



Department of  
**Education**

# School Nutrition Resource Guide

Micro-Purchases for Local Products



# Micro-Purchases for Local Products

## Six Easy Steps

Micro-purchases are a great tool for trying out local food procurement. Keep in mind the following that are required for micro-purchases according to 2 CFR Part 200. First, retain all receipts and/or invoices and track transactions. Second, distribute micro-purchases equitably among all qualified suppliers. Third, include information on micro-purchases in your district's written procurement procedures.

Don't forget to ensure that your purchase price stays below your district's micro-purchase threshold, which could be more restrictive than the federal threshold of \$10,000. Additionally, to ensure that contracts aren't broken, include a clause that allows for off-bid purchasing.

The items listed below each step include relevant documents that can be found in the "School Nutrition Resource Guide to Micro-Purchases for Local Products."

### **Step 1: define "local" for your School Nutrition Program (SNP)**

Create your definition of "local" to inform your purchases. "Local" could mean a radius of 400 miles from your location, within the state, within your region of the state, etc.

### **Step 2: start small—choose one product**

Survey the market to see what is available in your region by consulting a seasonality chart and comparing it to your menu. Can you find one item that is common on both? If so, you have a great place to start. If not, consider substituting one item on your menu with one that is available locally. For more information, refer to the "Seasonality Chart."

### **Step 3: start talking**

Communicate with anyone who can help connect you with local produce. Once you connect with farmers or suppliers, start conversations about what products could be available to purchase for your SNP and become familiar with their growing operation. For more information, refer to the "Conversation Guide," "Farm to School Source Sheet," and the "Field Producers Checklist."

### **Step 4: develop product specifications**

Develop specifications for the local product you want to purchase. For guidance, refer to the "Specification Worksheet."

### **Step 5: contact a vendor and make the purchase**

Communicate your product specifications and required terms and conditions (if any) with the farmer or supplier before making the purchase. For more information, refer to the "Conversation Guide" and "Specification Worksheet."

### **Step 6: maintain communication and records**

Keep open communication with your farmer or supplier to ensure performance that is consistent with your specifications. Keep records of all invoices and/or receipts, and maintain these records for a period of three years from the date of submission of the final expenditure report in accordance with 2 CFR 200.333.

# Micro-Purchases for Local Products Conversation Guide

## Basic information

1. Are you interested in supplying products to Tennessee School Nutrition programs?
2. Have you previously sold directly to schools or other institutions?
3. What is your preferred method of communication: phone, fax, email, other?
4. Would you be willing to host farm field trips for student groups?

## Product availability

1. What crops/products do you grow and when are they available?
2. Do you have a price and/or availability sheet for your products?
3. How far in advance can you tell me what products you will have and when they will be available?

## Logistics

1. How much lead time do you need for my orders?
2. How do you package your products (minimum and maximum package sizes)?
3. Do you have transportation for delivery of your products directly to school sites? If so what type (i.e. truck/refrigerated truck/distributor)?
4. Schools must receive an itemized invoice or receipt before payment can be made. Will this affect your willingness to sell to our school?
5. How do you communicate if there is a delivery, product volume, or product quality problem?
6. If there is a product quality problem, will you give me a credit for the amount of unacceptable product?
7. Are you interested in discussing a forward contracting arrangement for future purchases?

## Food safety

1. Does your farm have a written food safety plan?
2. Are you willing to complete a farm food safety checklist for your growing operation?

## Checklist for Purchasing Local Produce from Field Producers

Producer name: \_

Telephone: \_\_\_\_\_

Email: \_

Available products: \_

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Number of acres in production: \_\_\_\_\_

Liability insurance coverage and amount: \_

Production Practices	YES	NO	N/A
Are wells protected from contamination?			
If irrigation is used, what is its source? (circle) Well   Stream   Pond   Municipal   Other _____			
What types of manure are used? (circle) Raw manure   Composted   Aged   No manure is used			
Is raw manure incorporated at least two weeks prior to planting and/or 120 days prior to harvest?			
Is the manure application schedule documented with a copy available for the purchaser's review?			
Is land use history available to determine risk of product contamination (e.g., runoff from upstream, flooding, chemical spills, or excessive agricultural crop application)?			
Is the field exposed to runoff from animal confinement or grazing areas?			
Is land that is frequently flooded used to grow food crops?			
Are coliform tests conducted on soil in frequently flooded areas?			
Are farm livestock and animals restricted from growing areas?			
Are portable toilets used in a way that prevents field contamination from waste water?			

<b>Product Handling</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Are storage and packaging facilities located away from growing areas?			
Is there risk of contamination with manure?			
Are harvesting baskets, totes, or other containers kept covered and cleaned (with potable water) and sanitized before use?			
Is harvesting equipment/machinery that comes into contact with the products kept as clean as possible?			
Are product and non-product containers available and clearly marked?			
Is dirt, mud, or other debris removed from product before packaging?			
Are food grade packaging materials clean and stored in areas protected from pets, livestock, wild animals, and other contaminants?			

<b>Transportation</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Is product loaded and stored to minimize physical damage and risk of contamination?			
Is transport vehicle well maintained and clean?			
Are there designated areas in transport vehicle for food products and non-food items?			
Are products kept cool during transit?			
Are products delivered within a reasonable length of time (no more than 48 hours)?			

<b>Facilities</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Is potable water/well tested at least once per year and results kept on file?			
Is product protected as it travels from field to packing facility?			
Is a product packing area in use with space for culling and storage?			
Are packing areas kept enclosed?			
Are food contact surfaces regularly washed and rinsed with potable water and then sanitized?			
Are food grade packaging materials used?			
Do workers have access to toilets and hand washing stations with proper supplies?			
Are toilets and hand washing stations clean and regularly serviced?			
Is a pest control program in place?			

<b>Worker Health and Hygiene</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Is a worker food safety training program in place?			
Are workers trained about hygiene practices and sanitation with signs posted to reinforce messages?			
Are visitors following good hygiene and sanitation practices?			
Are workers instructed not to work if they exhibit signs of infection (e.g., fever, diarrhea, etc.)?			
Do workers practice good hygiene by:			
wearing clean clothing and shoes			
changing aprons and gloves as needed			
keeping hair covered or restrained			
washing hands as required			
limiting bare hand contact with fresh products			
covering open wounds with clean bandages			

I affirm that the information provided above is accurate to the best of my knowledge.

\_\_\_\_\_  
Signature of Producer                      Name (printed)                      Date

\_\_\_\_\_  
Signature of Witness (may be Producer)                      Name (printed)                      Date

**Information for checklist based on Good Agricultural Practices (GAP) and adapted from Iowa State University, University Extension, form PM2046a**

## Farm to School Source Sheet

Finding sources of local products doesn't have to be a barrier to farm to school participation. Statewide, food producers are qualified, willing, and able to supply schools with fresh, locally-raised products. Explore the tips below on discovering sources of local products for school nutrition programs (SNPs).

### Take advantage of opportunity buys

Opportunity buys occur when some unforeseen event or mistake causes the price of a product to drop significantly. When prices drop or marketability of a product is low, growers prioritize selling the product over selling the product at a high price. Thus, growers search for customers and sell their product for a lowered price, since that is better than wasting the harvest and counting it as a complete loss.

Opportunity buys are excellent for SNPs, as there aren't many other customers that are willing and able to take advantage of them. For example, grocery stores will not purchase misshapen or mislabeled produce due to their customer base: grocery shoppers are not likely to purchase these products. Additionally, distributors will most likely not purchase late tomatoes from a grower because of the rigidity of their purchasing schedule.

Situations that create opportunity buys include:

- **Non-conforming produce:** Some high quality, nutritious produce is often unmarketable because it doesn't fit appearance, size, density, or weight specifications regulated by the USDA and required by most major produce vendors. Produce that doesn't conform to these specifications will often go to waste if growers can't find customers that are willing to purchase it. Thus, when it is sold, it is often at a cost much lower than market price.
- **Unexpected weather:** Due to the unpredictability of the weather, sometimes crops are ready to harvest at different times than the grower's scheduled distribution date, leaving the grower with an unanticipated yield to move.
- **Surplus of product on the market:** When there are large quantities of a certain crop on the market, prices drop considerably.
- **Incorrect labeling:** If errors are made on labels for packaging materials (such as "use by" or "best by" dates), many markets consider the product unsellable and thus will not purchase it from the grower.
- **Excess yield on the farm:** Since there is always a degree of uncertainty when it comes to agriculture, sometimes growers find themselves with an excess of product and no market for the excess.

Connect with local growers so that you can be on their call list if an opportunity buy arises. Additionally, you may receive information from your consultant if the state agency learns of opportunity buys in your region. In July 2016 for example, Little Creek Farm in Cookeville had an excess of 6,000 pounds of tomatoes. The lead grower contacted the Farm to School Specialist in search of a school system to purchase them. The

Farm to School Specialist collaborated with school nutrition consultants to get the word out quickly to nearby school systems. Van Buren and Putnam County schools took advantage of this opportunity and purchased several cases of high-quality tomatoes at a low cost. Students in these districts enjoyed the benefits of fresh, local produce, and the SNP directors didn't have to break the bank.

## Recruit the distributor as a local source finder: put it in your bid

Distributors play an integral role in supplying local products for SNPs and often have easy access to local agricultural producers. Including certain specifications and clauses in bid documents encourages distributors to take an active role in finding sources of local products, and in turn takes the task of finding local sources away from the SNP director. Consider the following examples, and see pages 49–62 of the USDA [Procuring Local Foods for Child Nutrition Programs](#) for more examples of opportunities to target local products in solicitations.

- **Utilize geographic preference.** The 2008 Farm Bill allows for geographic preference to be used in the procurement of unprocessed or minimally processed agricultural products. Bidders whose products fit within the geographic preference established in the SNP bid can have a defined advantage in the award process over other bidders whose products do not fit the geographic preference. See pages 63–75 of the USDA [Procuring Local Foods for Child Nutrition Programs](#) guide and this [USDA Geographic Preference Fact Sheet](#) for more information and useful examples on the use of geographic preference in solicitations.
- **Reserve the right to go off contract.** Include a clause in solicitations and bids that allows the district to purchase products off contract. This clause gives the district the flexibility to look for other sources of products when necessary. The following are examples of solicitation language from Shelby County Schools that lead to a non-exclusive contract:
  - “If a vendor is unable to deliver an item(s) within the designated time, the Shelby County Board of Education (SCBE), in Good Faith and at its sole discretion, may purchase an item of equal or greater quality from another source.”
  - “Right to Additional Competition: SCBE occasionally purchases large quantities of specific items and expressly reserves the right to purchase these and similar items via other competitive methods if deemed in the best interest of SCBE.”
- **Ask the distributor to find local sources for you.** Encourage distributors to search for local producers and to offer certain products or varieties of products that are available locally. In produce solicitations, the school food authority (SFA) could include a list of produce items available from local and non-local sources, then specific clauses about the produce list could be written as follows:
  - “To the greatest extent possible, distributor will provide products indicated as being available from local sources to Example County School District (ECSD) when they are seasonally available.”
  - “Distributor will actively search for nearby sources of products indicated in the ECSD solicitation as being available from local sources, and will aim to do business with local producers offering these products.”



- **Ask the distributor to identify products that are sourced locally.** Chances are many distributors already offer local products to their customers; they just may not share the information unless asked. This means that you likely have been serving local products in your SNP all along and didn't know it! Ask your current distributor to indicate which of its products are locally-produced so that you have the option to choose. See specification example below:
  - "Vendor will provide information on origin of products such that local (being defined as a radius of [x amount of miles], statewide, regional, etc.) products may be identified by ECSD for the purpose of informing purchases."

## Connect with people that are "in-the-know"

Communicate with individuals and organizations that can help connect you with Tennessee agriculture. The following are great starting points:

### *In the community*

- Local farmers, growers, and producers at farmers markets, roadside stands, and produce auctions
- Farmers market managers
- University of Tennessee or Tennessee State University Extension agents
- Chefs and owners of farm-to-table restaurants
- Community members
- Food hub managers
- Community college or university agriculture department faculty

### *In the schools*

- Career and Technical Education (CTE) agriculture teachers
- Future Farmers of America (FFA) advisors
- School garden coordinators or leaders
- Tennessee Department of Education Farm to School Specialist

## Closer to home: Garden to Cafeteria and Student Farm to Cafeteria

### ***You can't get more local than the schoolyard!***

In Tennessee, there are approximately 350 school gardens growing edible crops that aim to educate students on the origin of food. In addition to those 350 gardens, almost 40 high school agriculture programs and FFA chapters in Tennessee grow produce that's served to students in school cafeterias. Purchasing

products from high school agriculture programs is called “Student Farm to Cafeteria” and from school gardens is called “Garden to Cafeteria.”

Produce grown in these programs is an inexpensive source of local food for SNPs. Purchasing is made simple, since a formal procurement is usually not necessary due to the small size of the purchase. To learn more about procurement options when purchasing produce from agriculture programs or school gardens, see pages 82–83 of USDA’s [Procuring Local Foods for Child Nutrition Programs](#) guide.

Connect with agriculture teachers (see teacher directory below in the resources list), district-level CTE directors, CTE consultants, or other school garden leaders to establish a Student Farm to School or School Garden to Cafeteria program.

If produce is meant to be served to students, food safety practices are a major priority and should be implemented in school gardens, greenhouses, and farms even though there isn’t a federal or state regulatory program to guide it. To get an idea of USDA’s stance on food safety as it pertains to farm to school, read these [frequently asked questions](#). If you have any questions concerning food safety with school garden or greenhouse produce, contact Farm to School Specialist [Elizabeth Goss](#).

## Use these resources to find sources of local products

Pick Tennessee Products: [Local Food Directory](#) or [Farmers Market Directory](#)

USDA: [Local Food Directory Listings](#)

Tennessee FFA: [Agriculture Teacher Directory by District](#) (on the Tennessee FFA page, click “2015-16 Ag Teacher Listing” link in the yellow “Directory Info” box on the right)

## Micro-Purchases for Local Products

### Specification Worksheet

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Item Name:	
Description (variety):	
Size:	
Grade/Standard:	
Pack Size/Weight:	
Unit (by lb., dozen, case):	
Quantity Needed (estimate):	
Post-Harvest Delivery Timeframe (number of hours/days after harvest):	
Delivery Method:	
Geographic Preference (within Tennessee or state mile range):	
Other:	

# Micro-Purchases for Local Products

## Questions and Answers

### 1. Why should I use the micro-purchase process for local food procurement?

The simplicity of the micro-purchase process makes finding and buying local products easy for both School Nutrition Program (SNP) supervisors and farmers or suppliers. Since there is less documentation and paperwork required for micro-purchases in comparison to other procurement processes, SNP supervisors can make more informal purchases with farmers. In doing so, SNP supervisors get a taste of local food procurement and have the opportunity to meet growers that are willing to team up for farm to school. Farmers, on the other hand, can gain an understanding of SNP operations, typical products and delivery methods that work for schools, and the impact farm to school participation can have on their farm and their community. Local food micro-purchases are great opportunities for farm to school trial runs, and can be the first step in creating lasting partnerships between farmers and schools.

### 2. Are micro-purchases a form of competitive procurement like informal and formal procurement processes?

The micro-purchase process is not a competitive one. The micro-purchase process does not require collecting quotes from multiple vendors or publicizing Invitations for Bids (IFBs) or Requests for Proposals (RFPs). The purchase can be made non-competitively if the aggregate dollar amount of the transaction does not exceed \$10,000, and if the price is considered reasonable.

### 3. What is the federal micro-purchase threshold?

The federal micro-purchase threshold is \$10,000. If the aggregate dollar amount of the transaction does not exceed \$10,000, the micro-purchase process can be used. However, be sure to check your local micro-purchase threshold, as it may differ from the federal threshold, and follow the most restrictive applicable threshold for micro-purchases.

### 4. Using the micro-purchase process, can I only purchase products from one specific farmer?

If there are multiple eligible suppliers, then micro-purchases must be distributed equitably among them. For example, if there are six lettuce growers within an SNP supervisor's chosen geographic area whose prices, product, and practices match the SNP supervisor's specifications, then he or she may not only purchase from one or two of these qualified suppliers. Instead, the SNP supervisor must rotate micro-purchases in an equitable manner among the suppliers. This could be accomplished by purchasing from a different lettuce grower each school year, if all growers continue to be eligible suppliers.

If there is only one eligible supplier, however, then it is allowable to make micro-purchases with that supplier only. For example, a possible specification for lettuce is that it is hydroponically grown in a greenhouse and available year-round. If there is only one grower whose product meets this specification, then it is acceptable to purchase only from this supplier.

## 5. What documentation should I maintain for micro-purchases?

Track micro-purchases as you would all other SNP-related purchases, and maintain receipts and invoices from purchases for a period of three years from the date of submission of the final expenditure report. Ensure there is information on the micro-purchase process in your district's written procurement procedures. Additionally, if off-bid micro-purchases are going to be made, make certain that contracts with distributors include a clause allowing them. If no such clause appears in the contract, off-bid purchases are not allowed, regardless of appropriate procurement procedures.

## 6. Can I split purchases to make them fall under the micro-purchase threshold?

No. SNP supervisors cannot intentionally split a purchase from a single supplier if the only justification for the split is to keep the aggregate price below the federal or local micro-purchase threshold. However, there are some cases where transactions are considered separate, and thus may fall below the micro-purchase threshold.

## 7. What are some specific ways to use micro-purchases for farm to school?

- First-time purchase of a local product: Purchasing one local product using the micro-purchase process can help SNP supervisors understand the impact farm to school can have in SNPs. See numbers one and eight for more details.
- One-time purchase for a farm to school event: Special events, such as taste tests featuring local products, promotional visits from farmers to the cafeteria, and seasonal harvest celebrations are great opportunities to utilize the micro-purchase process. In one transaction, up to \$10,000 of local products can be purchased for these special events that celebrate local agriculture.
- Harvest of the Month Program: Harvest of the Month programs involve featuring a different fruit or vegetable on the menu each month that is locally available for purchase at that time of year. These programs teach students about seasonal availability of produce and often include promotional materials such as posters, calendars, and stickers, and promotional activities such as taste tests, farmer visits in the cafeteria, and farm field trips. Each month's produce order for a Harvest of the Month program could be its own micro-purchase. See number eight below for more details.
- National Farm to School Month in October: Using the micro-purchase process, up to \$10,000 of local products could be purchased and served throughout the month of October to celebrate National Farm to School Month. Alternatively, a micro-purchase could be conducted for particular promotional days throughout the month of October that are designated by the National Farm to School Network.
- Pilot farm to school programs: Procuring local products for one school or a small number of schools is a great way to pilot a farm to school program. This is especially true for larger districts where micro-purchases may not be a realistic option for integrating local products into the entire district's SNP, considering the scale of usual purchases. Using the micro-purchase process to procure local products for a small number of schools will allow SNP supervisors to gain an understanding of farm to school and helps to build support for farm to school in the district.

## 8. What are some examples of allowable micro-purchases for local products?

The following are examples of allowable micro-purchases:

- An SNP supervisor with a non-exclusive produce bid contract (meaning off-bid purchases are allowed) wants to purchase local apples for a Harvest of the Month program. At the beginning of the month, apples are purchased from a farmer for the entire month's menu for an aggregated cost of \$3,000. The Harvest of the Month program is a booming success, and the SNP supervisor unexpectedly runs out of apples in the middle of the month. She approaches the same farmer again and purchases another \$3,000 worth of apples.
  - These purchases are allowable micro-purchases. When the SNP supervisor planned her procurement for the Harvest of the Month program, she believed that a one-time, \$3,000 purchase of apples would be sufficient for her month's menu. Due to the popularity of the program, she ran out of apples before the end of the month and needed to purchase more in order to continue the program and keep consistency with her menu. Since the SNP supervisor did not plan on intentionally splitting her order to keep the aggregated costs of each purchase under the micro-purchase threshold, each transaction can be considered separate. Additionally, the SNP supervisor's produce bid allows for off-bid transactions, so she is not breaking the contract.
- To celebrate National Farm to School Month in October, an SNP supervisor plans to purchase \$2,200 worth of carrots from a local farmer. When he arrives to pick up his carrot order at the farm stand, he learns that the farmer is also selling lettuce and radishes that would be a great addition to the salads on his Farm to School Month menu. The SNP supervisor purchases his carrots for \$2,200, and also purchases \$1,200 of lettuce and radishes for a total aggregated price of \$3,400. His produce bid contract includes a clause that allows for off-bid purchases.
  - This transaction is an allowable micro-purchase because the total aggregated cost falls below the federal micro-purchase threshold of \$10,000 and the SNP supervisor's contract allows for off-bid transactions. It is acceptable that the SNP supervisor spontaneously decided to purchase lettuce and radishes along with his carrots. Since the micro-purchase process does not require collecting quotes or publicizing bids before making purchases, spur-of-the-moment transactions are allowable as long as the cost falls below the relevant micro-purchase threshold.
- An SNP supervisor is kicking off her first Harvest of the Month pilot program next school year. She plans to feature a different local product on her menu each month, but only knows where she will be able to purchase local produce in August and September. Because of this, she decides to purchase her local produce on a month-to-month basis. Her contract with her produce distributor includes a clause that allows off-bid purchases. The SNP supervisor continues her market research to find growers offering different products as the seasons change, and makes sure that each of her monthly produce purchases fall under \$10,000.
  - These are allowable micro-purchases because the SNP supervisor is making small purchases on a monthly basis as she finds sources of local produce for her Harvest of the Month program, each purchase falls beneath the federal micro-purchase threshold, and her contract allows for off-bid purchases.

## 9. What are some examples of unallowable micro-purchases for local products?

The following are examples of unallowable micro-purchases:

- Since many of her menu's popular items are still at summertime low prices when school begins in August, an SNP supervisor decides to purchase a variety of local produce. Her produce bid contract includes a clause that allows for off-bid purchases. She finds a qualified grower and plans to use the micro-purchase process to buy tomatoes, peppers, and squash for a total cost of \$11,000. When the supervisor makes the purchase, she requests separate invoices for each crop and considers each crop's purchase to be its own transaction. The separated total cost for each individual crop does not exceed the micro-purchase threshold.
  - This is not allowable because the purchases are considered as a single transaction since they were planned ahead of time to be purchased from one supplier in one transaction. The total cost of the transaction is \$11,000, which exceeds the federal micro-purchase threshold. The SNP supervisor split the transaction cost so that it fell beneath the threshold. The informal procurement process should have been used for this purchase.
- A local strawberry farm, Sissy's Strawberries, and an SNP supervisor have formed a successful partnership after several seasons of business. The grower at Sissy's anticipates the schools' business and plants strawberries specifically for their order, visits the school cafeterias for special promotional events when her berries are on the menu, and even hosts field trips for students at the strawberry patch. Since Sissy's Strawberries is an excellent local procurement opportunity and the produce bid contract includes a clause that allows off-bid purchases, the SNP supervisor plans to make a \$3,000 purchase from Sissy's Strawberries each May using the micro-purchase process. There are four other strawberry growers that meet all of the SNP supervisor's qualifications, but since her relationship with Sissy's Strawberries has grown to be so fruitful, she doesn't plan on soliciting business from the other eligible strawberry growers.
  - It is not allowable to use the micro-purchase process with only one supplier **if there is more than one that is eligible**. Micro-purchases must be distributed equitably among all qualified suppliers (see No. 4 above). Thus, if the SNP supervisor wants to continue purchasing local strawberries using the micro-purchase process, she needs to distribute her micro-purchases among all growers that meet her qualifications. She could do this by rotating her strawberry purchases to a different strawberry grower each May, provided that the growers' ability to meet her qualifications remains the same.
- An SNP supervisor with a non-exclusive produce bid contract wants to feature local broccoli in the fall and in the spring. After consulting her menu and forecasting her district's needs, the SNP supervisor determines that she could purchase 30 bushels every week in November, and then again in the spring during the month of April. She consults with a local broccoli grower to get his prices and determines that her total order for broccoli for the school year would amount to \$11,000 (\$5,500 total for five weeks in November, and \$5,500 for five weeks in April). The SNP supervisor decides to separate her fall purchases from her spring purchases and uses the micro-purchase process on both orders.
  - This is not allowable because the SNP supervisor projected her broccoli order for the entire school year, and its total aggregated cost (\$11,000) exceeds the federal micro-purchase threshold of \$10,000. Instead of the micro-purchase process, the SNP supervisor should have used the informal procurement process.

- An SNP supervisor does not have a clause in his current produce contract that allows for off-bid purchases, and usually receives all of his produce from his current distributor. In the month of May, however, strawberries are being harvested on farms all over the county and are being sold at an excellent price. To take advantage of this opportunity, the SNP supervisor decides to skip his fruit order with his distributor for the second week in May and instead purchase \$3,000 of strawberries from a nearby farm.
  - Since the SNP supervisor broke his contract with his distributor by making a purchase outside of the agreement, this is not an allowable purchase. Contracts are legally-binding documents, and if there isn't a clause that specifically allows for off-bid purchases then they cannot be made, regardless of procurement procedure used.

**Information for this Q&A is based on 2 CFR part 200; USDA Policy Memo SP 02-2016; CACFP 02-2016; SFSP 02-2016; and USDA's "Procuring Local Foods for Child Nutrition Programs."**