Incentivizing Local Food Purchasing in School Meals - A Triple Win
($250,000 One-Year Pilot Program)

Procuring locally grown items from small farms frequently incurs a higher cost than typical procurement methods from major distributors. Five other states currently incentivize the use of local foods in school meals by providing a greater amount of reimbursement for meals that use food produced within that state and have seen great increases in the amount of local food purchased and served by participating schools. We propose $250,000 for a one-year pilot of a Utah-grown incentive program, with up to 20% of that funding used to cover administrative costs.

Schools will be required to apply to participate in the program, and submit invoices showing local food purchases in order to receive the extra reimbursement. In order to ensure that each awardee receives enough funding to make significant local purchases, participation will be limited 20 School Food Authorities (SFAs) during this pilot year. SFAs must meet minimum criteria outlined in the grant application in order to receive the award, although they may be given opportunities to revise their application. Award amounts will be determined based on an SFA’s lunch participation numbers-- the total available award dollars will be divided by last year’s total lunch participation numbers for all the awarded SFAs in order to determine a per meal amount. That number will then be multiplied by the lunches served at each SFA to calculate their total award amount. To be eligible for reimbursement under this program, the food must be grown in Utah and served as part of the National School Lunch Program, School Breakfast Program, or Seamless Summer Option.
A Win for Utah’s Children

- Serving local food in school meals is a way to promote equity within our food system. Serving local food at school ensures that all children are able to taste Utah-grown produce, not just those whose parents have time and money to purchase and prepare food from farm stands.
- Cafeteria managers in states with similar programs have reported decreased food waste and increased fruit and vegetable consumption among students.
- Additional funding allows schools to plan for consistent Farm to School programming, as opposed to occasional events.

A Win for Utah’s Farmers

- One of the most common barriers cited by both schools and farmers is the cost of local produce—schools cannot afford to pay the prices small farmers need to charge. Providing financial incentives for local purchases allows schools to pay market rate for high quality local produce.
- Schools provide a large, consistent market for local farmers.
- Children who eat local food grow up understanding the importance of agriculture and support Utah farms.

A Win for Utah’s Economy

- Local reimbursement programs are a way to leverage Federal funding. Schools receive Federal funding to run their Child Nutrition programs. Adding a small amount of state funding that specifically incentivizes local purchases can ensure that more of those Federal dollars remain in Utah.
  
  Example: If carrots from California cost 65 cents per pound and Utah carrots are 80 cents per pound, schools would typically buy the California carrots— and that 65 cents per pound goes to California farmers. With state reimbursement to make up the difference, schools can afford to spend 80 cents and keep that money in Utah.
- Farm to School programming typically has a 2 to 1 return on investment. A $250,000 pilot program can be expected to return $500,000 to Utah’s economy.
- Michigan saw three school districts increase their local fruit and vegetable purchases from $31,000 to $150,000 a year during the first two years of a similar program.
- States with these incentive programs typically see participating schools spend more on local produce than the amount that they are reimbursed.