



FLORIDA FARM TO SCHOOL VIRTUAL PRODUCER TRAINING

Module 5



DIVISION OF FOOD,
NUTRITION AND WELLNESS



Module Five: Choosing the Right Product

Module 5 of the Florida Farm to School Virtual Producer Training will provide you with an overview of:

- What products Florida Schools may enjoy most for their menus
- Considerations for product pricing
- A look into what it could cost to produce for schools
- Assessments of your farm's capacity for production and volume of product
- Reviewing packing and labeling requirements





WHAT TO GROW?

- ***Do you have a product in mind?*** In this module, we will help you determine what to grow and how to grow for schools.
- School buyers are like any type of customer. They have preferences and specific types of products that will work best for them.
- In the same way you think of the best product to sell to restaurants or at a farmers market, you'll need to develop a product that can work for a School Nutrition Director or a distributor.
- The best way to do this is by reaching out to the school or distributor and finding a middle ground on price, quantity and what your end product will be.

CHOOSING THE RIGHT PRODUCT

Start by understanding the school or district's capabilities and specific needs:

- Can schools cook food from scratch?
- Do they have a central kitchen?
- Which of your current products could be a substitute in the menu?
- Can you meet the volume needs of the schools?



SELLING TO SCHOOLS: CONSIDERATIONS

Considerations for selling to schools focus on capacity, consistency, and infrastructure.

These considerations can be addressed by asking yourself following questions:

- Can you satisfy your school buyers' requirements?
- Can you comply with food safety and quality standards?
- Do you have the ability to move more product through your washing, packing, or processing facility?
- Do you have enough space in your cooler, your delivery truck, etc.?
- Do you have an advanced accounting system to track sales and payments?
- Would you need to bring on more workers? Do you have the capabilities to manage a larger staff?



IDENTIFYING VOLUME OF THE PRODUCT BASED ON THE SCHOOL'S NEEDS

How can you can get an idea of a school's volume requirements?

- Looking at menus is a good place to start. You can find these menus at the school district web site. Menus are sometimes posted as much as six months in advance.
- Meeting with School Nutrition Directors to find out how many meals/servings of a product are needed and how that translates into pounds of product. Based on this information, you can start to determine if you can satisfy their volume requirements.
- **Don't be discouraged by volume!** Ask the director if there are programs or opportunities, such as salad bars, that do not require the level of volume needed to supply a school breakfast or lunch every day.
 - Larger districts may buy for or test product with select groups of schools.
 - Salad bars are a good example, but these may not be used anymore in light of the pandemic.
 - Specialized educational programs may also require a smaller volume.
 - Also consider smaller school districts or early childcare centers.
 - You could also partner with other producers to aggregate and grow product to meet the need.

Note that if you're working with a distributor, they have gone through this process already and will tell you the volume and product mix they are looking for.



RETHINKING VOLUME REQUIREMENTS

CARROT STICKS

~10 pounds of carrots = 100 servings

Red/Orange Vegetables - CARROTS					
Carrots, fresh <i>Without tops</i>	Pound	10.30	1/4 cup raw vegetable strips (about 3 strips, 4 inch by 1/2 inch)	9.80	1 lb AP = 0.70 lb ready-to-cook, or serve raw carrot sticks
	Pound	10.60	1/4 cup raw, chopped vegetable	9.50	1 lb AP = 0.83 lb trimmed, peeled carrots
	Pound	15.40	1/4 cup raw, shredded vegetable	6.50	1 lb AP = 0.83 lb (about 3-3/4 cups) trimmed, peeled, shredded carrot
	Pound	8.10	1/4 cup raw, shredded vegetable with dressing	12.40	1 lb AP = 0.83 lb (about 3-3/4 cups) trimmed, peeled, shredded carrot
	Pound	8.63	1/4 cup cooked, drained, shredded vegetable	11.60	1 lb AP = 0.79 lb (about 2-1/8 cups) trimmed, peeled, shredded, cooked carrot; 1 lb AP = 0.83 lb (about 3-3/4 cups) trimmed, peeled, shredded carrot
	Pound	10.90	1/4 cup raw, sliced vegetable (5/16 inch slices)	9.20	1 lb AP = 0.83 lb (about 2-2/3 cups) trimmed, peeled, sliced carrots
	Pound	8.16	1/4 cup cooked, drained, sliced vegetable (5/16 inch slices)	12.30	1 lb AP = 0.76 lb (about 2 cups) cooked, sliced carrots; 1 lb AP = 0.83 lb (about 2-2/3 cups) trimmed, peeled, sliced carrots

Volume might seem overwhelming at first, but **breaking down product requirements in the following ways can help** the producer with production planning (discussed in the next module):

- **Delivery frequency** will depend on the school's infrastructure and the product. It is recommended to have discussions about delivery expectations prior to solicitations being drafted.
- Producers and food service may have widely different **expectations** for delivery and may need to find ways to compromise.
- You will also need to **consider district size, how** many student meals are served, and the type of serving (e.g., breakfast, lunch, snack).





SCHOOLS' FOOD NEEDS: HOW OFTEN

- In addition to how much of a product is needed, you also need to determine how often the school food service director will want product.
- This will be communicated in the agreement with your buyer.
- **Examples of things to ask and consider include:**
 - Are carrots on the menu every week?
 - Are sweet potatoes served once a month?
 - Does the school have freezer capacity to store all of your hamburger for six months?

WHAT RANGE OF PRODUCTS WORK WITH THE SCHOOL DISTRICT YOU ARE TRYING TO SELL TO?

- In addition to knowing what products, when, and how much your school needs, **you also need to consider if they require some level of processing.**
- Minimal processing may make the difference between whether a school buys a local item or sources it from a broadline distributor. And, it might be easy to implement on your farm!
- **In this section, we will go through the different levels of processing and discuss different farm and community-based strategies for meeting those requirements.**



RAW/UNPROCESSED PRODUCTS

- **What types of schools do these products work for?**
 - *Think about labor and equipment*
- **Look at menus**
 - *What products can be sold raw?*



LIGHTLY PROCESSED VEGETABLES AND FRUIT

- When you do research and start communicating with schools, investigate which have labor and facilities for doing minimal preparation, such as combining, chopping, steaming, or baking.
- This will be apparent in the bidding process and as you communicate and develop a relationship with the School Food Authority.
- If the school doesn't have capabilities, then consider farm-based processing, community kitchens, or aggregators that process.
- **Ask:** What can be processed on-farm and what requires further infrastructure?
- Carrots, broccoli, squash, and potatoes can be cut on the farm.
- Minimal processing works well for farms that have rudimentary facilities that are in compliance with regulations (GAP certification if required by the school, and/or FSMA). Processed products need adequate packaging.





PROCESSED MEATS *(PATTIES AND PARTIALLY- CUT PRODUCTS)*

- Meat requires USDA inspected processing in most cases in the state of Florida
- Work with schools to identify types of cuts and then work with the processor
- In some cases, the product may be processed out of state

HOW DO ANIMAL PRODUCTS FIT WITH SCHOOL DEMANDS?

- **Proteins are the most expensive part of a school lunch meal.** Thus, consider the cost and versatility of various options that you can offer.
 - For example, ground beef can be shipped frozen and used in various recipes, such as burgers, meatballs, casseroles, meatloaf, tacos, spaghetti, sloppy joes, and stew.
- **It is likely that a school is already serving meat,** so if the school can take it in the form in which the producer can provide it, and for an affordable cost, substitution may be likely.
 - Meat can be used year-round, so provisioning meat is likely to require higher volumes than seasonal vegetables. Also, think about the cuts or parts that don't fetch top dollar, like dark-meat turkey, for example. Higher-value cuts can be marketed directly or through other conventional means.
 - Also, schools can purchase whole beef and auction off the higher-value cuts to staff/families to offset cost. There are all types of opportunities if you are creative and consistent.



DETERMINE SCHOOL NEEDS

- **Meat portion sizes in schools are usually 2 to 3 ounces per serving.** A school serving 100 students would need approximately 12.5 to 18.8 pounds of meat per meal.
- For many schools with little capacity for breaking down whole animals, smaller packaging may be better for kitchen efficiency, e.g., 5-pound chubs of ground beef or bulk frozen chicken pieces.
 - This gives the kitchen versatility in preparing various meals. Frozen products allow longer shelf life and increased ease of handling.
 - However, some schools prefer larger bulk-pack sizing, especially if they have a central kitchen, to bring pricing down and reduce package-opening labor.
- For processing, you will need a state- or USDA-inspected facility. Find out what your school district requires.
 - All states that participate in the state meat and poultry inspection program can take state-inspected meat. Otherwise, it must be federally inspected (and it must be federally inspected if it's coming across state lines, regardless).
 - Florida follows the Federal Meat Inspection Act and use the USDA's inspectors.
- Packaging and Processing - [Niche Meat Processor Assistance Network](#)



VALUE-ADDED: PRE-COOKED OR FROZEN

- **Pre-cooking fruit, vegetables, and meat will require extensive infrastructure at the farm, in order to prepare them in a way that allows schools to use them.**
 - This is probably best left to a processing kitchen if the infrastructure doesn't already exist on your farm or in your business operation.
 - If your farm is interested in value-added elements to help you sell to a school, a USDA Farm to School grant (or other grants) can assist in purchasing equipment for value-added products. You can find information about Farm to School Grants at: <https://farmtoschoolfl.com/grants/>
- **Proteins such as ground beef** (delivered frozen in small packages; five pounds works well for many schools) work very well where kitchens prepare various beef dishes on-site.
 - Beef can easily be incorporated into the menu if the farmer has the processing infrastructure, experience, or access to an existing processor relationship.
- **Frozen berries, pitted cherries, and frozen and peeled squash** are all great examples of processed foods that can be used in school meal programs.



OPTIONS FOR PROCESSING RAW PRODUCTS OFF-FARM

Don't feel like going all-in on processing?

- Consider whether there is a food hub or aggregator in your region that can do processing.
- They often have the resources to acquire processing equipment through different grants.



Individually Quick Frozen (IQF) Mushrooms



REGIONAL PROCESSING KITCHENS

- **Regional processing or community kitchens can be a great option if your product needs a licensed and inspected kitchen.**
- Renting space at a regional processing center will usually be charged by the hour, and costs will depend on what you are using.
 - Licensed and inspected
 - Space and equipment is rented by a farmer
 - Some communities have free processing kitchens
- **Consider what products you could develop with these pieces of equipment.**
 - Auger filler and ribbon blender for dry products
 - Industrial chopper/dicer, fruit and vegetable peeler
 - 30- and 90-gallon steam and water jacketed kettles
 - USDA meat room smokers, meat grinders, and vacuum tumblers
 - Commercial bottling fillers
 - Vacuum packaging machines
 - Freezer, cooler, and dry storage rental
 - Loading dock and forklift
 - VEMAG stuffers and portioner with guillotine attachments



CONSIDER THE FULL COSTS OF PROCESSING YOUR PRODUCT

- **Processing will increase the price of the product you sell to the school.**
- You must consider all costs associated with processing:
 - Processing costs
 - Storage rental
 - Transportation
 - Time
 - Labor
 - Opportunity costs—lost time waiting for processing



UNDERSTANDING PRICING

- **Most Child Nutrition Programs will require a solicitation process.**
 - Because of this, price doesn't have much flexibility.
 - Set the price based on the solicitation, with quotes or proposals. After a contract is in place, the price will not be flexible.
- To understand and compare pricing when responding to solicitations, refer to other wholesale-market-channel pricing to get a baseline understanding.
- **Here are a few places you can research wholesale pricing for a point of comparison.**
 - USDA AMS Wholesale Pricing guides
 - Other wholesale markets: hospitals, restaurants
 - Price point is important, but your price point must cover your costs of production, processing, and harvesting and provide a profit margin if it is to be a good fit for the school meal program and your farm.
- **Remember:**
 - You are running a business.
 - We want you to profit from Farm to School.
 - Bidding and contracting will influence price.
 - Refer to wholesale-market pricing.
 - Price is dependent on YOUR costs of production.



RECAP: MEETING SCHOOLS' NEEDS

1. Volume

- Schools require a certain volume of product that is consistent in quality and also meets the needs of the food service staff.

2. Billing

- School requirements may impact cash flow.
- With the price per unit likely being less than direct market channels, you must be able to meet these needs while also charging a price that the school can afford.
- Therefore you must find efficiencies through scale, labor savings, seconds, input cost savings, etc.

3. Price

- Meet farm needs while charging what the school can afford/



MEETING SCHOOL GRADING, PACKAGING, AND LABELING REQUIREMENTS

- Schools may or may not understand industry standards for grading, packaging, and labeling. It may be the intermediary (i.e. the processor, food hub, distributor, or wholesaler) that requires this. This is an important topic to discuss with the **School Food Authority**.
- There are certain items that must be on labels, and many buyers require all vendors to meet the CNP label standards. Have a conversation with the Food Service Director to understand what they are expecting if it was not clear in the solicitation/contract. **Note:** Not every school requires the same information on product labels.
- Labeling specifies the style, size, and product. Labels provide traceability back to the farm (in the case of a foodborne illness) and may also include any certifications that are associated with the product. Typical information on a label includes the following:
 - Name and address of the farm
 - Julian Date (the continuous count of days from January 1)
 - Product
 - Grade
 - Quantity/Count
 - Harvest or Pack Crew Identification
 - Certifications, e.g., Certified Organic

Farms may use a code system such as:
Sp619Ac3

Which represents spinach picked on 6/19 from field A by crew or person 3.

