The decision to become a Farm-to-School supplier is not one to be made lightly. As previously alluded to in the Food Safety section, there are many aspects of Good Agricultural Practices (GAP), quality assurance and even Hazard Analysis Critical Control Points (HACCP) that need to be considered. However, to help in making that decision, a combination of advice/tips, document examples, suggested publications and descriptions of helpful programs has been provided.

**Tips for Farmers Delivering to a Distributor**

The following tips and suggestions were provided by producers who have made the decision to deliver their produce to a food service distributor. These tips are not all-encompassing and may vary by distributor (usually depending on the size of the distributor), but they do serve as good advice for a range of requirements and expectations.

- **Contact information:** Distributors will want to know as much information as possible, but will definitely require farm name, address and Employment Identification Number (EIN).

- **IRS form number:** This form will need to be completed and signed.

- **Product liability insurance:** Although there may be a few distributors who will not require product liability insurance (however doubtful), most will ask for coverage in the range of $1 million - $3 million per incident per product. If the insurance requirement is cost prohibitive, ask the distributor to discuss the potential for a lower insurance exception with their risk management. Some companies will make a lower exception because the farmer is not delivering on a 12-month basis.

- **Memorandum of Understanding (MOU):** Prior to delivering anything, a MOU needs to be in place. An example has been provided on the following page.

- **Food safety documentation:** Make sure the farm has a food safety plan in place with standard operating procedures for produce production, harvesting and post-harvest handling. Your state fruit and vegetable extension specialist, State Department of Agriculture or State Department of Health can be an excellent resource when developing a food safety protocol. Resources will vary from state to state. This can be used as a marketing tool as well.

- **Third-party certification:** Third-party certification requires that an outside company audits the farm and packing shed and certifies that a food safety plan and documentation system is in place. Certification can be quite costly, but will satisfy most grocery store chain and food distributor requirements. With the increased emphasis on food safety, more distributors are requiring third party certification.

- **Delivery vehicle:** Delivery may mean using a refrigerated truck. See the Food Safety section for proper storage temperatures for various fruits and vegetables.

- **Produce packaging:** All products should be packed in sturdy, heavy boxes either on a pallet or ready to be stacked on a pallet at a distribution center. Use heavy plastic straps to hold boxes in place on pallet, do not shrink wrap fruits or vegetables (this limits airflow to products), and date every box to guarantee the level of freshness. Note using a distinct box with farms name is recommended; however a 5”x7” label applied to the box can help preserve product integrity.

- **Cross-docking:** Many smaller produce companies in outlying areas will purchase their produce from larger produce companies in metropolitan areas. For efficient use of farmer and distributor time, cross-docking arrangements can be made for a small fee. In such a case, produce is delivered to a large produce company, where it will be used by that company for
their school customers but also picked up by smaller produce companies to deliver to schools in their area. Cross-docking arrangements need to be made prior to delivery and are usually charged a per-case or per-pallet fee.

• **Produce quality:** Quality is extremely important to the distributors and the schools. Quality means size of the fruit or vegetable, freshness, storage temperature, and ripeness. A farmer should already know how many days it will take to get the produce from the farm and to the schools, including the time the produce is held by the distributor. For example, produce companies may deliver orders Monday mornings, so a producer will have to deliver their produce on Friday so it is ready to be loaded on the delivery truck Sunday or early Monday morning. Most distributors do not receive produce on Saturday or Sunday.

• **Pricing:** Pricing can vary tremendously. Some companies will take mark-up on the produce and charge a delivery fee. Some statewide programs, such as the one in Oklahoma, have negotiated a set price that is paid to the farmer and then a distributor agrees not to charge a mark-up on the produce, instead delivering for a (currently) set $1.70 per case fee. It is important for the farmer to be within 10% of the prevalent wholesale price for the schools to be able to afford the produce.

• **Bill of lading:** A bill of lading is similar to an invoice but is used more for tracking delivery times and drivers, documenting receipt and delivery of products. A producer needs to provide a bill of lading with every delivery.

• **Delivery appointment:** Farmers need to set appointments with distributors for delivery of produce. Larger distributors in particular have to orchestrate delivery of many products at one time, and a scheduled delivery may keep a farmer from having to wait in a line to drop off products.

• **Purchase orders:** Some distributors will require a purchase order to be in place before delivery. Farmers need to be able to provide this document and all other documents in a uniform and timely manner.

• **Unloading:** When delivering produce to different distributors, some docks may be unionized for unloading and extra fees may apply. A farmer must be prepared to pay these fees or personally unload the produce. It has even been suggested that a farmer carry his or her own pallet jack. It also has been suggested that a big smile – and possibly even a tasty treat – can go a long way in establishing a good relationship with dock crews.

**Tips for FTS Program Administrators and Volunteers**

For those helping to establish or expand a FTS program, whether farmers or volunteers, additional tips and lessons learned include:

• Change doesn’t happen overnight. Patience, communication and willingness are vital. Keep a log of the program’s results on a monthly basis to track growth and spot potential problems.

• Say thank you to all the farmers, school representatives and distributors participating in the effort.

• Meet with distributors every year.

• Go with farmers for their first FTS delivery if possible, especially if they are inexperienced with delivering to a distributor.

• Don’t add more than one or two crops per year on a statewide program.

• Don’t incorporate more produce items than can be controlled. The inability to guarantee quantities and/or quality of produce due to crop failure causes problems for larger schools to make adjustments on orders and menus, resulting in a loss of momentum for the program.

• Make sure when notifying schools of crop problems the distributor is notified as well. Ask schools if they want their distributor to fill the order with non-FTS produce to maintain their scheduled menu.

**Tips for Schools Wanting to Receive FTS Produce through their Distributor**

For schools considering FTS program participation, steps must be taken to ensure their distributor(s) can and will also become active participants in the program. Tips include:

• Ask the distributor if they are purchasing from any local growers.

• If they are not currently purchasing produce from local growers, ask them if they would do so.

• When developing bid specifications for distributors, make one of the requirements be sourcing local produce when available.

• Bid specifications also can include requirements on the number of days from harvest to delivery to school for locally grown produce.
Distribution Memorandum of Understanding Sample
(Name of Distributor), (Name of Farm) & Oklahoma Farm to School
(Season that the MOU covers)

Overview of agreement with (name of distributor), the Oklahoma Farm-to-School Program & (name of farm).

1) Farm to School Coordinator will notify (name of contact person at distributor), three days prior to delivery into the (name of Distributor’s) warehouse, which in most cases will be the Tuesday before the produce is delivered to its warehouse on Friday morning, the following information:
   a) What produce will be coming in and who the product will be coming from. Prior approval of the produce, the company and the paperwork will already need to have taken place with (contact name at distributor).
   b) What school districts will be receiving the farm to school produce.
   c) Any instructions of individual school deliveries within the school district.
   d) Will notify (contact person’s name) if there are any shipping challenges that will affect their weekly order or the school’s weekly order.

2) (Name of Farm) will:
   a) Will contact (name of contact person who makes delivery appointments at the distributor – may be the same person listed above and may be a different person depending on the size of the company) by Tuesday of each week to schedule an appointment for delivery for each Friday morning.
   b) Will place a packed by date on each case of produce delivered.
   c) Will deliver order on a pallet and either not charge for the pallet or do a pallet exchange.
   d) Will ship in a refrigerated truck, if required.
   e) has provided a copy of their insurance for (amount of insurance required by the distributor) in liability.
   f) Will practice Good Agricultural Practices in all stages of growing, harvesting and shipping the (type of produce).
   g) Will give credit for any quality problems with the produce.
   h) Will provide the distributor with a Bill of Lading for the order that is delivered.
   i) Will bill the distributor for the shipment in a timely manner.

3) (Name of distributor) will:
   a) Issue a purchase order in their system after being contacted by the Farm-to-School Coordinator with the information outlined above (If the distributor requires a purchase order to be in place for delivery. That will be required more so for the larger companies but should be discussed and agreed as needed).
   b) Will let the school sales representatives know what farm-to school produce will be delivered to the schools.
   c) Will pay (name of the farm) for the product and then add (amount of agreed on delivery fee or markup) delivery fee to each case, deliver to the schools and bill the schools for the entire amount of the school's order. To be able to get such a low delivery fee, the delivery needs to be in the warehouse prior to the distributor loading the truck, and they will “drop it off” so it becomes a part of the load that they are already delivering to.
   d) Will notify the Farm-to-School Coordinator immediately of any problems encountered.
   e) Will notify the Farm-to-School Coordinator of any procedural problems or changes.
   f) Will deliver farm-to-school produce to the assigned schools within 1 week of receipt in distributor’s warehouse.

Signature of Distributor ___________________________ Date __________

Signature of Farmers ___________________________ Date __________

Signature of Farm-to-School official ___________________________ Date __________
In many cases, distributors actively support and pursue the expansion of local produce programs such as FTS. As the link between the farmers and the schools, they have the responsibility of developing sound business relationships with both. Tips for distributors include:

- Be upfront with growers and/or the FTS coordinator in what your requirements will be for the farmer—packaging, quality, insurance requirements, food safety documentation, etc.
- Consider reasonable exceptions when asked to do so.
- Linking with local growers can provide a new source for produce and an additional marketing benefit for your company.
- If your company is interested in doing business with local farmers, be flexible when possible and consistently communicate your needs.
- Take advantage of backhauling opportunities.

Tips for Farmers or Groups of Farmers Delivering Directly to Schools

Individual farmers, collective participants at farmers markets and farmer cooperatives may all form ideal partnerships with schools. Topics such as food safety, purchasing methods, pricing, supply reliability, quality, etc. have already been discussed in this publication, but listed below are additional tips for developing a direct delivery partnership with schools.

- Develop a relationship with local schools: Individuals or representatives for farmer groups should contact and meet with food service directors to determine their willingness to purchase locally grown produce. State FTS program coordinators may be helpful in this area. If the schools are interested in purchasing locally grown produce, determine their demands for various commodities and assess your individual or collective ability to meet some of those demands (see the Produce Calculator also discussed in this section of the publication). Consider providing typed lists of the commodities (and varieties) that will be produced, the expected harvest season for each commodity and plans to ensure food safety and quality (e.g., GAP and HACCP plans). If possible, bring samples of the produce, information on crop production plans and/or pictures of the farm(s).

- Learn how schools obtain and serve food items, especially fresh produce: Food service directors and administrators are paying closer attention to the overall nutritional role served by school meal programs. In general, much of the fresh produce served in schools is not necessarily aligned with the local seasonal availability. Some school food service managers create menus several months in advance. Others have more flexibility, especially with secondary schools and when offering fruit, vegetable and salad bars. Schools participating in the Federal School Lunch and Breakfast program only can use foods produced in the U.S. with the exception of a couple of items and are required to meet minimum USDA dietary requirements for their meals.

- Develop a clear understanding of ordering methods and delivery needs: School food service managers must follow state and federal procurement guidelines. Small purchase thresholds will vary from state to state. Identify the number of drop sites per school district (e.g. central warehouse or drops for each school in the district). Ask about the preferred time of day and day(s) of the week for delivery. Ask about packaging needs for specific crops. If using stackable, recycled plastic containers, discuss arrangements for recovering and “trading out” containers. Discuss desired product quality guarantees by the farmer and the protocol for handling any complaints upon delivery. Schools should verify product condition upon delivery and ensure the produce is stored and handled accordingly.

- Determine the economic potential for “whole-sale” pricing/marketing: Education programs encourage food service managers to purchase the highest quality food items they can afford, advising that “cheapest is not always best.” Farmers selling produce to schools can expect to receive prices very comparable, if not higher, than those at the wholesale terminal market prices. Daily prices are posted at www.ams.usda.gov/fv/mncs/TERMVEG.htm. Farmers selling through “wholesale” channels should carefully evaluate their production costs relative to prices received. One pricing strategy is to offer products at current wholesale value plus an agreed upon percentage above the market price.

- Discuss payment arrangements: Food manager concerns regarding this topic may stem from their knowledge that payments to distributors/vendors are often made within 30 days, sometimes longer for new vendors. Farmers should be aware payment upon delivery is highly unlikely. However, once an account is established with the school district and deliveries with proper invoices begin, payments will follow. To avoid payment delays, sales invoices should in-
clude the following: all provider contact information, date, invoice number, purchase order number (if the schools assign one), specific items sold, weight and/or units sold, unit cost, total cost, and signed and dated documentation by food service staff indicating products were received and approved.

• **Weigh the possibilities of participating in both farmers markets and FTS:** Farmers/farming groups selling their produce for direct retail price through farmers’ markets may be reluctant to sell their commodities at a wholesale price to schools. However, a FTS program may provide additional benefits to farmers’ market participants. For example, the school year begins when most farmers’ markets are slowing down or closing, and FTS programs provide excellent markets for cool season crops. Additionally, the time commitment for marketing to a school district will be considerably less than selling in a farmers’ market, and bulk packaging to meet school needs is less expensive than individual packaging for farmers market customers.

**For the School Food Service**

When developing a Farm-to-School program, there are many resources that can assist you in building your program. Partnerships are very important and helpful. Work with school principals and PTA. Ask for parent volunteers to assist with the kitchen prep of fresh produce, pick up produce at the farm or in planning and coordinating hands-on nutrition education activities, such as food tastings, cooking activities, farm visits and school gardens. Members of your school’s Health Advisory Committee may be able to help. Farm-to-School is a wonderful opportunity to work together toward the common goals of improving school meals. A good strategy is to have an organizing meeting to present your ideas and to allow others to express theirs.

For a school that wants to approach their local farmer/farming group, the process is the same as listed above. Look for those growers who show a real willingness to work with you – and be willing to work with them. The school food procurement system does not naturally lend itself to buying direct from farmers. In developing a procurement system that works for farmers and schools, both sides will have issues and concerns that deserve consideration and discussion.

Ask the farmer about crops they grow and tell what you are looking for: supply reliability, quality (ask for samples and if interested, ask if you could visit their farm). Another item to discuss is price, delivery, packaging and payment. Most farmers will prefer payment within 15 – 30 days, but some will accept payment up to 45 days after the sale.

During the main produce growing season, farmers will work from sun up to sun down. Ask them when the best time to call them would be. Once the relationship begins, the farmer can e-mail a weekly availability sheet with prices to the school food service and have them return the orders a day or two later for the upcoming weeks harvest and delivery.

**Tips for Working with An Exclusive Local Distributor**

While the “typical” wholesale food service distributors control a vast majority of the school food deliveries, recent years have shown an increase in the development of small distributors catering specifically to food service demands for locally grown items. These specialty distributors market both the locally grown commodities and the sustainable agriculture characteristics of the supplying farms/farmers. These distributors usually work with small- and medium-sized growers who are too small for more conventional distributors, but pooling the output from these growers allows the exclusive distributors to meet demands for both quantity and quality of product. As a result, the farmers represented by these specialty distributors often avoid some middleman costs and, therefore, receive a higher percent of the consumer dollar. The following are tips for farmers considering the use of exclusive local distributors:

• Ask about year-round marketing potential. Some of these distributors will change their marketing practices and channels to match the seasonal availability of produce.
• For some producers, these distributors may charge either a flat rate or a percentage fee to deliver products to restaurants, hospitals, schools/universities and even farmers’ markets.
• Some exclusive local distributors also provide facilities where crops can be washed, graded and packed.
• These distributors may use backhauls to keep down the distribution costs for the farmers they represent, so it may be in the farmers’ best interests to help them identify backhaul opportunities.
• Pick-ups at the farm may be possible, or a convenient point of exchange may be negotiated.
• Produce turn-around is often faster with these specialized distributors, which should mean a faster payback for the farmer.
• Some of these distributors are brokers for the farmers, but others may simply purchase produce from farmers at the prevailing wholesale price.
The national FTS Web site (www.farmtoschool.org) provides links to a number of useful organizations, publications and online materials. Some examples of beneficial organizations, publications and online references (in no particular order) include:

**USDA-Food & Nutrition Service**
3101 Park Center Drive
Alexandria, VA 22302
(703) 305-2062
Fruits and Vegetables Galore – Quality Food for Quality Meals – Buying Fruits & Vegetables

Applying Geographic Preferences in Procurements for the Child Nutrition Programs

Eat Smart—Farm Fresh! A Guide to Buying and Serving Locally-Grown Produce in School Meals (Note: This publication has an extensive list of information providers, research reports and planning guides.)

**Healthy School Meals Resource System**
USDA’s Team Nutrition
3101 Park Center Drive, Room 632
Alexandria, VA 22302
(703) 305-1624
http://healthymeals.nal.usda.gov

**Community Food Security Coalition**
Distribution Models for Farm-to-School
http://www.foodsecurity.org/f2s_distribution_method.pdf

DoD Farm-to-School Program – Frequently Asked Questions
http://www.foodsecurity.org/dod_f2s.pdf

**USDA-Agricultural Marketing Service**
1400 Independence Ave., SW
Room 2646 - S, Stop 0269
Washington, DC 20250-0269
(202) 720-8317
How Local Farmers and School Food Service Buyers Are Building Alliances

Quality Standards by Commodity
http://www.ams.usda.gov/AMSw1.0/standards

The following are examples of exclusive local distributors:
- Appalachian Harvest – http://www.asdevelop.org
- Urban Agrarian – http://www.uaoklahoma.com

**Useful Sources of Information and Assistance**

*Tips & Tools*