**CHILD NUTRITION PROGRAM**

**STATE WAIVER REQUEST PURCHASE FRESH PRODUCE WITH ENTITLEMENT MONEY**

Maine Department of Education

Child Nutrition

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**Region:** NERO

Maine Child Nutrition manages the USDA Food program for NSLP, CACFP and SFSP. We have and still use the DOD program for some produce purchasing. The recent contract for Maine was awarded to a Hartford Provisions in Hartford CT. Local schools in Maine want to use DOD but more importantly they want fresh products that include Maine items.

The DoD products are ordered via FFAVORS which was a small challenge to get started but locals overcame that issue. Hartford Provisions cannot afford to send a truck to Northern Maine monthly, never mind weekly or daily. Transportation laws require overnight stays or two drivers because of the driving time. It is a 5-hour drive in a car. Therefore Hartford Provisions sub-contracted Native Maine out of Westbrook Maine to deliver to Maine schools. This has also been bumpy to order from one and delivered by another. Then with all the procurement training and review requirements we discover DOD products are more expensive sometimes as much as 49%. This is for the same product, brand name quantity coming off the same truck.See chart below for May 2018. This was submitted to DOD as well May 2018.

Native Maine Produce

May 2018

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Item | Size | DOD price | Native Maine price |  % Increase |
|  |  |  |  |  |
| Strawberry clamshell | 8/1lb | $25.13 | $21.80 |  15.28% |
| Tomato, Grape | 12/1pt | $23.60 | $19.80 |  19.19% |
| Apples, Red Delicious | 40lb | $33.29 | $28.80 |  15.59% |
| Butternut Squash | 20lb | $36.24 | $35.80 |  1.23% |
| Romaine Lettuce | 6/2lb | $28.19 | $18.90 |  49.15% |
| Oranges | 113ct | $44.51 | $38.80 |  14.72% |
| Average Increase |  |  |  |  **16.51%** |

In support of our Maine and Northeast farmers, adhering to Federal regulations on purchasing and in good fiscal money management we are asking that the money we set aside from their entitlement for DOD for cash currently would be transferred to the state agency to be used for fresh produce purchases. The State agency would reimburse the district for the purchase of these products monthly. Districts would have an account with the amount of money set aside for fresh products managed by the State Agency.

The procedure we are considering would be:

|  |  |  |
| --- | --- | --- |
| step | responsible | New or existing |
| SFA would indicate on annual order amount of dollars | SFA | Existing |
| Submit amount to USDA | SA | existing WBSCM |
| SA creates accounts for districts of dollar amount requested | SA | New |
| SFA would order product from local vendor or distributor. | SFA | Existing |
| SFA submits bill for reimbursement | SFA | New |
| SA approves reimbursement request |  | Existing |
| SA draws money down from USDA  | SA | New |
| SA pays local district | SA | Existing |
| SA monitors the SFA account | SA | New |
| SA will include monitoring with the Administrative reviews.  | SA |  |

Maine has contacted USDA and DOD about the price difference. We have submitted documentation last school year and have heard nothing back.

Training local staff will be first but not a major barrier considering this is very similar to what we do now with the Maine Produce fund created by Maine law. The district would have to pay and then submit for reimbursement for the product. Procedures will need to be created and formalized for a consistent regulatory compliance. The above chart would be a guide for this. Purchase would be limited to fresh produce and could be purchased from producers, produce distributor or broad line distributors.

No cost increase other then labor to meet draw down requests, monitoring and site reviewing. The project could start as early as 9/2020 with USDA wavier approval.

Link to or a copy of the public notice informing the public about the proposed waiver [Section 12(l)(1)(A)(ii) of the NSLA]: We have met with a small group to represent the local districts to discuss possibilities and this was the outcome.

**Signature and title of requesting official:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Title:

Requesting official’s email address for transmission of response:

**TO BE COMPLETED BY FNS REGIONAL OFFICE:**

*FNS Regional Offices are requested to ensure the questions have been adequately addressed by the State agency and formulate an opinion and justification for a response to the waiver request based on their knowledge, experience and work with the State.*

**Date request was received at Regional Office:**

 **Check this box to confirm that the State agency has provided public notice in accordance with Section 12(l)(1)(A)(ii) of the NSLA**

 **Regional Office Analysis and Recommendations:**