

Purchasing Power—A “Good Food” Procurement Toolkit

FAQs and Planning Tools for Institutions and Advocates

The case study of the Good Food Purchasing Program and its adoption by the Los Angeles Unified School District demonstrates the great potential of food procurement strategies to improve public health, animal welfare, environmental sustainability, and local economies, and also highlights some of the challenges associated with “good food” procurement. While those institutions choosing to fully adopt the Good Food Purchasing Program receive technical assistance from the Center for Good Food Purchasing, institutions can also independently make smaller, incremental changes to shift their purchasing patterns. This toolkit, developed by the Union of Concerned Scientists in partnership with the Center for Good Food Purchasing, offers practical information for adopting a “good food” procurement policy, including answers to common procurement challenges and a sample list of questions to guide data collection and program evaluation.

FAQs: Steps for Shifting your Institution Toward “Good Food” Procurement

There is a lot of excitement around “good food” procurement, but it can be hard to know how to translate energy into action. How can local “good food” advocates generate momentum around a campaign, and then hold decisionmakers accountable for the implementation of procurement policies? Building a strong coalition that represents diverse interests—from parents who want more healthful school lunches to city leaders who want to demonstrate job creation and economic growth—helps to generate campaign action and maintain momentum by bringing together a variety of groups that are independently invested in achieving a common procurement policy. For example, in Los Angeles, the involvement of the Teamsters labor union was critical in not only adopting the Good Food Purchasing Program, but also holding local leaders accountable for action after the policy passed. Union leaders, motivated by the labor protections and wage increases that the procurement policy would codify and support, activated a wide base of workers who would have been otherwise absent from the program campaign and kept pressure on key political figures. Additional valuable resources include other cities or regions working to

shift institutional food procurement, which can share their strategies and best practices. The Center for Good Food Purchasing, Food Chain Workers Alliance, and Real Food Media facilitate a peer-to-peer network and a National Campaign Committee to encourage collaboration among coalitions and connect media and messaging efforts across all participating cities. **For more information on building a coalition to drive your “good food” campaign, check out the [Center for Good Food Purchasing website](#) or [contact them here](#).**

If my institution isn’t ready to jump into the Good Food Purchasing Program quite yet, what are ways we can start transforming our food procurement in the meantime?

Institutions interested in pursuing “good food” procurement strategies, but not yet ready or able to implement a formal procurement policy like the Good Food Purchasing Program, can make progress by collecting some basic baseline data. A good first step is to start a conversation with your vendors about how they track the food you purchase—including information about who is producing the food, where is it being produced, and the total purchases from each supplier. When you work with vendors early in the consideration of a new procurement strategy, this helps to establish communication channels and build positive working relationships. Gathering this baseline information from vendors can help an institution identify one or more “good food” procurement strategies that meet its needs and begin to set benchmarks and goals. As your institution makes progress and begins to gather more complex data, it will likely require external support from a consultant or partner, such as the Center for Good Food Purchasing, with experience in procurement and evaluation.

Connecting small farms and big institutions is easier said than done. For example, small farms might face infrastructure limitations and costly certifications, while large purchasers might lack the capacity to manage agreements with multiple small farms. Are there ways to bridge this gap? The challenges of connecting small producers and large purchasers are endemic to a food system shaped by economies of scale. While procurement policies alone cannot solve these challenges, they play a critical role in demonstrating demand for local and regional food that is fairly, humanely, and sustainably produced. Local coalitions are needed with

representation from both food producers and purchasers to identify region-specific infrastructure challenges and develop strategies to create more diverse supply chains. Farmer cooperatives and intermediate channels like food hubs can help to bridge the gap between small farms and institutions and help to address challenges related to scale, consistency, food safety, and distribution. There are an estimated 222 regional food hubs operating in the United States—more than half of which were established within the last five years—with an average of more than \$3 million in annual revenue (Cantrell and Heuer 2014). The following resources can help institutions and advocates identify existing local food initiatives and infrastructure in their area that are already connecting small farms and large purchasers:

- The US Department of Agriculture’s Agricultural Marketing Service provides a [directory of nearly 200 local food hubs](#) nationwide.
- The Johns Hopkins University Center for a Livable Future offers an [online directory of more than 300 local food policy councils](#) that can be filtered by state.
- The National Institute of Food and Agriculture maintains a [map of the nation’s land-grant universities](#), which host cooperative extension educators to work with local citizens and interest groups to solve problems and support local and regional food systems.
- The National Farm to School Network catalogues [farm-to-school policies by state](#), including state-specific resources and contact information.

How have institutions worked to implement cost-neutral procurement strategies? And are there ways to secure funding for data collection and evaluation? The cost of “good food” procurement is a common concern. However, although some sustainably or fairly produced foods come with a price premium, a number of school districts have shown that these costs can be reduced, and entirely offset, with strategic changes to their food service operations. For example, through significant reductions in meat and dairy purchases, combined with reformulated recipes and additional training for food service staff, Oakland Unified School District was able to reduce its annual food costs by \$42,000 (Hamerschlag and Kraus-Polk 2017). Anecdotal evidence suggests that cost-saving shifts in purchasing and food service are most successful when a staff person, such as a farm-to-school coordinator, is fully dedicated to the food procurement policy. Depending on the institution, this position may be supported with grant funding. Assessing the impact of procurement policies requires robust and consistent processes for collecting and reporting data. For institutions adopting the Good Food Purchasing Program, the Center for Good Food Purchasing provides a baseline

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assessment and periodic data collection to evaluate their progress. The cost associated with evaluation can often be partially or fully subsidized by funders having an interest in developing effective solutions to persistent US food systems challenges. Examples include (1) grants from philanthropic organizations, universities, or government entities, sought by coalitions, institutions, or city departments; (2) municipal budgets, which can incorporate procurement initiatives and evaluations into the yearly budget plan; and (3) cooperative banks or investment firms with a focus on “good food” procurement values.

What are some ways to ensure that a procurement policy can accommodate a range of institutions with diverse needs, such as school districts and hospital systems? It is true that no two institutions are exactly alike; even two schools within the same district can experience different barriers to food procurement. One way to address this is to adopt a procurement policy that offers flexibility—providing multiple paths to achieve a given standard—and progressive benchmarks, rather than a single, pre-defined end goal. This allows different institutions, ranging from schools to hospitals to county prisons, the opportunity to customize their procurement strategies and strive for success as they define it. A number of organizations and resources exist to support institutions in this process. The Center for Good Food Purchasing has partnerships with Health Care Without Harm, School Food Focus, and Real Food Challenge to serve a network of more than 850 hospitals, 7,800 elementary and secondary schools, 194 colleges and universities, and a range of municipal agencies in major US cities. Individually, these organizations offer knowledge, resources, and support regarding sector-specific challenges to institutional food procurement, while the collective partnership unifies the demand for more local, sustainable, fair, and humanely produced food and creates a common language, strategy, and set of standards to achieve this vision through procurement (CGFP 2017a).

It seems daunting to ask large food service and distribution companies to accommodate the data collection and reporting required by programs like the Good Food Purchasing Program. What are the best ways to encourage authentic participation and transparency in the bidding

process? Although the ways in which vendors solicit data from their suppliers can vary widely, in many cases, experience has shown that vendors are willing to collect and share the information required by a new procurement policy. As more institutions request higher-quality food, accommodating these requests is in the best interest of food service companies wishing to remain competitive (McKinney 2017). To help this process go smoothly, institutions should leverage available regulatory options to integrate procurement standards into their invitation for bid (IFB) or request for proposals (RFP) and set clear expectations for vendors. Most institutions will also benefit from enlisting the help of a consultant or partner, such as the Center for Good Food Purchasing, who can help navigate the procurement process, from writing a strong IFB or RFP to collecting and compiling data. A significant challenge that remains embedded in institutional food procurement is the rebate pricing system, in which food service management companies contracting with institutions receive incentives or “kickbacks” for purchasing in high volume from approved vendors. These systems work against new food procurement standards by preselecting certain vendors, and they are difficult to dismantle due to a lack of transparency and financial records. In recent years, rebates have been addressed through legal action, with multimillion dollar settlements awarded to both Washington, DC, and New York state schools and universities, and are being targeted by campaigns initiated by groups such as Real Food Challenge (Fitch and Santo 2016).

By the Numbers: Collecting Annual Data to Measure Impact

Consistent data collection can help institutions employing new procurement strategies track progress, identify areas for improvement, and demonstrate outcomes for stakeholders and potential funders. Collecting this information requires close coordination with your vendors, which may have limited experience accommodating procurement policies and may need guidance for gathering detailed information from the various farms and food producers they source from.

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One important role of the Center for Good Food Purchasing is to support participating institutions in working with vendors to collect purchasing data, and to apply these data to complete an assessment of how current purchases align with the five values of the Good Food Purchasing Program (CGFP 2017b). The center has developed a process for using line item purchasing records in conjunction with an extensive supplier database including attributes related to size, location, sustainable practices and certifications, social responsibility practices, and more, to provide an analytic report that answers the following questions.

- Have we increased the percentage of food purchased from local small and midsize farms?
- To what extent are our purchases supporting farms with environmentally sustainable practices?
- How has our policy or strategy impacted the supply chain and demand for “good food?”
- Have we increased our purchases of fruits, vegetables, and whole grains?
- Have we shifted protein purchases toward more health-promoting and sustainable options, including plant-based proteins and antibiotic-free, minimally processed poultry?

At minimum, institutions should keep a detailed record of all purchase data, including all suppliers providing goods or services related to food procurement (a sample purchase data collection tool is provided, at the end of this document, for this purpose). The Center for Good Food Purchasing works with Good Food Purchasing Program participants and vendors to collect the purchasing information outlined below.

1. Total annual dollar amount of food and beverage purchases by product category and average number of daily meals served.
2. Itemized records of each fruit, vegetable, meat/poultry, dairy and grain products purchased by the Participant during desired time period to include:
 - a. Product name;
 - b. Unit type purchased (e.g., cases, bunches, packs);
 - c. Number of units purchased;
 - d. Volume per unit (e.g., ounces, lbs);
 - e. The name and location of each supplier along the supply chain, to include all distributors, wholesalers, processors, manufacturers, shippers, AND farm(s) of origin; and
 - f. Amount spent by institution for each product, to include:
 - i. Price per unit;

- ii. For each individual farm or ranch from which product is sourced, total dollar value spent on each individual product from that farm or ranch.

In addition to purchasing data, institutions may choose to collect more detailed information to evaluate the ways in which a new procurement policy impacts the local economy, supply chain, or consumer health behaviors. The following questions identify a broad range of information that institutions might collect internally, as well as information you might solicit from vendors, in order to assess the impact of a “good food” procurement policy or strategy for your institution. This set of questions is neither exhaustive nor prescriptive, and it can be adapted to meet your specific needs and goals. Note that the more extensive your data collection is, the more likely it is that your institution will require assistance from a consultant or partner with experience in procurement and evaluation.

Questions marked with an asterisk (*) indicate data that are collected by the Center for Good Food Purchasing in partnership with institutions adopting the Good Food Purchasing Program. The definition of “local small to midsize farms,” for the purposes of the questions below, is farms that are located within 250 miles of the institution and are family farms or cooperatively owned.

Data Collection Questions for Institutions

1. What was your total food budget last year (in dollars)?*
2. Does your institution purchase raw or minimally processed foods directly from any local small to midsize farms?*. If yes, provide answers to the following for each small to midsize farm:
 - a. How many acres is the farm?*
 - b. What was the total value of all farm sales (in dollars) last year?*
 - c. What was the total value of all farm sales to institutions (in dollars) last year?*
 - d. How many full-time and part-time workers does the farm typically employ?
 - e. About how many new jobs are created per incremental increase in farm sales? (for example, for each additional \$10,000 in farm sales, four new full-time employees would be needed)
 - f. What types of certifications has the farm obtained for items or processes on the farm?*. (for example, USDA Organic, American Grassfed, Animal Welfare Approved)
 - g. What farming practices does the farm use for which it does not have certifications?*. (for

example, organic pesticides, cage-free chickens, antibiotic-free meat and poultry)

- h. Does the farm use any of the following farming practices: no till, cover cropping, crop rotation?*. Please specify farming practice and the number of acres on which the farm applies that practice.
 - i. How has the new procurement policy impacted sales, certifications required, and number of full-time or part-time employees at the farm? Provide numerical increases or decreases for each, if possible.
3. How many meals does your institution serve daily? If applicable, indicate the average number of meals served at breakfast, lunch, supper, and other.*
 4. How many people does your institution serve meals to daily? If known, indicate the number of people eating meals at your institution on a regular basis (for example, four or five times per week) and the number who eat two or more meals at your institution daily.
 5. Are there nutritional requirements for the meals served at your institution? If so, what are they? Keep all cycle menus and recipes. If the option is available, use nutritional analysis software to track levels of sodium, added sugars, and trans fat in the meals that your institution serves.
 6. Which meals and foods are most and least frequently purchased by consumers? Keep records of consumer purchase data.
 7. What percentage of food are consumers wasting at mealtimes, and what proportion of food waste is produce (fruits and vegetables)? **For information on conducting consumer plate waste studies, visit <https://gfs.com/en/ideas/plate-waste-studies>**
 8. Are consumers satisfied with the taste, variety, visual appeal, portions, and healthfulness of the meals served?
 9. Are there strategies your institution employs to help consumers eat healthfully? (for example, displaying nutrition information, portion control strategies, or healthy check-out lanes)

Data Collection Questions for Vendors

1. What was the total value of all sales and contracts (in dollars) last year?
2. What was the total value of all sales to institutions and/or contracts with institutions (in dollars) last year?
3. How many local small to midsize farms do you source from? For each small to midsize farm you source from:
 - a. How many acres is the farm?*

- b. What was the total value of all farm sales (in dollars) last year?*
 - c. What was the total value of all farm sales to institutions (in dollars) last year?*
 - d. How many full-time and part-time workers does the farm typically employ?
 - e. About how many new jobs are created per incremental increase in farm sales? (for example, for each additional \$10,000 in farm sales, four new full-time employees would be needed)
 - f. What types of certifications has the farm obtained for items or processes on the farm?* (for example, USDA Organic, American Grassfed, Animal Welfare Approved)
 - g. What farming practices does the farm use for which it does not have certifications?* (for example, organic pesticides, cage-free chickens, antibiotic-free meat and poultry)
 - h. Does the farm use any of the following farming practices: no till, cover cropping, crop rotation?* Please specify farming practice and the number of acres on which the farm applies that practice.
 - i. How has the new procurement policy impacted sales, certifications required, and full-time or part-time employees at the farm? Provide numerical increases or decreases for each, if possible.
4. How many full-time and part-time workers do you typically employ?*
 5. Does your company hold any certifications related to fair trade or labor standards?* (for example, Food Justice-Certified, Equitable Food Initiative)
 6. Are your workers unionized?*
 7. About many new jobs are created per incremental increase in sales? Provide the sales increase and the number of new full-time jobs needed to support the increase. (for example, for each additional \$50,000 in sales, four new full-time employees would be needed)
 8. How has the new procurement policy impacted contracts, sales, food items offered, and number of full-time or part-time employees? Provide numerical increases or decreases for each, if possible.

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Sample Purchase Data Collection Tool

How much of the following raw food products did you purchase? Specify the time period for data collected (e.g., month, quarter, year).

RAW FOOD PRODUCT ¹	PRODUCT CATEGORY & SUBCATEGORY ²	NUMBER OF UNITS PURCHASED	VOLUME PER UNIT	TOTAL VOLUME	COST PER UNIT	TOTAL COST	ORIGIN (distributor, brand name, farm, etc.)	PRODUCTION LOCATION (city/region, state)	SMALL/MIDSIZE FARM? (Y, N, %)

1. Use this data collection tool for raw or minimally processed food products, such as fruits, vegetables, and grain products. For items purchased prepared, such as breakfast sandwiches or burrito kits, include one or more additional columns that specify:

- a. The serving size of the prepared food product
- b. What raw foods are contained in the prepared product
- c. The amount of each raw food contained in the prepared product

For example, BEAN AND CHEESE BURRITO (3 oz. serving) = 1 oz. cheese, 1 oz. black beans, and 1 oz. whole grain-rich tortilla

2. PRODUCT CATEGORIES (SUBCATEGORIES):

VEGETABLES & LEGUMES (Beans & Peas; Dark Green; Red/Orange/Yellow; Starchy; Other)

FRUIT

GRAINS* (Whole Grains; Whole Grain-rich; Refined Grains)

MEAT* (Unprocessed Poultry; Unprocessed Red Meat; Processed Meat; Other)

SEAFOOD

DAIRY (Milk; Cheese; Yogurt; Other)

** Whole grains include whole wheat flour, oatmeal, brown rice, wild rice, quinoa, millet, buckwheat, and other grains with seed/kernel intact. Whole grain-rich foods are those that list a whole grain as the first grain ingredient on the package. Refined grains include all other grains and flours.*

*** Unprocessed poultry includes chicken, turkey, and Cornish hens. Red unprocessed meats include beef, pork, and veal. Processed meat includes deli meat, sausages, hot dogs, beef jerky, canned meat, meat sauces, bacon, and meats processed by curing, salting, fermenting, or other methods.*