



Food and Nutrition Service

U.S. DEPARTMENT OF AGRICULTURE

Date: May 6, 2025

Memo code: SP 11-2025, CACFP 09-2025, SFSP 05-2025

Subject: Using Federal Funds to Purchase Local Foods

To: Regional Directors, Child Nutrition Programs, All Regions

State Directors, Child Nutrition Programs, All States

The purpose of this memorandum is to remind schools, sponsors, and institutions participating in any U.S. Department of Agriculture (USDA) Child Nutrition Program (CNP), including the National School Lunch Program (NSLP), School Breakfast Program (SBP), Fresh Fruit and Vegetable Program (FFVP), Special Milk Program for Children (SMP), Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), and the Seamless Summer Option (SSO), of the many ways they can purchase local foods to serve in Program meals. Sourcing and serving locally grown foods, and other farm to school activities, such as taste testing, gardening, and agriculture education, can infuse new energy and vision into CNP operations, support community health, create new opportunities for American farmers, invest Federal dollars in local economies, and strengthen strategies to encourage healthy choices.

Background

The USDA, as directed by the Richard B. Russell National School Lunch Act, encourages CNP operators to purchase unprocessed agricultural products, both locally grown and locally raised, to the maximum extent practicable and appropriate. The Food and Nutrition Service (FNS) supports CNP operators in reaching this goal through a variety of purchasing strategies, including the use of Federal funds received through meal reimbursements (i.e., cash

reimbursement) to purchase local foods directly from farmers or indirectly from food hubs, local food distributors, and other local food sources.

General Program Reminder

CNP operators must use full and open competition in alignment with Federal Procurement Regulations at [2 CFR 200.319](#) when purchasing goods, including local foods, for Program meals and snacks. CNP operators may use any allowable procurement method to purchase local food. However, before determining the appropriate procurement method or writing solicitations, CNP operators should conduct market research to determine the ability of local producers and other local food vendors to provide desired products, price points, quantities, distribution, and other requirements unique to the food service operation and whether an adequate supply of local foods exists in the marketplace.

Strategies for purchasing local foods with cash reimbursement include:

Using the Geographic Preference Option - CNP operators may voluntarily apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products (i.e., agricultural products that retain their inherent character) through a small purchase or formal procurement.

Geographic preference includes two strategies:

1. Use local as a specification (i.e., the written description of a product or service that a vendor must meet to be considered responsive to a solicitation) for local unprocessed agricultural products; and
2. Use a defined scoring advantage (i.e., additional credit or points given to local unprocessed agricultural products during the evaluation of responses to a solicitation) for local unprocessed agricultural products.

CNP operators may adopt either strategy, a mix of both strategies, or elect not to use either approach. The CNP operator must define local for their solicitation. When applying a defined

scoring advantage, CNP operators also define the amount of preference or credit awarded to unprocessed agricultural products. For detailed information on using the geographic preference option, please see [SP22-2-24, CACFP 08-2024, SFSP 13-2024 Geographic Preference Expansion Related to the Final Rule](#) and [SP24-2024, CACFP 10-2024, SFSP 14-2024 Geographic Preference option Questions and Answers](#).

Targeting Local Food through Purchasing Methods - CNP operators may use the micro-purchase and small purchase methods to target local food by contacting only local producers or vendors offering local foods. CNP operators using these methods must know that the product is locally available, the planned purchase or purchases are under the micro-purchase or informal purchase threshold, and producers or other vendors of local foods can offer these products while meeting all other solicitation requirements.

Targeting Local through Product Specifications and Technical Requirements - CNP operators may target local foods through technical requirements sometimes associated with locally grown, raised, or caught foods, when using the small purchase and formal procurement methods if they do not overly restrict competition. For example, CNP operators may require as part of their solicitation that products are delivered within a certain number of hours of harvest or certified organic, or that certain other services are offered, such as producer profiles or farm visits.

In addition to cash reimbursement, other strategies for sourcing local food include:

USDA Foods in Schools (USDA Foods) and USDA Department of Defense (USDA) Fresh Fruit and Vegetable Program (USDA DoD Fresh) as Sources for Local Foods

CNPs receive USDA Foods entitlement dollars, which can be used to order food procured by the USDA through USDA Foods. USDA Foods are 100% American-grown and produced and include a wide variety of high-quality fruits, vegetables, dairy products, whole grains,

and protein foods for use by schools and institutions participating in the NSLP, SFSP, and CACFP. USDA makes USDA Foods available to CNP in three ways: direct delivery, USDA Foods processing, and the USDA DoD Fresh Fruit and Vegetable Program. USDA Foods offers information on where USDA Foods have been historically sourced, but product origin is not available at the time of selection. CNP operators may access reports on the origin of historically sourced foods by reviewing the [USDA Foods State of Origin Reports](#). For more information, visit [USDA Foods: A Resource for Maximizing Food Budgets to Buy Local](#).

NSLP and SFSP operators may also use entitlement dollars to purchase fresh fruits and vegetables purchased by the DoD Defense Logistics Agency (DLA)) through USDA DoD Fresh. USDA DoD Fresh vendors are encouraged to source local produce when seasonally available and are required to report the State(s) where each fruit or vegetable is grown in the Fresh Fruit and Vegetable Order/Receipt System (FFAVORS). CNP operators that want to order local produce through USDA DoD Fresh should start by looking for the State of Origin information or look for produce indicated as locally grown in the FFAVORS catalog. For more information, check out the [USDA DoD Fresh Program: A Source for Locally Grown](#) Fact Sheet.

Donations

Procurement regulations do not apply when products are donated directly to CNPs. CNP operators should ensure any donated products, including local foods, meet Federal, State, local, and Tribal food safety requirements. For more information on the use of donated foods in schools, see [SP 11-2012, CACFP 05-2012, SFSP 07-2012 Guidance on the Food Donation Program in Child Nutrition Programs](#), [SP 01-2016, CACFP 01-2016, SFSP 01-2016 Procuring Local Meat, Poultry, Game and Eggs for Child Nutrition Programs](#), and [SP 32-2009 School Gardens Q&A](#).

Tools and Technical Assistance

FNS offers a variety of policy memos, fact sheets, and other resources to support local procurement. These resources are available on the USDA Patrick Leahy Farm to School Program's [Procuring Local Foods webpage](https://www.fns.usda.gov/f2s/procuring-local-foods) at <https://www.fns.usda.gov/f2s/procuring-local-foods>.

FNS reminds State agencies to distribute this information to CNP operators immediately. CNP operators should direct any questions regarding this memorandum to the appropriate State agency. State agencies should direct questions to the appropriate FNS Regional Office.

Tina Namian

Acting Director, Community Food Systems Division

Child Nutrition Programs