AN ANALYSIS OF THE LOCAL FOOD PROCUREMENT PRACTICES OF KENTUCKY SCHOOLS
The Kentucky Food Action Network (KFAN) is a collective of individuals and organizations united under the common purpose of creating accessible and resilient food systems that prioritize the health of Kentuckians and the land across our Commonwealth by nurturing all aspects of Kentucky’s food system, from the producer to the consumer.

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There is overwhelming evidence that Kentucky’s children are unhealthy and getting unhealthier, with the Commonwealth consistently ranking among the top spots on all the lists you don’t want to be on. It is not a coincidence that Kentucky’s children also rank among the most economically insecure and hungry in the nation. Nelson Mandela once said that “the true character of a society is revealed in how it treats its children.” If that is true, Kentucky policymakers, schools, and direct-service organizations must hold each other accountable for past failures and work together to support struggling families and children.

Simultaneously, there are a number of reasons we should look to local farmers to help feed our children and improve their health. Kentucky’s agricultural sector accounts for about 1.3 percent of Kentucky’s gross domestic product ($5.5 billion in 2020\(^1\)), a number that has been steadily declining for the last several years. One area in Kentucky with many opportunities for improvement is the institutional purchasing of locally-grown foods, especially in preK - 12th grade schools. In 2015, the average Kentucky school district self-reported spending just 3% of their budget on local products. In 2019 that number had climbed to only 5%. There is much opportunity to grow this sector to ensure Kentucky children are properly fed and Kentucky farmers are turning a profit.
“Farm to school enriches the connection communities have with fresh, healthy food and local food producers by changing food purchasing and education practices at schools and early care and education sites”. There are three components of farm to school: local procurement, school gardens, and education. The three components work simultaneously to promote understanding of where food comes from and to build lifelong healthy eaters who support local farms. This paper will focus on the local procurement aspect of farm to school. Local procurement by schools can lead to numerous benefits including: children eating more fruits and vegetables, more money going into the local economy, children learning about the process of growing food, and more.

**OVERVIEW OF FARM TO SCHOOL**

Nutrient-dense foods are essential for children to thrive. Unfortunately, Kentucky has many children who lack access to such foods. This is an urgent and persistent public health crisis as low fruit and vegetable consumption is linked with an increased risk of many adverse health outcomes including premature death from vascular disease and cancers. Access to and consumption of fruits and vegetables is important to maintain a healthy weight and reduce disease risk, so it is troubling that only about 1 out of 4 Kentucky kids ages 10 to 17 reported consuming their recommended daily serving of fruit. For vegetables, that number plummets to only about 1 out of 10. According to the 2021 State of Childhood Obesity Report by the Robert Wood Johnson Foundation, childhood obesity among Kentucky kids ages 10 to 17 is 23.8%. This gives Kentucky the unfortunate distinction of having the highest adolescent obesity rate in the nation, well above the national average of 17.2%. Since the average Kentucky public school student eats 1 out of 5 of their yearly meals at school (1 out of 3 for the most vulnerable children), schools have the opportunity to play a critical role in improving the health of Kentucky’s children by serving more nutrient dense, whole foods.
Research has shown that farm to school (F2S) activities lead to an increase in nutrient dense produce being served at a school and result in improvements in student health outcomes, increases in the consumption of and preference for fruits and vegetables at school and at home, and improved knowledge and attitudes towards nutrition. There is also clear evidence that the fresher the food, the more nutrients it contains. When schools procure from local farms, it ensures the freshest possible produce. Therefore, when prioritizing the health and wellbeing of Kentucky’s students and children, there is a compelling case to be made for feeding children healthy foods that are grown and produced in close proximity to students and their schools.
Local procurement through farm to school programming has a direct impact on the local economy by increasing the money being spent on local products from local farmers. School purchasing can provide an alternative market for farmers and allow them to diversify and increase their income streams. The economic impact doesn’t stop with the farmer either: each dollar invested in farm to school programs stimulates additional economic activity in supporting sectors. One study found that in the state of Georgia, their farm to school spending had a multiplier of 1.48 in net impact on Georgia’s economy.\(^9\) Not only can the economic impact be felt by the local farmer, but food service programs benefit financially as well - farm to school programming has the potential to increase participation in school meals by an average of 9\%\(^{10}\), which then increases the reimbursements coming into the school nutrition programs through federal feeding programs.

In 2007, the Kaiser Permanente Community Fund made a grant to Ecotrust, a Portland-based nonprofit, to subsidize seven cents per lunch served in two school districts in order to increase purchases of local food. A 2011 study on the economic effects of the pilot program found that an investment of $66,193 resulted in $225,869 in local purchases. The seven cent incentive led to a substantial increase in local purchasing by the school districts, which, in turn, had a ripple effect throughout the economy. For every dollar spent by the school districts on local food products, an additional 87 cents was spent in Oregon in supporting industries. The analysis revealed that this additional 87 cents benefited 401 of the state’s 409 economic sectors.\(^{11}\)

An even larger amount of money is recycled through the local economy when agricultural products are purchased from small farms. Economists at the University of Wisconsin found that each dollar earned by a small farm in Minnesota and Wisconsin generated another $1.30 of local expenditures. Large farms, however, only produced an additional 90 cents of local spending.\(^{12}\)
In addition to economic outputs, there are also employment outputs. An analysis of data in 2017 showed that for every additional employee added to the payroll in the farm to school production sector, an additional 7.55 jobs were generated in backward-linked industries in the Minneapolis area (employment multiplier = 1.96) and 8.76 jobs in Georgia (employment multiplier = 3.35).

The most important thing a school can invest in is its students and research shows that improved access to healthy food for children also improves academic performance and their lifelong economic security. Without a foundation for physical and emotional success, Kentucky kids cannot be expected to contribute fully to either the public or private sectors.
A brief history of Farm to School programs and activities in Kentucky

2006: As Kentucky farmers were looking for alternatives to lost income from tobacco markets, Bath County farmers, with the support of Community Farm Alliance, began selling produce to Bath County Schools. This is the first intentional farm to school effort in Kentucky on record.

2009: Jefferson County Public Schools, the largest school district in the commonwealth, began farm to school purchasing; the Kentucky Department of Agriculture hired a statewide farm to school coordinator.

2010: The Kentucky Department for Public Health’s Obesity Prevention Program established the statewide Farm to School Task Force. One of the task force’s first functions was to administer competitive mini-grants of $5,000 to school districts to fund farm to school plans that addressed the “three C’s” of farm to school: the classroom, the cafeteria, and the community. Jackson, Lee, and Woodford Counties were the first 3 districts to receive these mini-grants.

2012: The Kentucky Farm to School Handbook was published. At that time, there were 85 school districts participating in farm to school activities (which may or may not have included any local food purchasing).

2015: USDA farm to school census reported 77 districts participating in Farm to School, with $8,862,280 dollars spent on local purchases across the state.

2015-16: The National Farm to School Network (NFSN), in partnership with the Walmart Foundation, implemented their Seed Change program in Kentucky, Louisiana, and Pennsylvania. According to NFSN, “[a] total of 100 school sites received $5,000 mini grants to support the implementation of concrete farm to school activities and build school-wide support and enthusiasm for increased engagement and associated positive outcomes.”
2017: With funding from USDA Food and Nutrition Service and the Kentucky Department of Education School and Community Nutrition, KDA’s Chefs in Schools program hired three professional chefs to work with three school districts: Carter County, Anderson County, and Elizabethtown Independent. Chefs worked with the staff on recipe and menu development featuring local food, purchasing and food safety.

2017-2020: Feeding Kentucky was awarded $185,000 by the Kentucky Agricultural Development Board to support a three-year pilot program: the Kentucky Fruit and Vegetable Incentive Program (K-VIP). K-VIP reimbursed Summer Food Service Program (SFSP) sponsors and CACFP At-Risk sponsors for Kentucky-grown produce purchased directly from Kentucky farms. K-VIP reimbursed a portion of purchased produce used in summer and after-school meals, and funds distributed to sponsors varied. In its three years, 40 meal sponsors spent $394,540 with 91 Kentucky farms. As a result of K-VIP, these sponsors served 304,652 pounds of local produce to kids in summer and after-school meals across the Commonwealth. K-VIP positively impacted 53 Kentucky counties, from supporting meal programs to creating new markets for growers.

2018: The Kentucky Department of Agriculture (KDA) was awarded a nearly $100,000 grant from the USDA Farm to School Grant Program. The project “provide[d] training opportunities to farmers and food service authorities as well as ten mini-grants to fund allowable expenses including personnel, equipment, supplies, market development activities, and other eligible expenses determined by the Kentucky Farm to School Task Force.”
A LOOK AT THE KENTUCKY FARM TO SCHOOL CENSUS

The Farm to School Census is a nationwide USDA survey of schools participating in the National School Lunch Program; it is the most comprehensive form of data regarding farm to school activities in Kentucky. In the 2015 Farm to School Census, 48% of Kentucky school food authorities (SFAs) surveyed said they participated in farm to school activities. That included 77 school districts, 907 schools, and 421,420 students. Another 23% of districts surveyed planned to start farm to school activities in the future. $8,862,280 was invested in local food in Kentucky with the average school district spending 3% of their budget on local products. Of those school districts reporting, 45% were engaging preschool children in farm to school activities, 23% were using local foods in summer meals, and at least 78 school gardens were growing in Kentucky.
In the 2019 Farm to School Census, 69.4% of surveyed school food authorities (SFAs) said they participated in Farm to School activities, with 56.8% saying that they had been doing so for less than 3 years. Of the $112,932,973 in reported total food purchases, local purchases accounted for just $5,820,679 or 5% of total purchases. 67.8% of surveyed SFAs said they served local food; 32.3% said they served local fruit at least weekly; and 25.4% said they served local vegetables at least weekly. 61% of SFAs said they used local foods in the National School Lunch Program (NSLP), 48.7% in the School Breakfast Program (SBP), 48.6% in the Fresh Fruit and Vegetable Program (FFVP), and 52.6% in the Summer Food Service program/Seamless Summer Option (SFSP/SSO).

Despite growth in recent years, the 2019 Farm to School Census indicates that Kentucky is falling behind bordering states in percentage of schools serving local foods in all programs - lunch, breakfast, the Fresh Fruit and Vegetable Program, and summer feeding.
Food Purchasing Practices

Local procurement can occur through purchases from distributors or directly from the farmer. Local purchases through a distributor, such as Creation Gardens, may or may not be made with intent to support local. If purchasing direct from a farmer, there are generally three methods by which school food service directors can do so: micropurchasing, small purchasing, and formal procurement.

**Micropurchasing** is purchasing with a no-bid process. Kentucky has a $10,000 micropurchasing threshold, which means that if a purchase is less than $10,000, the food service program does not need to solicit any bids. However, purchases must be spread out among potential sellers.

**Small purchasing** can be used for purchases under $20,000 (KY state threshold). Known as “three bids & a buy,” this procurement method requires food service staff to solicit quotes from at least three vendors and properly document the solicitation. The director can then award a “contract” for the purchase to the “responsive and responsible” vendor, which may or may not be the vendor with the cheapest rate.

**Formal procurement** is the conventional process by which schools purchase products and is required for purchases greater than $20,000. Sealed bids (IFBs) or competitive proposals (RFPs), and public advertising, are required.

In Kentucky, most local purchasing is done under the micropurchasing or small purchasing procurement methods. It is important to note that school districts can set their own thresholds (must be less than the state thresholds), and some districts do not allow micropurchasing or small purchasing procurement.
The 2017 USDA Census of Agriculture results are listed below for selected data relevant to the local food economy in Kentucky. Though census data is conservative, and this data is now 5 years old, it speaks to the current farming capacity for locally grown foods in Kentucky. It is notable that there are significantly fewer farms selling to institutional markets in Kentucky than there are farms selling directly to consumers. While it is true that some farms sell to both, many farms that sell direct-to-consumer would not be a good fit for selling to institutional markets due to production experience, infrastructure, and scale of operation.

### FEASIBILITY OF LOCAL SOURCING IN KENTUCKY SCHOOLS

### KENTUCKY FARMING AND PROCESSING CAPACITY

To put these numbers in perspective with Kentucky schools, as of 2017, were 615 farms selling to retail markets, institutions, and food hubs in the commonwealth. While that might seem like a lot, that equates to less than 4 farms for every school district (171) in Kentucky and less than 1 farm per school (1477). Viewed a slightly different way, if each of the farms currently selling to retail markets, institutions, and food hubs in the commonwealth sold to school markets, they would be responsible for feeding 1,054 students (647,987 students) annually. No matter the number of farms selling to institutional markets, because farms are clustered geographically, not all schools will have equal proximity to farms with retail/institutional sales.

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<tr>
<td>FARMS selling food directly to retail markets, institutions, and food hubs for local or regionally branded products</td>
<td>615</td>
</tr>
<tr>
<td>FARMS selling processed or value-added agricultural products</td>
<td>889</td>
</tr>
<tr>
<td>FARMS selling vegetables, melons, potatoes, and sweet potatoes</td>
<td>2,471</td>
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<tr>
<td>FARMS selling fruits, tree nuts, and berries</td>
<td>1,218</td>
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<td>VALUE of processed or value-added agricultural products</td>
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<tr>
<td>VALUE of fruits, tree nuts, and berries</td>
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USDA, National Agricultural Statistics Service, 2017 Census of Agriculture
The amount of locally marketed finished meat is hard to extract from the USDA census data. Kentucky is the top beef cattle producing state east of the Mississippi but very few of these cattle are processed and marketed in the commonwealth, as most are shipped to feedlots in the midwest for finishing. However, the number and scale of farms finishing beef and processing it for regional consumption is growing, evidenced by the ongoing USDA inspected meat processing service shortage. There are sources of Kentucky raised and processed meats in larger quantities than ever before through brands such as Marksbury Farm, Our Home Place Meat, Beef Solutions, Black Hawk, Four Hills, and Freedom Run Farm, to name a few. Kentucky's top-grossing agricultural commodity is poultry and eggs. However, most chickens are produced in one of Kentucky's 3,200 large, industrial poultry houses and are grown under contract to a parent company like Tyson or Perdue, so there is little opportunity for purchasing directly from these farms.

This production information frames strategic thinking about opportunities for local farms selling to schools. In analyzing this data, it's clear that production currently doesn't have the capacity to meet the possible demand, so successful programs should be targeted to current production capacity, and not overcommit, to build a steady foundation for the future. This slow and steady growth plan will likely only be success with aggressive an intention actions by state policy-makers aimed at growing and retaining farmers in Kentucky.
Producers that are already growing at scale for wholesale markets may already have comparable pricing to a mainline distributor. And while many school food service directors report that they are willing to pay a little more for local farm products, price point is also consistently cited as a major part of purchasing decisions. It is important to note that some food items’ prices are more comparable to market price than others and some can be competitive with direct-to-consumer prices, making it important to look at items for which the school can offer a good price.

Where purchasing involves competitive bidding, USDA rules allow for geographic preference. In this case, a bid may be awarded to a local farm over another vendor, even if the farm's price is not the lowest, if the points given for geographic preference (or other attributes only a local farmer can offer) are enough to overcome the price disparity. For farms that are mostly selling through direct to consumer market channels, which accounts for a large portion of Kentucky farms growing fruits and vegetables, it can be challenging to adapt from retail prices to discounted prices for institutional accounts, like school markets. However, for smaller-scale producers, where the price of some local farm products sold to schools is not competitive with food prices from mainline distributors, premium prices for local products may be subsidized by incentives or municipal reimbursement programs.

**ORDERING AND DELIVERY**

Ordering and delivery remains a challenge for food service directors and farmers in the local procurement process. For schools that purchase directly from farmers, the ordering process is usually arranged via email or phone communication. The delivery process for farm to school is simple but can be time consuming; the farmer generally delivers - usually to each individual school/kitchen. While the ordering process is not complicated, it can be a lot to ask of a food service director to manage individual relationships with multiple farmers.

Meanwhile, schools that order local foods through a distributor, Creation Gardens for example, use their app or website to place orders and receive delivery on their allotted day of the week. Distributors utilize refrigerated trucks, so the cold chain is not broken. The convenience of online ordering platforms utilized by distributors is certainly appealing to food service directors, but as with all wholesale markets, the price that a farmer receives through selling through a distributor will likely be less than selling direct to the school.
The Kentucky Proud Buy Local program is administered by the Kentucky Department of Agriculture, made possible with funding from the Kentucky Agricultural Development Fund. Originally called Restaurant Rewards, Buy Local offers an incentive to purchase and use Kentucky farm fresh foods to enhance participants’ menus. In this program, enrolled food service participants, including those in school food service, can earn reimbursement of 15% on qualified purchases from Kentucky Proud members with Kentucky direct farm impact.

KY PROUD BUY LOCAL PROGRAM

In 2016, Bowling Green Independent Schools was the first (and so far only) school district to reach the program’s lifetime cap of $36,000 in reimbursement. Since the incentive program became Buy Local in 2017, K-12 enrollees have made collective reimbursable purchases in excess of $750,000 in Kentucky Proud products. In 2020, Madison County School District, Marion County School District, and St. Xavier Catholic High School all made KDA’s Top 20 Buy Local participants list, showing a growing level of participation among schools and school districts. Buy Local allows intermediary purchases from partner distributors, rather than requiring solely direct from farm purchases. Additionally, partner distributors earn a small percentage incentive for their role in aggregating, distributing, and reporting Kentucky farm purchases.
KDA FARM TO SCHOOL PROGRAMS

FARM TO SCHOOL COORDINATOR, JUNIOR CHEFS PROGRAM, CHEFS IN SCHOOLS PROGRAM

The Kentucky Department of Agriculture employs a Farm to School Coordinator and has a farm to school program, which encompasses Junior Chefs and Chefs in Schools, among other programs. KDA Farm to School programs have a wide reach, with 558 students in 186 teams participating in Junior Chef culinary competitions since 2013. Since a pilot program in 2016, nearly half of Kentucky’s 171 school districts have had some level of engagement with Chefs in Schools. Chefs in School’s continual aim is to provide food service directors with an intensive and extensive training protocol for their food service staff in all aspects of preparing, cooking, and serving local food. KDA has also developed classroom curriculum, administered mini-grants and conducted trainings on procurement. KDA published a farm to school handbook in 2012.

In the end, it is difficult to say what the farm impacts of these programs are. Aside from the purchasing history available from the school districts participating in the Kentucky Proud Buy Local program, no other farm impact data was available on these KDA programs. In order to track the economic impacts of these programs, relevant data is needed. That being said, there are clearly many known but harder to quantify benefits from the programs. According to KDA staff, Junior Chefs and Chefs in Schools are primarily educational and meant to offer youth the opportunity to learn valuable skills in recipe development, food preparation, marketing, public presentation, organization, teamwork, and community involvement. Just looking at the sheer numbers of students and school staff participating, they are obviously finding the programs valuable.
Since 2013, the USDA Food and Nutrition Service (FNS) has awarded Farm to School grants to increase the availability of local foods in schools. According to FNS, “funds support a wide range of activities from training, planning, and developing partnerships to creating new menu items, establishing supply chains, offering taste tests to children, purchasing equipment, planting school gardens, and organizing field trips to agricultural operations.”

Of the grants awarded: one went to a local agency, one to a nonprofit entity, eight to a school or school district, three to the state. There has not been a new summary report released since 2018, but press releases from each year reveal funded projects. In 2019, there were no awarded projects in Kentucky. In 2020, awarded projects included three school districts and one non-profit. In 2021, awarded projects included: Metcalfe County Board of Education ($81,894), and Need More Acres Farm LLC ($93,929). It is interesting to note that Need More Acres Farm’s project is the only USDA Farm to School grant that has been awarded to a Kentucky farmer. In total, from 2013-2021, this program has awarded nearly $1.4 million in funds to Kentucky organizations for farm to school projects (actual number: $1,395,912).
WHAT CHEFS WANT! HARVESTS OF THE MONTH

What Chefs Want!, also known as Creation Gardens, is a wholesale food supplier and distributor to 16,000+ restaurants and chefs in 10 states. They were founded in Louisville, KY and have experienced rapid growth, now offering 6,000+ products to customers with a fleet of over 230 route trucks and warehouses in six states. Additionally, What Chefs Want! has the Kentucky Department of Defense (DOD) bid for produce, so they make weekly deliveries to many Kentucky schools. Because of their existing product aggregation, delivery routes, and Food Service Director’s familiarity with ordering through the What Chefs Want! app, they are a key partner in selling local foods to school systems.

In 2021, Local Food Coordinators Olivia Vogel (Kentucky Center for Agriculture and Rural Development) and Ashton Potter Wright (Bluegrass Farm to Table) teamed up in outreach to about 10 schools in Central Kentucky for a “Harvest of the Month” program for the 2021-2022 school year in partnership with What Chefs Want!. The team pitched a “tiered” level approach, allowing schools to opt-in for buying one local food item a month or several items per week. As of August 2021, three school systems (Woodford, Marion, Clark) implemented a monthly or weekly local purchasing plan through What Chefs Want!. In addition to the committed Harvest of the Month schools, other schools ordered local products on a case-by-case basis. Since this 2021 trial approach, some lessons have been learned. What Chefs Want! staff have noticed that there is a $5,000 sales threshold to make up for the onboarding investment and that continuous check-ins with the schools are needed. Additionally, What Chefs Want! staff are working on a strategy to include more local vegetables in their “commodity bins” so that schools receive local produce in normal ordering without the extra hassle and onboarding. Harvest of the Month also allow for, as the name suggests, focus on crops and products being harvested locally that month, allowing more flexibility of product and impact throughout the seasons.
Added benefits of utilizing What Chefs Want! include high food safety standards, and local and non-local school orders can come together on one truck, lowering the delivery cost attributed to the local items. What Chefs Want! also has full processing capabilities and can transform local carrots into coins and watermelons into slices, which is attractive to and easier for schools. Further, What Chefs Want! also processes Buy Local reimbursements for schools enrolled in the program. Farmers can benefit from this sales relationship in that they do not manage the buyer relationship or incur the cost and time commitment of delivery.

A potential downside to utilizing What Chefs Want! is that only Good Agricultural Practices (GAP) audited farms can be suppliers, significantly narrowing the list of Kentucky farmers eligible to participate. Also, the local items that schools purchase may be several counties away, which does not detract from the benefit to the regional food economy but will require added effort for the schools to build relationships with the farmers. What Chefs Want! also has a fee for their services, which farmers will have to consider in their enterprise budgets.
The Kentucky Farm to School Network is a coalition of agencies, organizations, and advocates enthusiastic about farm to school programming in Kentucky. The Network received a National Institute of Food and Agriculture (NIFA) Food and Ag Service Learning Project (FASLP) grant in 2021. To develop the Network, the project will follow best practices from the National Farm to School Network’s *Farm to School Networks Toolkit*, identify and engage stakeholders, establish a robust network structure, set a strategic vision and direction, and raise awareness. Two pilot projects include a taste testing mini-grant and a school garden mini-grant program. The network also promoted a statewide Farm to School Challenge in the 2021-22 school year and is hosting the Challenge again in the 2022-23 school year. The Network hosted regional kickoff meetings around the state in early 2022. Currently the network hosts bi-monthly Zoom calls, distributes a monthly e-newsletter, and maintains a robust Facebook page.

**BRINGING THE FARM TO SCHOOL - PRODUCER TRAINING**

In May 2021, Kentucky farm to school stakeholders participated in a virtual workshop for the Bringing the Farm to School training program, which is aimed at preparing producers to grow and sell into school markets. The program was developed by the National Farm to School Network (NFSN) and the National Center for Appropriate Technology (NCAT) with a goal “to give agricultural producers training and tools to build their capacity to launch or grow efforts to market to schools, therefore increasing sales to schools for farmers while expanding farm to school activities for students in schools and communities across the nation.” The Bringing the Farm to School curriculum has been customized by KY advocates and was presented at events across the state including at the KY Fruit & Vegetable Conference, the Eastern KY Small Farm Conference, and in virtual training sessions. The virtual sessions were recorded and are now available on Youtube.
OTHER PROGRAMS OF NOTE

INCREASING GAP CERTIFICATION
UK extension is working with producers to increase the number of GAP-certified produce farms, which will increase the pool of farms that are eligible to sell to distributors, including Creation Gardens/What Chefs Want. Kentucky Horticulture Council is offering a cost-share to subsidize the expense of a certification audit.

HIGH TUNNEL INSTALLATION ASSISTANCE
Initiatives from Grow Appalachia and Black Soil will be implementing the installation of hundreds of high tunnels over the next few years, boosting the availability of fresh produce in the off-peak season, when most school meals are served.

FARM TO SCHOOL HUB
The University of Kentucky and Kentucky Department of Agriculture partnered to launch a Farm to School Hub website, which aims to facilitate connections between KY farmers and food service directors. The website - www.kyfarmentoschool.com - allows farmers and food service directors to share information regarding contact info, products available/desired, requirements, etc.
If the USDA would allow the school districts to do what Madison County did last summer [run less restrictive programs like the summer feeding program] it would help Kentucky produce farmers because during the summer is when the farms have the most produce available. I would love to get our [state] government on board to allow all schools to distribute fresh farm products. That would be a major impact for Kentucky farmers. Lots of health benefits would also be accomplished with such a program.

The amount of local produce is the problem. It is very difficult to grow produce for schools due to the inconsistent volume. If one could develop a school market for the summer feeding program it would help due to June, July, and August being the peak produce production season in Kentucky. This may not affect other products besides produce.

The KVEC organization has been great, I only worry about having to rebid each year. If one would not receive the bid you would be stuck with a lot of produce with no market. For example, I have not heard from my bid for this year and I have produce growing in the field. Where will I sell it if I don’t receive the bid?

I have been forced to market this way due to my area, there is no money in Eastern Kentucky. It is hard to sell produce at the volume needed to be sustainable unless we truck it and diversify your market. I would rather develop my on-farm market and grow for my market and sell my excess to other markets. However, I don’t have that option. Growing for your own, direct to consumer, market is the most sustainable market that produce farmers have in Kentucky. I wish I lived in a better economic area.

Ted Johnson, 2022
At the Bowling Green Independent School District (BGISD), Farm to School started in 2015 with the Buy Local Program. The Buy Local Program was and is a great program for schools and businesses to get started with local purchases. This being said, the continuation of local purchases can be tricky as the prices aren’t always competitive with big suppliers. The reimbursement rate for the National School Lunch Program (NSLP) is not inclusive of labor costs related to the true needs of child nutrition. To assist with the cost differential of local produce, BGSID has taken advantage of several other programs, including the Kentucky Vegetable Incentive Program (KVIP) and the Fresh Fruit and Vegetable Program (FFVP). Though these grants were very helpful to the district, the restrictions of these grants keep many districts from participating.

BGISD has been able to develop sustainable relationships with local buyers and incorporate fresh produce into menus because I, with support of my leadership, have been very proactive in enrolling the district in many programs to increase vendors and subsidize prices. The administrative paperwork is not easy and is cumbersome. In order to onboard and sustain other school districts into the Buy Local/KY Proud style of operating, policymakers will need to take into account the lack of labor, admin support, and cost of goods. Any program attempting to encourage local purchases will need to be simple, clear, and open to all forms of nutrition programs, not just at-risk ones. It was also reported that during the pandemic, local farmers were paramount in providing healthy, local, fresh produce to the district. In the event of another global crisis and/or collapse of the global supply chain, local farmers will be central to a resilient food system.
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*Bowling Green Independent School District, 2022*
TOP LINE CONCLUSIONS AND CHALLENGES IN KENTUCKY

There are a lot of untapped opportunities within local food purchasing in Kentucky. Farm to school purchasing is a win-win-win situation for student health, rural economic health, and student educational outcomes. With data showing only 5% of reporting schools’ food budgets yielding $5,820,679 of investment in local farms in 2019, numbers that are likely unchanged in 2022, there is so much more opportunity to grow this sector. The increase in farm to school participation from the 2015 to 2019 Farm to School Census shows that there is a growing momentum for local foods in schools in Kentucky, but Kentucky still lags well behind neighboring states in K-12 local food procurement.

The challenges of farm to school are well known. From product volume, seasonality of produce, price and delivery, to the convenience of ordering from mainline distributors, there are challenges for the school staff, as well as for the producer. School nutrition staff face the challenges of limited cold storage and equipment and staff capacity for scratch cooking with whole, unprocessed farm products. For producers, there is some risk in planning their crops for a market that may fail to follow through on purchasing. One asset is that Kentucky is still very much an agricultural state. With the prominence of animal agriculture in Kentucky, there is an opportunity to address supply chain issues and processing capacity to enable school buyers to access these Kentucky agricultural products.

One of the biggest challenges to local purchasing is that mainstream food sourcing is entrenched and streamlined and requires so much less effort or time than local food procurement. Farm purchasing competes with the convenience, price, processing options, fully staffed customer service, and product availability and variety of mainline distributors. Alternative structures for local food purchasing that can mimic mainline distributor characteristics to some degree will increase the likelihood of adopting farm to school procurement. Another advantage that distributors have over farms in school markets is the advantage of having a negotiated bid. In the farm to school census, over 30% of districts not participating in farm to school reported that negotiating bids was a barrier to their participation, although generally there are ways to purchase from a local farmer without going through the formal bid process.

Increased collaboration between stakeholders in state agencies, schools, and actors in the value chain has potential to bring about solutions to challenges. Utilizing local-friendly food distributors as intermediaries has benefits in terms of convenience of ordering and delivery, but also comes with challenges in costs, a decreased pool of eligible farms, and the challenges to student learning opportunities created by the increased steps between farm and cafeteria/classroom.
Alabama: Local Purchases Reimbursement Program

Alabama is an interesting case study because they started their incentive program during the COVID-19 pandemic. Before that, the Alabama legislature passed a law that schools could purchase up to $250,000 of non-processed products without going through the formal bidding process to encourage local purchases. However, they were still not seeing a large increase in local purchases by schools. So, in 2019/20, the Alabama Commissioner of Agriculture advocated the legislature for a local reimbursement program for the schools, and was able to obtain $120,000 in funding from the general fund. The program is administered by the Alabama Department of Agriculture.

Originally, the program reimbursed schools $0.25 per student per meal for a full meal component with a max of $1 per student per year for Alabama-grown products (with the stipulation that the funding cannot be used for DoD purchases). To participate in the program, sponsors have to participate in at least one USDA feeding program, which allows preschools and childcare to participate as well. In 2021, they were able to obtain $225,000 from the legislature for this program and are now reimbursing at a rate of $0.20 per meal component per student with no cap (first come-first serve). It is important to note that the Department of Agriculture receives no funding for staff support for this program; all funding provided is used towards reimbursements or nutrition staff training. Beth Spratt, who runs the program, said that they hope to eventually obtain $500,000 per year for the program.

North Carolina & Ohio: Networking & University Extensions

Ohio’s Farm to School Programs function through state network and advisory meetings and have found much success and participation through hosting its Ohio Farm to School Conference. Initially, Ohio’s Farm to School leadership originated from the Ohio Department of Agriculture, but later transitioned to the Ohio State University Extension in September 2011.

Farm to School Extensions with universities have shown increasing promise and support for state programs, as seen with the OSU Extension through its “Selling to Schools Webinar,” “My Plate, My State” (once a month local meal), Feed Our Future (education and school to home connection) and 4 H’s Project Green Teacher. Similar success has been achieved with the North Carolina State University Extension and its addition of seed pack distribution within its regular meal distribution program’s continuation through COVID-19.
In 2006, Oregon formed its Farm to School and School Garden Network. In the following year, the “Farm to School” position was created in the Oregon Department of Agriculture, along with a parallel position the year after in the Oregon Department of Education - making Oregon the first state to support the program through two state agencies. Extreme support for Farm to School and School Garden funding by advocates and practitioners proved fruitful with House Bill 2038 (Rep. Brian Clem) in 2017, which passed with unanimous support in both the House and Senate. The result was securing $4.5 million in program funding for the upcoming 2-year budget cycle. In 2019, House Bill 2579 (receiving unanimous support) brought a new total of $15 million in funding for Farm to School programming throughout the state of Oregon (including nearly $5 million in recurring funding for Oregon Department of Education to continue their programming).

Though COVID-19 brought devastating cuts to Oregon’s Farm to School budget, it still leaves Kentucky with important things to note: local procurement clearly leads to a return on investment: “for every $1 schools spend on local foods, $2 are returned to Oregon’s economy”. Secondly, nearly total state participation in Farm to School activities is possible, as in the 2016-17 school year, more than 140 school districts serving 90% of Oregon school meals included healthy, local food with help from Oregon’s Farm to School and School Garden grant program. Third, Oregon recognizes its unique challenges and opportunities related to the Farm to School program in each of Oregon’s regions and solves problems through connections with “Regional Hub Leads.”

A seven cent per meal incentive, piloted in Oregon, is representative of the cost of one-half of a fruit or vegetable serving. This $.07 allocation is within the range of allocations provided by other states: CA ($.13), WA ($.04), PA ($.13), IN ($.07), MA ($.06), WI ($.05). This $.07 allocation is viewed as significant enough to engage producers, as well as significant enough to school districts to justify the additional paperwork necessary for the tracking and reimbursement of increased local purchases.
According to the National Farm to School Network’s State Farm to School Policy Handbook, key strategies for advancing farm to school through policy include: state Farm to School coordinators, permanent Farm to School programs, funding mechanisms, local preference laws, statewide Farm to School online databases, broader policy initiatives that include Farm to School, and Farm to School pilot programs, task forces, councils, and working groups. The Handbook outlines 3 stages of state Farm to School advocacy: seeding, growing and sustaining, shown in the figure below.

A funded farm to school coordinator position exists within the Kentucky Department of Agriculture, though the position shares time and responsibility with other programs. The new Farm to School Food Hub website will serve as a database for schools and producers. The Kentucky Proud Buy Local Program provides a local procurement incentive.

However, the work is never done and according to the data, we have a lot of room to grow. There are more opportunities for policy work that can further farm to school in Kentucky. To reinvent the wheel is unnecessary. Other policy opportunities are listed below:

- Increase the micropurchase and small purchase thresholds (example bill - AL H.B. 53)
- Reimburse schools a set amount per meal that includes local produce (ex. - MI H.B. 5579)
- Fund kitchen renovations to help schools better prepare and store fresh food (ex. - MA H. 4395)
- Establish a universal meals program that prioritizes purchasing and serving local produce (ex. - CA S.B. 499)
- Encourage schools to serve school-grown produce to students (ex. IL H.B. 2993)
- Increased reimbursement when schools reach a threshold percent of local purchases (ex. - NY A. 09506B/S. 07506-B)
All Kentuckians stand to benefit from healthy kids who can achieve at school, as well as benefit from healthy farms that are the backbone of robust rural economies. School cafeterias can be a conduit of health, academic achievement, and farm income. Local purchasing captures federal school food dollars and puts them to work in Kentucky communities. The pandemic has revealed serious failures in the resiliency of the globalized food system. On top of the pandemic, serious climate-related challenges have devastated the conventional pipeline of fresh produce from California farms to the rest of the nation. Kentucky farms can help fill these gaps in students’ own neighborhoods. These food supply challenges, together with the opportunities of historic investments of federal funds through COVID-related relief packages, are strong indicators of the necessity of the farm to school chain in Kentucky.

STATE AGENCIES CAN SUPPORT FARM TO SCHOOL PROCUREMENT

The opportunity to grow local procurement efforts in KY is immense and the KY Department of Agriculture and Department of Education are perfectly positioned to support these efforts. Due to the scope of farm to school and value chain needs, it’s essential to have staff focused on farm to school in both KDA and KDE. Additionally, agency management should support farm to school staff to work exclusively, as much as possible, on farm to school coordination so they can focus on the many moving pieces of this work. Support should be given to the farm to school coordinator to collect and report program impact data. Ideally, an annual report would be issued including data such as KY farms selling to schools, farm impact of Jr. Chef and Chefs in Schools, schools purchasing local food, and health impacts of local foods on the health of Kentucky’s children. The ability to analyze trends related to student health and farm impact will provide information on return of investment. Anecdotal reporting of challenges and opportunities would also be helpful. The Kentucky Farm to School Handbook, which was last updated in 2012, should be reviewed and updated annually or semi-annually with current information, as are other state guidance documents, like the guide to commercial food manufacturing or the Kentucky Farmers Market Manual.

ESTABLISHING RELATIONSHIPS

Key considerations for connecting schools and Early Childhood Education sites to local food include developing well-established and cooperative partnerships across sectors of farmers markets, food hubs, farmers’ cooperatives, extension agencies, and food banks and pantries. Aggregation and distribution challenges can be addressed by utilizing pre-existing distribution pathways or partnering with other organizations, such as non-profits, food hubs or food banks, that have existing delivery infrastructure. Regional food systems coordinators would help to further cultivate relationships between farmers and school administrators.
HISTORIC MOMENT

Thanks to federal pandemic aid that helped keep Kentucky residents and businesses afloat during the COVID-19 pandemic, the state ended 2021 with a substantial revenue surplus, and currently expects another large surplus in the summer of 2022. That offers a tremendous opportunity to help Kentucky families who continue to struggle in the pandemic, to begin reversing years of budget cuts, and to create the conditions for a strong and sustained economic recovery that benefits everyone. Current projections are for the surpluses to increase the balance in the state’s Budget Reserve Trust Fund (BRTF) – also known as the rainy day fund – in July 2022 to $3.2 billion, or 25.9% of the state’s General Fund budget. Putting even a small amount of this revenue surplus into farm to school staff and programs would, as proven in this paper, have a high return on investment.

PRICE-POINT CONTROL AND SUBSIDIZATION

School nutrition staff already know how to make a little go a long way. The same would certainly be true with incentives for local purchasing. School districts have significant buying power, and an incentive created specifically for districts can add up to big farm impact. Many states, from Oregon to Alabama to Michigan, have successfully leveraged these school-specific incentive programs to get over that initial price-point hurdle and establish a foundation from which a school and local farmers can build a long-term business relationship.

HUMAN AND PHYSICAL INFRASTRUCTURE

Whereas the 2019 Farm to School Census found only 5% of Kentucky school food sourced locally, models exist for much more farm impact, as in BGISD’s rate of 16-19% local purchases. To achieve this rate of farm impact, meal sites will need both hard infrastructure and soft infrastructure to venture from the status quo, which is built upon food systems outside of the Commonwealth. Hard infrastructure needs include adequate cold storage for perishable fresh foods and kitchen equipment for processing and cooking with fresh, unprocessed products. In terms of soft infrastructure needs, Farm to School success will go hand in hand with adequate support for school nutrition staff and state agency administrators. Innovation, whether in procurement or recipe development, requires human resources. The humans who feed school kids are a great investment. Staff shortages and stagnant wages for state and local workers present a challenge to program development and success.
IN CONCLUSION

Kentucky now has an unprecedented opportunity to invest in our children’s health, our schools, and our farm communities. By using state and federal funds to support proven policies that promote farm to school activities, policymakers could bolster long-term opportunities for collaboration. It is the hope of the authors of this paper that policymakers and program administrators consider the recommendations we lay out above and work with advocates, school staff, and community members to perfect and implement them. Kentucky schools are nutrition hubs with significant buying power and additional support would allow Kentucky farmers and school administrators to grow local economies, and strengthen student health and achievement.
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