thorough overview of Local Foods Procurement, please review Section 6 of the [Procurement Basics](#) online course.

# CONTACT US

If you have a question or require additional assistance, please contact your assigned specialist or contact HNS.



602-542-8700



ContactHNS@azed.gov



[www.azed.gov/hns](http://www.azed.gov/hns)





# Congratulations

---

**You have completed the Online Course:  
Procurement of Food and the Geographic  
Preference Expansion**

Information to include when documenting this  
training for Professional Standards:

**Training Title:  
Procurement of Food  
and the Geographic  
Preference Expansion**

**Key Area: 2000 - Operations  
Learning Code: 2400  
Length: 1.0 Hour**

Please note, attendees must document the amount of training hours indicated on the training despite the amount of time it takes to complete it.

# Certificate

---

## Requesting a training certificate

Please click the button to complete a brief survey about this online training. Once the survey is complete, you will be able to print your certificate of completion from Survey Monkey.



Information to include when documenting this training for Professional Standards:

### **Training Title:**

**Procurement of Food  
and the Geographic  
Preference Expansion**

### **Key Area: 2000 - Operations**

**Learning Code: 2400**

**Length: 1.0 Hour**

---

Please note, attendees must document the amount of training hours indicated on the training despite the amount of time it takes to complete it.





In accordance with federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the state or local agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, [AD-3027](#), found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

1. **Mail:** U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410;
2. **Fax:** (202) 690-7442; or
3. **Email:** [program.intake@usda.gov](mailto:program.intake@usda.gov).

*USDA is an equal opportunity provider, employer, and lender.*