

Pilot Project Overview: New York State is one of eight states selected to participate in the USDA Unprocessed Fruits and Vegetables Pilot. The definition of unprocessed is: produce that has been sliced, diced, chopped, washed, frozen or dried, but not heat-treated processing such as canning or pickling. Only “unprocessed” foods are eligible in this pilot. Frozen products that are blanched prior to freezing are still considered “unprocessed” under this definition.

How the Pilot Works:

1. Schools must **properly procure** unprocessed produce. While a geographic preference may be used to encourage the purchase of locally grown and raised products by enabling an institution to grant an advantage to local growers, this preference does not eliminate the requirement for procurements to be conducted in a manner that allows for maximum free and open competition. While the final rule of the geographic preference option states, when procuring local, unprocessed agricultural products, the discretion to define the local area for any geographic preference is left to the institution responsible for procurement, “local” must not be defined in a manner that unnecessarily restricts competition. Questions regarding the procurement process should be directed to NY State Education Department at: <http://portal.nysed.gov/portal/page/portal/CNKC> or (518) 473-8781. In addition, the USDA FNS website has extensive information regarding the procurement of local food at: <http://www.fns.usda.gov/farmtoschool/procuring-local-foods>
2. Schools may leverage existing contracts should their produce vendor be on the USDA approved vendor list. All schools participating in the pilot should have a payment **clause** in their **contract** that states: *An awarded vendor approved to participate in the USDA Pilot Project for the Procurement of Unprocessed Fruits and Vegetables will also deliver eligible orders to participants as per this bid; invoices for delivered products will reflect bid pricing and be submitted to the USDA, Agricultural Marketing Service for payment as described in the Eligible Vendor Requirements of the pilot.*
3. **There is no additional funding for this pilot.** Schools should budget a portion of their USDA entitlement funds to be used for purchases of unprocessed fruits and vegetables under the pilot. These funds may be used if their successful produce bidder is on the USDA Eligible Vendor listing. The relationship is between the school and the eligible vendor regarding products available, ordering processes, and delivery options.
4. **Vendors** are responsible for sending invoices to USDA for payment.
5. **Schools** are responsible for tracking Pilot produce invoicing for reporting purposes each month and need to be cognizant of entitlement balances.

As of January 22, 2016, New York State has 15 approved vendors. Please check the link below for updates. The list of approved vendors can be found at: [USDA Pilot Eligible Vendors](#). The USDA Pilot Eligible Vendors listing will give names, contact information and products offered.

Questions? Contact Diane Green at (518) 474-5122 or diane.green@ogs.ny.gov

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