

Division of Agricultural Development

# The 30% Initiative | Helping Schools Buy Local

*Increased State Subsidy For Purchasing New York State Food Products*

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Development

# AGENDA

- Background
- Overview
- Guidelines
- Application
- Implementation & Initial Findings
- Case Study
- Questions?



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# BACKGROUND

## Objective:

- When schools use food products from local sources, it supports local farmers and provides healthy choices for children in the school meal programs while supporting the local economy.

## Historical Efforts:

- NYSDAM & SED have invested over \$3.325 million in Farm-to-School programs across the state since 2015 to increase purchases of fresh, local food



## 2018 Budget: 30% Initiative

Chapter 56 of the Laws of 2018 provides school food authorities (SFAs) with increased State reimbursement for the purchase of New York State (NYS) food products for school lunch programs. Specifically, SFAs that spend at least thirty percent of total food costs for the school lunch program on NYS food products in the preceding school year are eligible for additional State reimbursement that, combined with any existing State reimbursement, will not exceed twenty-five cents for any school lunch meal. Hereinafter, this initiative will be referred to as the “30% NYS Initiative.”



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# OVERVIEW

- Additional state reimbursement for lunch
- At least 30% of school lunch food costs must be spent on NYS food products (in the preceding school year)
- SFAs must prepare meals or contract with a Food Service Management Company
- SFAs must apply annually

Lunch Type	Lunch State Reimbursement SY 2019-2020	Additional for 30% NYS	Maximum Total per lunch State Subsidy
Free	.0599	.1901	.25
Reduced	.4481	.0519	.50
Paid	.0599	.1901	.25



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# GUIDELINES

**NYSDAM & SED jointly developed implementation guidelines covering:**

- Definitions
- Procurement rules
- Calculating 30%
- Application
- Timeline
- Payments



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# DEFINITIONS

## **NYS Food Product:**

- A food item that is grown, harvested, or produced in NYS; or
- A food item processed inside or outside NYS comprising over 51% agricultural raw materials grown, harvested, or produced in NYS, by weight or volume.

## **Producing:**

- Producing of food grown upon and/or harvested from the farm or waters through agricultural, horticultural, aquacultural, or dairying processes.

## **Processing:**

- Any alteration of a food product from its raw or original state to enhance its value or render it suitable for consumption. Examples of processing include, but are not limited to, butchering of meat or poultry, and cooking, pasteurizing, and/or packaging food products.



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# PROCESSED ITEMS

## Product Formulation Statement for Documenting *processed* New York State Food Products

Item processed inside or outside New York State (NYS) comprising of over 51 percent natural raw materials grown, harvested, or produced in NYS, by weight or volume is considered a NYS Food Product. To document such processed items as NYS Food Products, Food Authorities must maintain:

- a copy of the product label that includes product ingredients, date of production and batch/run identification as applicable
- any product formulation statement or CN label for meal pattern crediting in Child Nutrition Programs as applicable
- the following applicable information on processing company letterhead signed by an official company representative

Processor Name:

Product Name:

Product Code:

Product Batch/Run #:

Production Date(s):

NYS Ingredient Name	NYS Ingredient Business/Farm of Origin Information				Amount of Ingredient
	Name	City	State	Zip Code	

Amount of all NYS ingredients<sup>1</sup>

Amount raw product<sup>1</sup>

Amount of NYS ingredients in product<sup>2</sup>



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# PROCUREMENT RULES

- All applicable federal, state and local procurement rules apply
- A geographic preference can be applied only to unprocessed or minimally processed agricultural products



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# CALCULATING ELIGIBLE COSTS

30% Calculation Tool: Calculates of the minimum annual amount of NYS food product purchases for school lunch required for additional state reimbursement through the 30% NYS Initiative.

Step 1: Calculate Total Food Cost Percentage	Total Annual Food Costs	<input type="text"/>
	Total Annual Federal Reimbursement	<input type="text"/>
	Total Annual State Reimbursement	<input type="text"/>
	Total Annual Sales	<input type="text"/>
	Total Annual Revenue	\$ -
	Food Cost Percentage	#DIV/0!
Step 2: Report Income from Reimbursable Lunches	Total Annual School Lunch Federal Reimbursement	<input type="text"/>
	Total Annual School Lunch State Reimbursement	<input type="text"/>
	Total Annual Reimbursable School Lunch Sales	<input type="text"/>
	Total Annual Revenue from Reimbursable School Lunches	\$ -
Step 3: Calculate Food Costs for Lunch	Reimbursable School Lunch Food Costs	#DIV/0!
Step 4: Calculate 30% of School Lunch Food Costs	30% of Reimbursable School Lunch Food Costs	#DIV/0!

The SFA must purchase at least #DIV/0! in NYS Foods for school lunch to be eligible for additional state reimbursement through the 30% NYS Initiative.



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# APPLICATION TIMELINE

<b>SY 18/19</b>	SFAs track lunch purchases and maintain documents
<b>July 1, 2019 – August 15, 2019</b>	SFAs apply for reimbursement using SY18/19 data
<b>July 1, 2019 – September 1, 2019</b>	SED processes applications
<b>SY 19/20</b>	<p>Approved SFAs receive the additional State reimbursement for lunches claimed each month</p> <p>SFAs track lunch purchases and maintain documents to apply to receive reimbursement for SY20/21</p>



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# ROLLOUT

- **March 2018:** Passed in 2018 Executive Budget
- **Summer/Fall 2018:** NYSDAM & SED jointly developed implementation guidelines & FAQ
- **Fall/Winter 2018:** NYSDAM & SED jointly conducted outreach and information sessions to SFAs and TA providers
- **Summer 2019:** SFAs submitted baseline year applications
- **Fall/Winter 2019:** SED is conducting audits of districts that applied



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**To:** School Food Authorities  
**From:** Paula Tyner-Doyle, Coordinator  
**Date:** December 2018  
**Subject:** Additional State Subsidy For Purchasing New York State Food Products

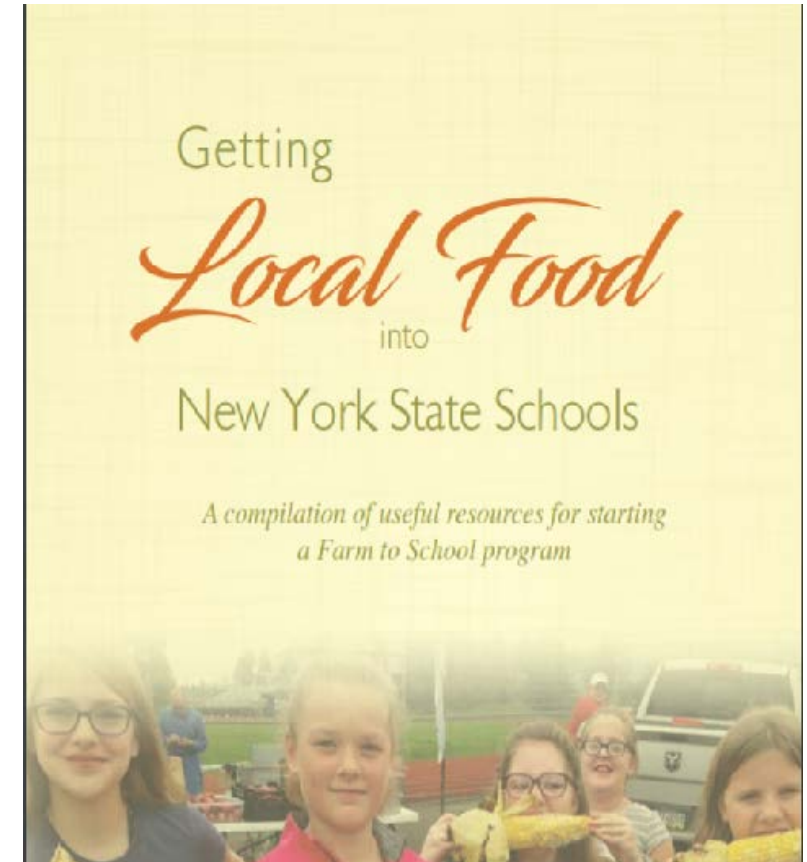
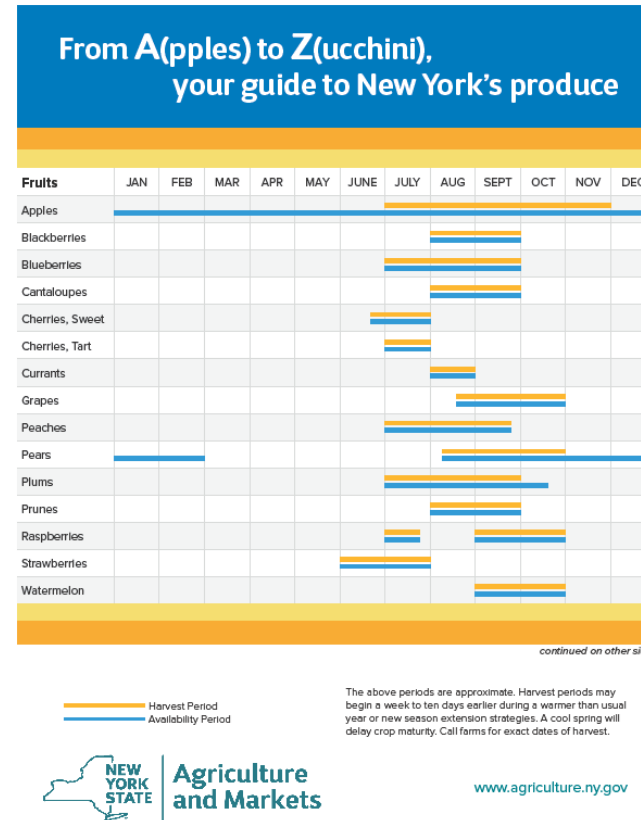
*This guidance was prepared jointly by the New York State Education Department and the New York State Department of Agriculture and Markets*

## **Introduction**



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# TECHNICAL ASSISTANCE



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# Where To Find New York State Producers and Suppliers?

## Lists of Suppliers:

- NYS Grown & Certified
- USDA GAP Certified
- USDA Certified Organic
- Farm Product Dealers License
- Dairy Producers

Resources are available on both the SED and Ag & Markets webpages:

- <https://www.agriculture.ny.gov/f2s/index.html>
- <http://www.cn.nysed.gov/farmentoschool>



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# BASELINE YEAR FINDINGS



	Districts Total	Avg District Enrollm ent	Total Enrollment	Schools	Counties	ESD Regions
<b>NYS</b>	697	2,380	1,625,554	2,879	62	10
<b>Applying districts</b>	37*	3,453	127,779		15	8

*\*As of 11.5.19*



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# CASE STUDY

## Oneida-Herkimer-Madison BOCES AND Farm to School Mohawk Valley

- 15 Districts
- 13,000 students
- 38.1% Free, 5.4% reduced
- Average Daily Lunches- 5,700
- Average Daily Breakfasts- 2,040
- 43.8% Participating in Lunch
- 15.7% Participating in Breakfast
- Annual Budget- \$6.4 million
- Total Annual Food Budget- \$1.9 million



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# CASE STUDY

## Big ticket items

- Milk
- Yogurt
- Meatballs
- Hotdogs
- Pulled Pork
- Apples

## Items to round it out

- Butternut Squash Puree
- Sweet Potato Puree
- Eggs
- Potatoes
- Black beans
- Cauliflower
- Cabbage
- Kale
- Spinach
- Carrots
- Maple
- Honey
- Strawberries
- Corn
- Green beans
- Pears
- Watermelon
- Onions



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# CASE STUDY

## Challenges

- Procurement Rules
- Balancing increased cost vs increased incentive
- Narrow range of acceptable products
- Tracking
- Logistics

## Advantages

- 3 time FTS Grant Recipient
- Years of “practice”
  - Local Food Days and Harvest of the Month
- Passionate Management



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# QUESTIONS?



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