



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the National School Lunch Program, School Breakfast Program and Special Milk Program

FROM: Cheryl Resha, Education Manager *Cheryl Resha*
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: June 1, 2010

SUBJECT: Operational Memorandum #13-10

I. Geographic Preference Option for the Procurement of Unprocessed Agricultural Products in the Child Nutrition Programs

I. Geographic Preference Option for the Procurement of Unprocessed Agricultural Products in the Child Nutrition Programs

The United States Department of Agriculture (USDA) has issued a Proposed Rule addressing the geographic preference option for procurement. This rule is attached and may also be downloaded at <http://www.fns.usda.gov/cnd/governance/regulations.htm>. Comments regarding this rule must be received by the USDA on or before **June 18, 2010**. The address and contact information are posted on the front page of the proposal.

It is important to note that the USDA has updated the definition of what is considered “unprocessed” for the purposes of applying the optional geographic preference for procurement in the Child Nutrition Programs. Section 4302 of Public Law 110-246, the Food, Conservation, and Energy Act of 2008, amended section 9(j) of the Richard B. Russell National School Lunch Act (NSLA) to allow institutions receiving funds through the Child Nutrition Programs to apply an optional geographic preference in the procurement of unprocessed locally grown or locally raised agricultural products. This provision applies to operators of all of the Child Nutrition Programs, including the National School Lunch Program, School Breakfast Program, Fresh Fruit and Vegetable Program, Special Milk Program, Child and Adult Care Food Program and Summer Food Service Program, as well as to purchases made for these programs by the Department of Defense Fresh Program. The law also applies to State Agencies making purchases on behalf of local agencies under any of the Child Nutrition Programs listed above.

This statutory provision was implemented by policy memorandum SP 30-2008, *Applying Geographic Preferences in Procurements for the Child Nutrition Programs* (July 9, 2008), as well as SP 08-2009 *Procurement Questions* (January 9, 2009) and SP 28-2009 *Procurement Questions* (July 22, 2009). These initial Food and Nutrition Service guidance documents specified that the geographic procurement preference option may only be applied to the procurement of unprocessed agricultural products which are locally grown and locally raised and that have not been cooked, seasoned, frozen, canned, or combined with any other products, or have not been chopped, cut, diced or sliced. After observing the impact of the USDA’s

interpretation of the term “unprocessed” during the past year, they determined that their initial guidance was unnecessarily restrictive and had the potential to prevent participating Child Nutrition Program operators from receiving locally grown or raised products in a usable form. Therefore, they updated their initial guidance to add that unprocessed agricultural products that have been **chopped, cut, sliced, diced or shucked** *do meet the meaning* of the term “unprocessed” as intended by the statute.

Additionally, the USDA further amended the previous guidelines regarding what is to be considered to be “unprocessed locally grown or locally raised agricultural products” when applying the geographic procurement preference option. For purposes of applying a geographic procurement preference in the Child Nutrition Programs, “unprocessed agricultural products” means only those agricultural products that retain their inherent character. The effects of the following handling and preservation techniques shall **not** be considered as changing an agricultural product into a product of a different inherent character: 1) cooling; 2) refrigerating; 3) freezing; 4) size adjustment through size reduction made by peeling, slicing, dicing, cutting, chopping, shucking, and grinding; 5) drying/dehydration; 6) washing; 7) the application of high water pressure or “cold pasteurization”; 8) packaging (such as placing eggs in cartons); 9) vacuum packing and bagging (such as placing vegetables in bags); 10) butchering livestock, fish and poultry; and 11) the pasteurization of milk. Note: **Processing meat into a hamburger patty is not allowed under this option. The geographic preference should not be defined in a way that excludes bidders from outside the designated geographic area or otherwise unnecessarily restricts competition.**

Questions pertaining to this memorandum may be directed to:

<i>COUNTIES</i>	<i>CONSULTANT</i>	<i>E-MAIL</i>	<i>PHONE</i>
Hartford and Windham	Teri Dandeneau	teri.dandeneau@ct.gov	860-807-2079
Litchfield and Middlesex	Fionnuala Brown	fionnuala.brown@ct.gov	860-807-2048
Fairfield and New London	Jackie Schipke	jackie.schipke@ct.gov	860-807-2123
New Haven and Tolland	Bob Zwack	robert.zwack@ct.gov	860-807-2081

CR:tdd

Attachment