AGRICULTURAL PRODUCERS' TOOLKIT

Bringing the Farm to School

Welcome

Session 4

Photo Release

https://bit.ly/mtnrelease

Introductions

—Introduce Yourself

—Pick 1 to answer:

- Why are you interested in selling to schools and/or the farm to school model?
- What do you foresee as the greatest benefit of farm to school for your business?
- Identify a question you are hoping to get answered today.

Gardiner School District's School Nutrition Program Staff
Credit: Montana Team Nutrition Program

AGRICULTURAL PRODUCERS' TOOLKIT

Bringing the Farm to School

Growing for Schools

Module 4

Learning Objectives

- **Assess your capacity** for selling to schools.
- **Further explore price points** for selling to schools.
- **Understand the infrastructure, planning, and food safety requirements** that are needed to move product into a school market.
- **Learn best practices** for planning to move your product from field to schools.

Section A: Business Planning for School Sales

From Goals to Planning

- Factors that affect how a product fits into the school menu
  - —Market channel
  - —School needs
  - —Adaptation based on price point

- Review of the marketing channels in selling to schools
  - —Direct to school
  - —Food hubs and aggregators
  - —Large distributors
  - —USDA Foods or Department of Defense (DoD) Fresh

Photo: National Farm to School Network

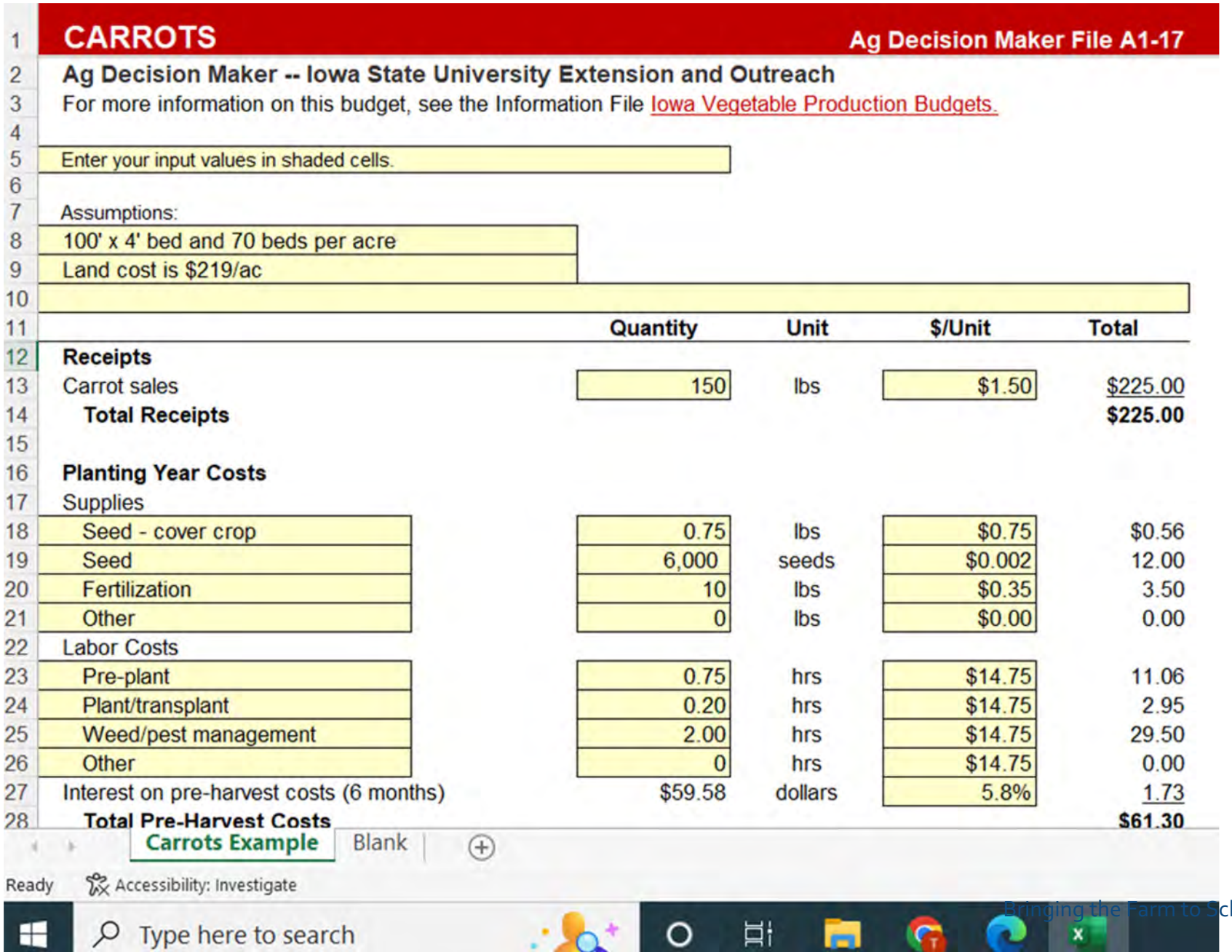
Price: Understanding Your Breakeven Price Point

What are some examples of fixed costs?

What are some examples of variable costs?

Credit: National Farm to School Network

Tools for Cost Calculation



1	**CARROTS**				**Ag Decision Maker File A1-17**
2	**Ag Decision Maker -- Iowa State University Extension and Outreach**				
3	For more information on this budget, see the Information File Iowa Vegetable Production Budgets.				
4					
5	Enter your input values in shaded cells.				
6					
7	Assumptions:				
8	100' x 4' bed and 70 beds per acre				
9	Land cost is $219/ac				
10					
11		**Quantity**	**Unit**	**$/Unit**	**Total**
12	**Receipts**				
13	Carrot sales	150	lbs	$1.50	$225.00
14	**Total Receipts**				**$225.00**
15					
16	**Planting Year Costs**				
17	Supplies				
18	Seed - cover crop	0.75	lbs	$0.75	$0.56
19	Seed	6,000	seeds	$0.002	12.00
20	Fertilization	10	lbs	$0.35	3.50
21	Other	0	lbs	$0.00	0.00
22	Labor Costs				
23	Pre-plant	0.75	hrs	$14.75	11.06
24	Plant/transplant	0.20	hrs	$14.75	2.95
25	Weed/pest management	2.00	hrs	$14.75	29.50
26	Other	0	hrs	$14.75	0.00
27	Interest on pre-harvest costs (6 months)	$59.58	dollars	5.8%	1.73
28	**Total Pre-Harvest Costs**				**$61.30**

Carrots Example | Blank

Ready | Accessibility: Investigate

Type here to search

Return on Investment

Photo: National Center for Appropriate Technology

Photo: University of Vermont

Photo: VT Agency of Agriculture

Applied Activity – Enterprise and Return-on-Investment-Costs Evaluation

Worksheet 4A: Business Planning Considerations for School Sales – Breakeven Price

- Identify products that have the highest potential for a school market based on break-even prices, existing infrastructure, and production capacity.
- Outline enterprise costs with the goal of determining break even costs for products sold to schools.
- Identify next steps to understand if break-even price will meet the school bidding sheet.

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Section B: Scaling Up Production – Meeting Increased Demand for School Markets

Understanding Scales of Production

- Direct from the farm
- Food hub or co-op
- Farmers market
- Food processor
- Distributor

Photos: National Center for Appropriate Technology

Heading in the Direction of Farm to School

"One, and only one, weakest link accounts for the strength of the entire chain, regardless of how strong other links might be. To strengthen a chain, one must always attend first to the weakest link. Other links (adverse factors), no matter how frail they appear, are essentially non-problems until the weakest link is first fixed."

- Savory, Butterfield. Holistic Management. 2016

Weak Links on the Farm

- *Production*
- *Harvest and Post-harvest*
- *Quality Control*
- *Livestock*
- *Mechanical*
- *Business Management*
- *Financial*
- *Employees*
- *Communication and Decision Making*
- *Markets*

Sustainable Growth

- Return on Investment
- Break Even Cost
- Tools
- Equipment
- Buildings
- Hoophouses
- Loans and Debt

Photos: National Center for Appropriate Technology

Scaling Up

- Considerations
  - —Administrative systems
  - —Labor management
  - —Land access and quality
  - —Equipment and infrastructure
- Scaling up will affect:
  - —Acreage
  - —Crops
  - —Herd size
  - —Markets

Photo: National Center for Appropriate Technology

Labor

As an agriculture employer, farmers MUST:

- Know federal and state laws
- See the following resources:
  - —https://www.dol.gov/agencies/whd/state/contacts
  - —https://www.dol.gov/agencies/whd/agriculture
- Set up an accounting system and keep receipts for:
  - —Income: 3 years
  - —Expenses: 3 years
  - —Payroll: 4 years
- Withhold payroll taxes
- Provide safe working conditions and carry workers compensation insurance

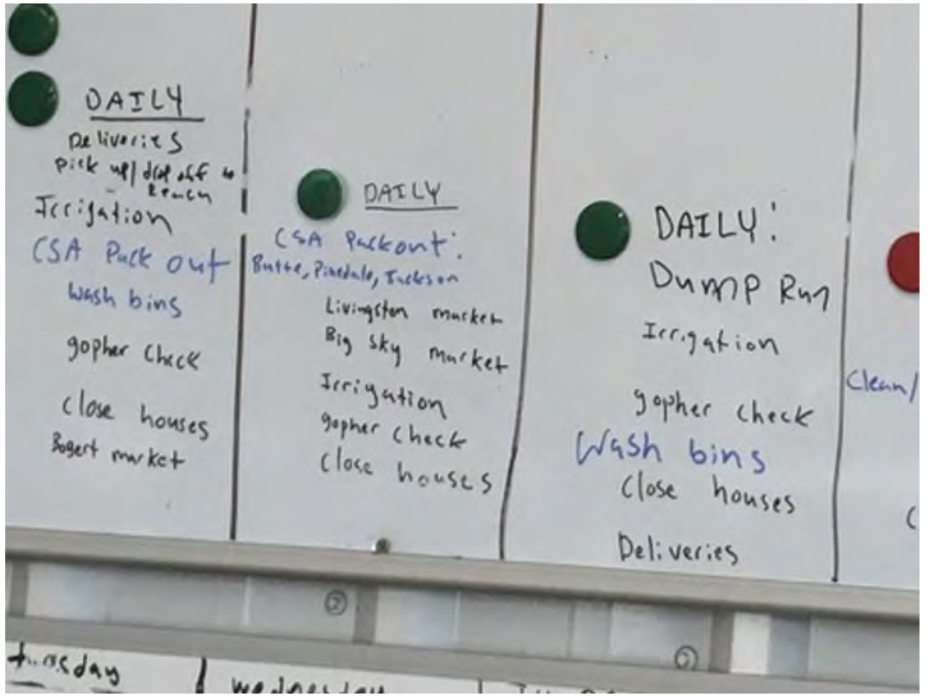

Photo: National Center for Appropriate Technology

Selling to Schools – Special Considerations

Capacity, Consistency, Infrastructure

- School Food Service Directors' requirements
- Food safety and production standards
- Washing, packing, or processing facility capacity
- Cooler and delivery truck space
- Accounting system to track sales and payments
- Capabilities to manage a larger staff

Photo: National Farm to School Network

Meeting the Budget Needs of Schools

- Volume
  —Consistent quality and quantity
- Billing
  —School requirements may impact cash flow
- Price
  —Meet farm needs while charging what the school can afford

Photo: National Farm to School Network

Meeting School Grading, Packaging, and Labeling Requirements

Typical information on a label includes:

- Name and address of the farm
- Julian date 6/19 (170)
- Product
- Grade
- Quantity/count
- Harvest or pack crew identification
- Certifications e.g. Certified Organic, GAP

Farms may use a code system such as the following:

Sp619Ac3

which represents spinach picked on 6/19 from field A by crew or person 3

Food Safety

- Food safety plan
- Food Safety Modernization Act (FSMA) minimum standards
- FSMA exemptions and scaling up

Photo: National Center for Appropriate Technology

Managing Risks with Insurance

FARM COMMONS

FLIP

FOOD LIABILITY INSURANCE PROGRAM

ATTRA Sustainable Agriculture

NCAT A program of the National Center for Appropriate Technology • 1-800-346-9140 • www.attra.ncat.org

Primer on Whole-Farm Revenue Protection Crop Insurance: Updates for 2018

By Jeff Schahczenski
NCAT Agricultural Economist
Published February 2018 ©NCAT
IP554

This publication provides an overview of a novel crop insurance product called Whole-Farm Revenue Protection (WFRP). This policy provides revenue protection for all crop and livestock products produced by a farm or ranch. WFRP is the first crop insurance policy that can be purchased everywhere in the United States.

Contents

Photo: NCAT

Introduction

Whole-Farm Revenue Protection (WFRP) provides a risk-management safety net under one insurance policy for all products produced on a farm. For the 2018 crop year, the policy continues to be available nationwide. Created as part of the 2014 Farm Bill, WFRP is a unique way to protect crop and livestock products. The policy may be of particular benefit to diversified, specialty-crop, and organic producers; groups historically underserved by crop insurance.

WFRP offers a whole-farm premium subsidy to farms at levels similar to single-crop policies. Producers can choose coverage levels from 50% to 85%. The maximum liability coverage is $8.5 million dollars, which means that a farm or ranch with as much as $10 million in actual approved revenue could apply, because the highest level of coverage is 85% of that revenue. WFRP is significantly subsidized, with 80% of premium costs subsidized for all but the two highest levels of coverage (80% and 85%).

The major change to WFRP for the 2018 crop year is the availability of different start and policy-sales-closing dates for insurance coverage. Start and closing dates represent the period of coverage. Revenue

ATTRA (www.attra.ncat.org) is a program of the National Center for Appropriate Technology (NCAT). The program is funded through a cooperative agreement with the United States Department of Agriculture's Rural Business-Cooperative Service. Visit the NCAT website (www.ncat.org) for more information on our other sustainable agriculture and energy projects.

NCAT

Scaling Up: Final Considerations

- Is scaling up necessary
- Costs for expansion
- Rate of return

Photo: National Farm to School Network

Photo: National Farm to School Network

Applied Activity
Weakest Link to Consider Before Farm Expansion

Worksheet 4B: Weakest Link and Developing Strategies for Improvement

On the worksheet, write one or two deficiencies you are currently experiencing that could adversely affect your ability to scale up.

What is your weakest link?

"One, and only one, weakest link accounts for the strength of the entire chain, regardless of how strong other links might be. To strengthen a chain, one must always attend first to the weakest link. Other links (adverse factors), no matter how frail they appear, are essentially non-problems until the weakest link is first fixed."

–Allan Savory and Jody Butterfield, Holistic Management International

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Section C: Crop Production and Planning

Producer Spotlight: Living Root Farm

How Can Crop-Production Planning Help with School Sales?

Photo: Living Root Farm

Planting Plan- *Schools are reliable and help with planning!*

- What is your production goal?
- Identify those harvest targets and space requirements.
- How much seed will be needed?

- Determine demand and work back from harvest to planting.
- Yield calculations will help you identify the amount of space required.
- Consider plant spacing and number of rows/plants/acres.

AVERAGE SEEDS NEEDED PER:				AVERAGE YIELD PER:	
Vegetable	100' Row	Acre		100'	Acre
		Weight	# of seeds M=1,000)		
Beans, bush	800 seeds		116M	45 lb.	6,500 lb.
Beans, pole	420 seeds		46M	80 lb.	11,600 lb.
Beans, lima	1 lb.	145 lb.		17 lb.	2,500 lb.
Beans, shell	1/3 lb.	72 lb.		8 lb.	3,480 lb.
Beans, soy	1/2 lb.	87 lb.		20 lb. fresh; 12 lb. dry	3,000 lb. fresh

Johnny's Selected Seeds

Crop Planning: It Is Not a Perfect World

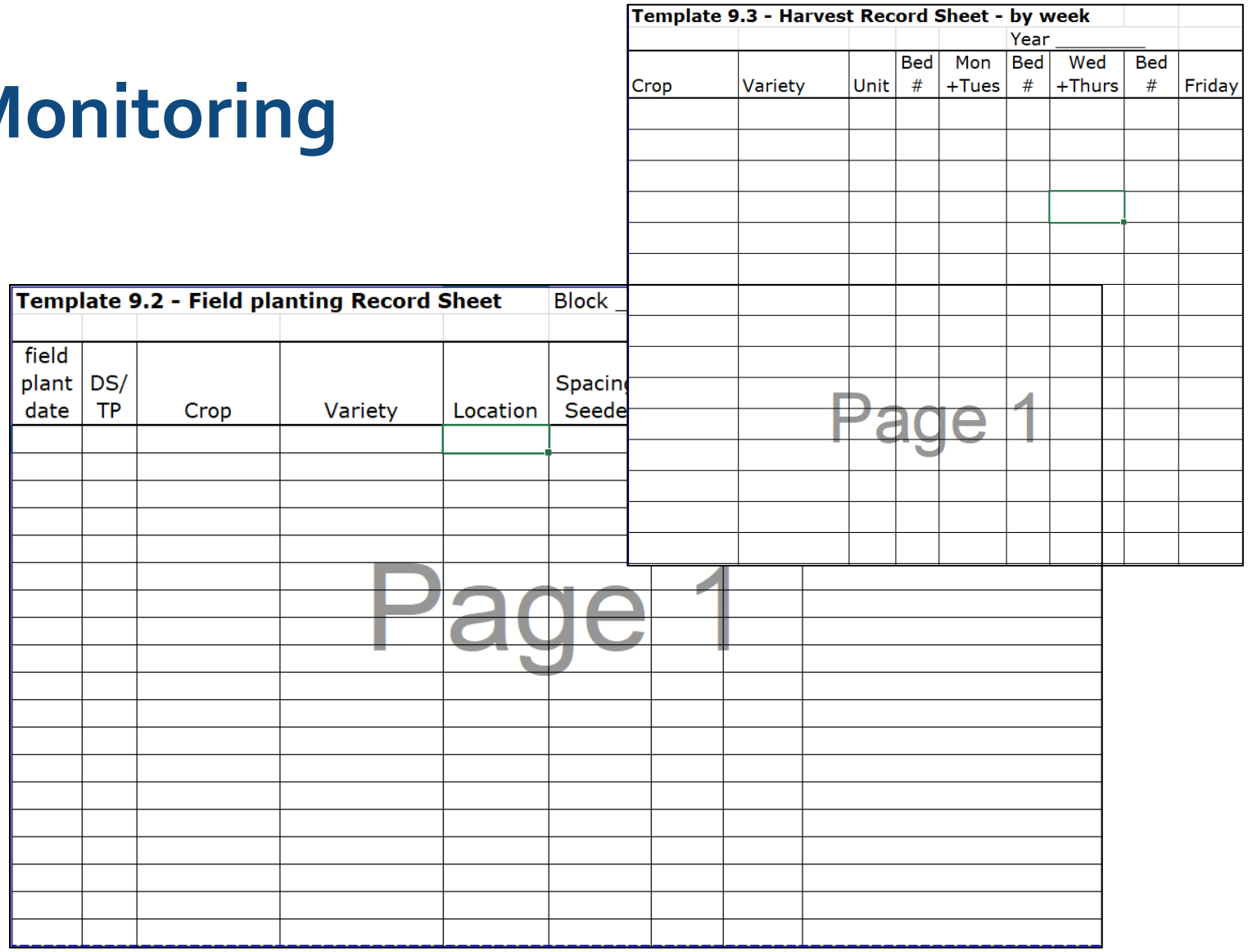
- Factor in crop loss
- Figure in extra plants in the field

  … and extra seed for germination loss… approx. 20% for plants or seeds
- Harvest window and crop succession

Photo: National Center for Appropriate Technology

Recordkeeping and Monitoring

- How do you know yield and space requirements for your product?
- ***Track and write it down!***
- Historic data
- Measure your efforts
- Record measurements
- Use to estimates future expenses and revenues



Template 9.3 - Harvest Record Sheet - by week

Year _____

Crop	Variety	Unit	Bed #	Mon +Tues	Bed #	Wed +Thurs	Bed #	Friday

Page 1

Template 9.2 - Field planting Record Sheet Block _

field plant date	DS/ TP	Crop	Variety	Location	Spacin Seede

Page 1

Credit: National Center for Appropriate Technology

Applied Activity – Crop Planning Exercise

Worksheet 4C: Crop Planning Exercise

Using the bid sheet and seed, yield, and planting charts, determine plot size and number of seeds/plants needed to meet the bid.

Photo: National Farm to School Network

The *Bringing the Farm to School: Agricultural Producers Toolkit* was developed in partnership by USDA Food and Nutrition Services, the National Center for Appropriate Technology, and the National Farm to School Network.

Tammy Howard

Agriculture Specialist

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Bringing the Farm to School

Section D: Animal Protein Production Planning

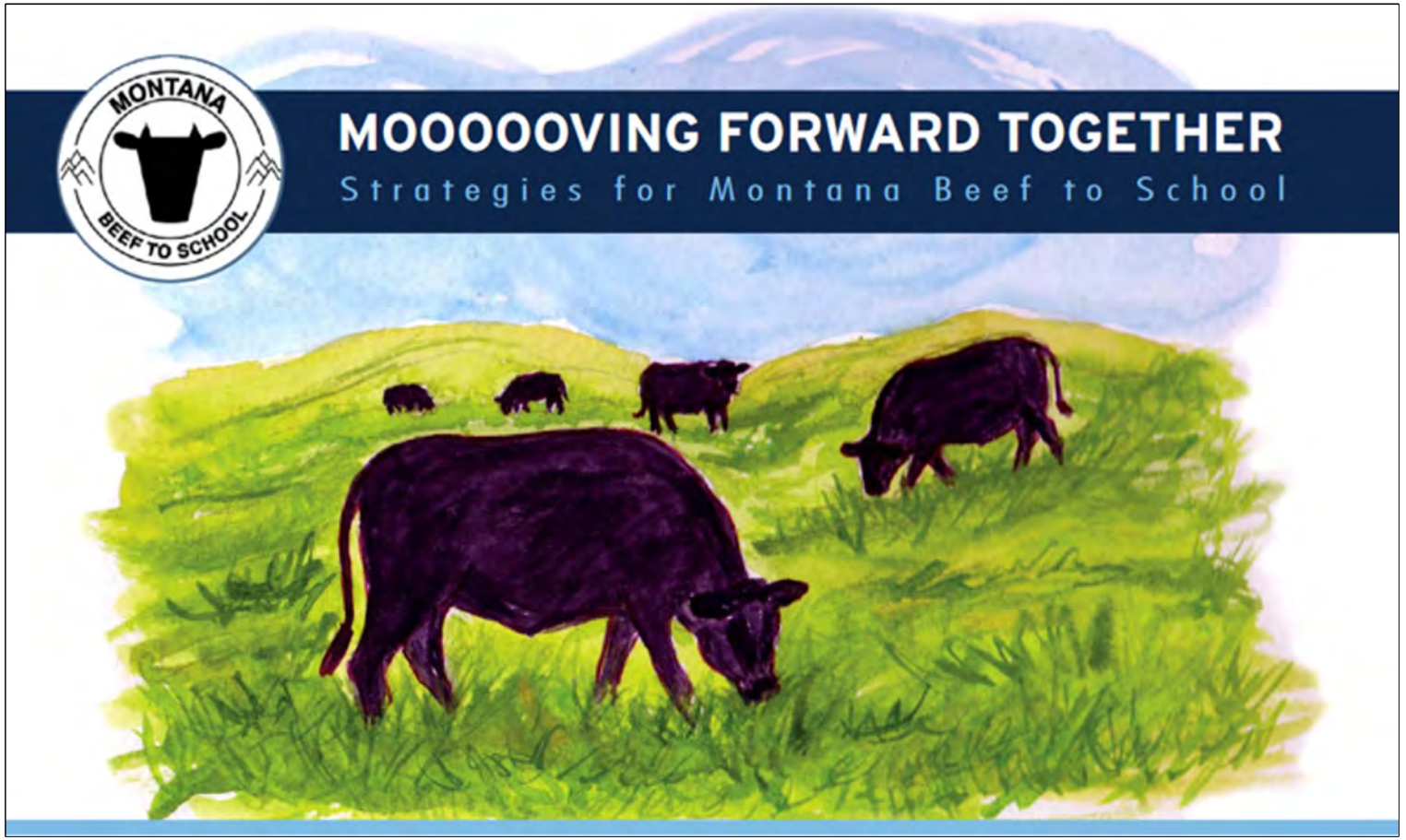
Applied Activity – How Do Your Livestock Products Fit on the Plate?

- Learn the school needs for meat and egg production.
- Understand livestock planning based on demand, yield projections, and production goals.
- Assess schedules for sustained delivery and profitability.

Photos: National Center for Appropriate Technology

How Do Your Products Fit with School Demands?

- Proteins are the most expensive part of a school lunch meal
- Consider:
  - Cost
  - Convenience
  - Versatility



Producer Spotlight: Bear Paw Meats

Beef to School

Listen to Karla Buck from Bear Paw Meats:
https://attra.ncat.org/selling-beef-to-schools-podcast/

Follow-up on your own, this is an excellent 18-minute listen. Read more on BPM and MT B2S:

Moving Forward Together publication from MSUE:
https://store.msuextension.org/publications/HomeHealthandFamily/4623.pdf

Getting Started w/ Beef to School:
https://store.msuextension.org/publications/HomeHealthandFamily/MT201811HR.pdf

Photo: Karla and Dexter Buck, Beat Paw Meats

Determine School Needs

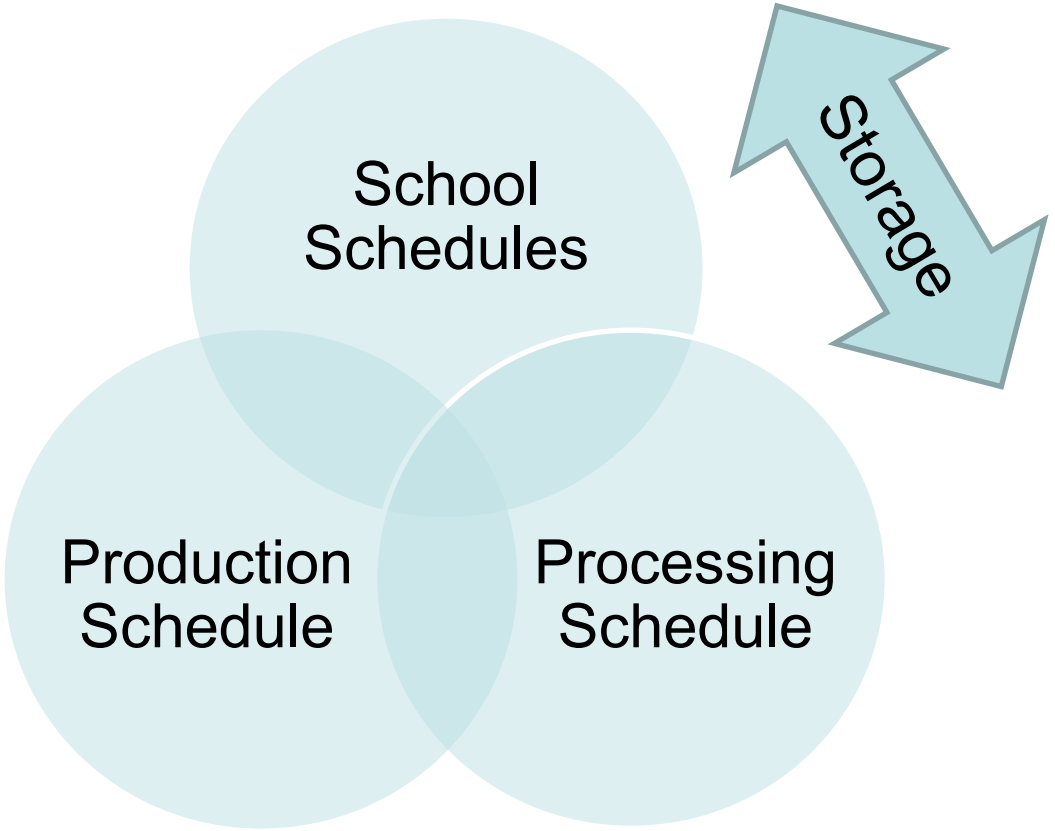
- Portion size
- Product volume demand
- Frequency of use/need
  - Daily, weekly, monthly, special events only…
- Versatility

Photo: Lower Valley Processing; Montana Beef to School Program

Resources: packaging and processing @ www.nichemeatprocessing.org

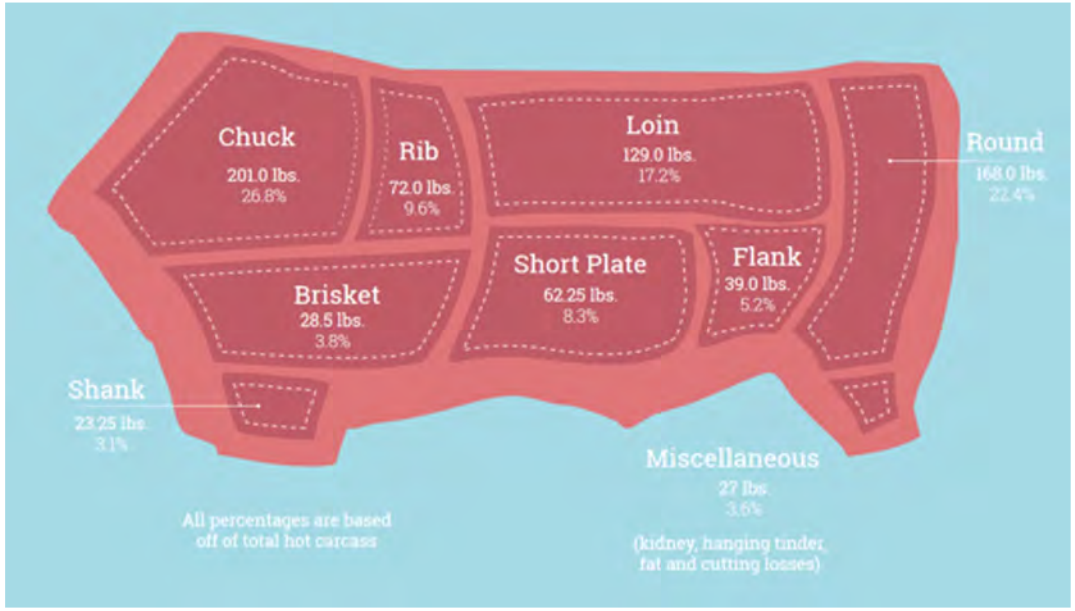
Determine School Needs

- Contract "season"
  - By New Year for the next school year
- When can school take delivery?
- When can you have animals ready?
  - Finished
  - Culls
- Schedule your processing appointment accordingly
- Freezing and storage can add flexibility



Assess Current Production

- What is your production potential, in pounds and specific cuts?
- What is your break-even price?
- Do you have the acreage and grazing/feeding management skills to produce at the scale needed and sell your products above break-even cost?



Graphic: University of Tennessee Institute of Agriculture

Photo: NCSU Growing Small Farms

Plan Production Based on Demand

- Assess production capacity
- Tools for assessing production capacity and profitability:
  - —Livestock Compass
  - —Working with your Meat Processor (NCAT ATTRA)

Compass Toolbox | whole-farm profit management

Click here to access resource

Photo: Montana Highland Lamb

Eggs

- Considerations: number of birds, infrastructure, processing, and packaging
- How much product does the school need each week? Do you have the capacity to deliver or scale up for production? Consider factors such as seasonal changes, summer vs. winter production, number of birds, etc.
- Grading; minimally processed product

Photo: National Center for Appropriate Technology

Applied Activity - Capacity and Product Assessment for Livestock Producers

Worksheet 4D: Capacity and Product Assessment

Assess your capacity for delivering livestock products to schools

Photo: Linda Coffey

Photo: Jeremy Prater

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Action Planning – Checking In

- I understand the "break-even" price point I need for my products to enter or expand into school sales.
- I understand the weak links to consider before scaling up my farm (e.g., infrastructure, food safety, distribution, etc.).
- I have the beginning of a production plan for my product(s).
- I understand and can communicate my food safety practices to School Food Authorities.

The *Bringing the Farm to School: Agricultural Producers' Toolkit* was developed in partnership by USDA Food and Nutrition Services, the National Center for Appropriate Technology, and the National Farm to School Network.

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Tammy Howard, NCAT, tammyh@ncat.org

Producer Spotlight: Living Root Farm

Photo: Living Root Farm

Evan Van Order

Livingrootfarm@gmail.com

AGRICULTURAL PRODUCERS' TOOLKIT

Bringing the Farm to School

Lunch + Tour

Hardin School Nutrition Tour + Hardin Farm to School Presentation

AGRICULTURAL PRODUCERS' TOOLKIT

Bringing the Farm to School

Conclusion: Planning for Action

Conclusion Overview

Conclusion Overview and Goals

- Business Action Planning
- Resources
- Training Evaluation and Follow-Up

Recap of Training Content

- Module 1: Getting to Know School Markets
- Module 2: Selling to School Markets
- Module 3: Product Development for School Markets
- Module 4: Growing for School Markets

School Business Action Planning

Action Planning: Tying It All Together

Bringing the Farm to School Action Plan Conclusion: Tying it All Together

Farm to School Market Channel	Values Pitch	**Key Resources** you need to enter or expand into chosen market channel
Local school:		
Intermediated (e.g., food hub):		

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Action Planning – School Business Action Plan Share-Out

This is an opportunity for you to share with your peers:

- What channel do you hope to sell your product through?
- What are 3 key next steps
- What resources do you need to accomplish those steps?
- When will you get these done?

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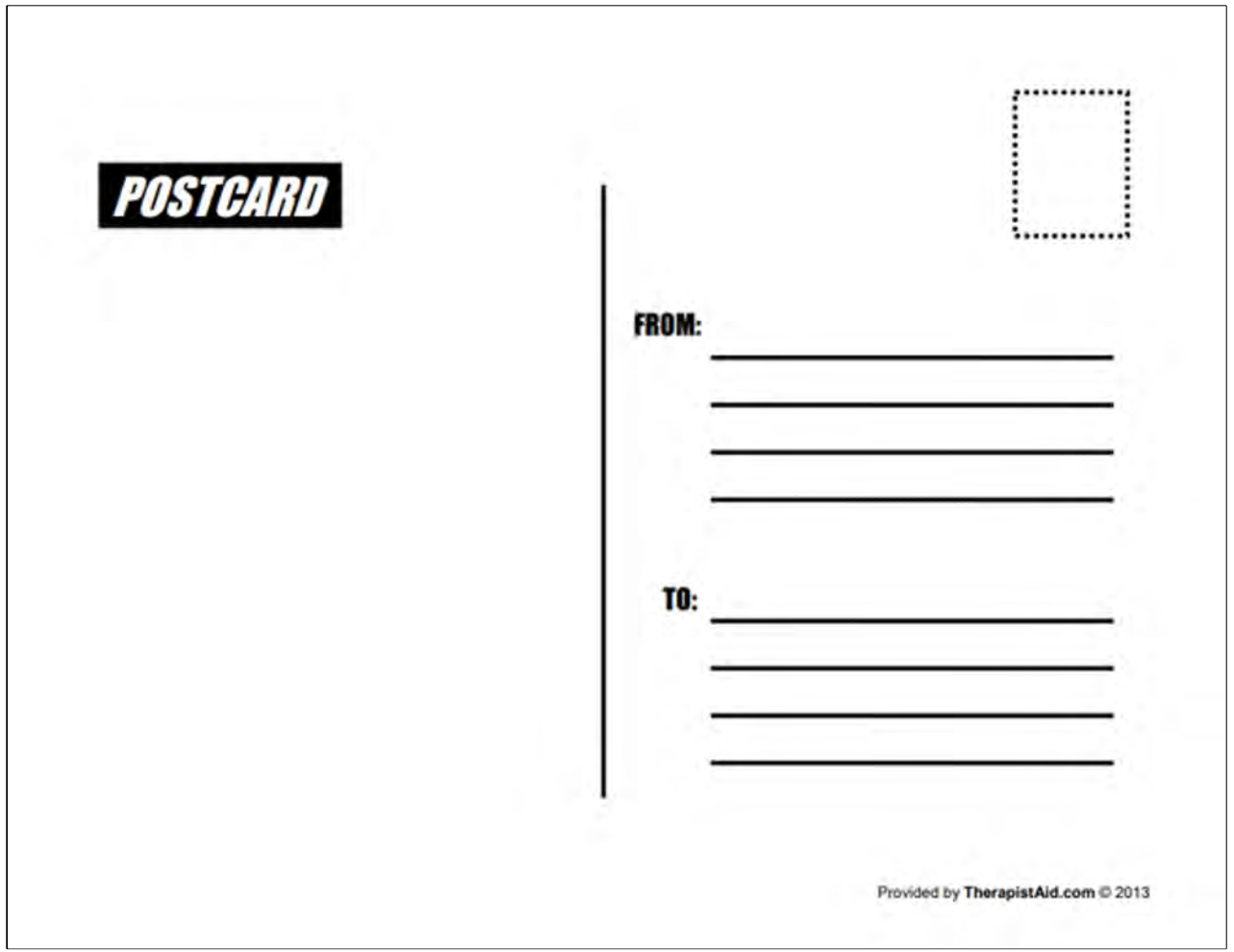
Applied Activity – Send a Card to Yourself



Resource Round-Up

Calendar 2022-2023

MONTANA Harvest of the Month

August – Cherries

September – Herbs

October – Brassicas

November – Apples

December – Lentils

January – Dairy

February – Beets

March – Grains

April – Chickpeas

May – Beef + Bison

June – Leafy Greens

July - Carrots

mtharvestofthemonth.org

Montana Crunch Time

Join preschools, schools, colleges, and individuals across Montana in celebrating National Farm to School Month by crunching into any locally grown or raised food on

October 10, 2023

For more information about Montana Crunch Time, to register and receive your guide, visit:

montana.edu/mtfarmtoschool

Share your "crunch byte" (video and photos) on social media with

#MTCrunchTime

Montana Crunch Time is sponsored by the Montana Farm to School Leadership Team and partners. Learn more about the Montana Farm to School Leadership Team and the member organizations at: www.montana.edu/mtfarmtoschool/leadership-team/index.html

Scan here to get crunching!

Celebrate **Farm to School Month** throughout **Montana!**

Montana Farm to School Leadership Team

- **Procurement**
- **Communication**
- **Early Care and Education**
- **K-12 Education**
- **Beef to School**
- **Service-Learning**

Public working group meetings: www.montana.edu/mtfarmtoschool

Resources

- Montana Farm to School website + social media accounts
- Montana Food and Ag Development Centers
- Abundant Montana Directory + Local Food Coordinators
- Presenters from this training
- **Attendee resource page**
  - Recordings
  - Slides – coming soon!
  - Links
  - Handouts/resources

Upcoming Events

Montana Harvest of the Month Showcases

- April 21: Gardiner
- August 10: Helena
- Fall 2023: Polson

Montana Food for Montana Schools Trainings + Meetups

- Fall 2023: Northwestern Montana
- Fall 2023: North central Montana

https://www.montana.edu/mtfarmtoschool/resources/training-event.html

Training Evaluation and Follow-Up

Post-Survey

Survey	To Be Completed	Format
Pre-survey	At the start of the training	Virtual
Post-survey	At the end of the training	In-person Paper or virtual
Follow-up survey	6-months to 1-year after this training	Online (you will receive an email invitation 6-months to 1-year from now to complete)

Post-Training Survey Link: **https://www.surveymonkey.com/r/PostFTSProducer**

Advisory Team

- Montana Team Nutrition Program at Montana State University
- Montana Office of Public Instruction
- Alternative Energy Resources Organization
- Great Northern Development Corporation
- Headwaters RC&D
- Intertribal Agriculture Council
- Mission West Community Development Partners
- Montana Department of Agriculture
- Montana Department of Livestock
- Montana Farmers Union
- Montana State University Extension
- National Center for Appropriate Technology
- Northern Plains Resource Council
- Northern Pulse Growers Association
- Snowy Mountain Development Corporation
- USDA Office of Community Food Systems

Fabulous Funders

USDA | OFFICE of COMMUNITY FOOD SYSTEMS

TEAM Nutrition Montana

NATIONAL FARM to SCHOOL NETWORK

WORKING FOR THE BEST MONTANA wheat & barley ESTABLISHED 1967

Great Northern DEVELOPMENT CORPORATION

Presenters

- Molly Kirkham, NCAT
- Allison Bell, USDA
- Pam Fruh, OPI
- Erin Turner, OPI
- Brooke Pickett, DPHHS
- Andrea Sarchet, MDA
- Tommy Bass, MSU Extension
- Jenna Fisher, DPHHS
- Tammy Howard, NCAT
- Dave Prather, Western Montana Growers Coop
- Randy Lindberg, Quality Foods Distributing
- Jeremy Plummer, Lower Valley Processing
- Jay Stagg, Whitefish School District
- Grace Nichols, RCEDA
- Jan Tusick, Mission West
- Eleanor Ross, Hardin School District
- Marlo Spreng, Hardin School District
- Evan Van Order, Living Root Farm

MONTANA FOOD FOR MONTANA SCHOOLS

A LOCAL PROCUREMENT TRAINING AND ABUNDANT CONNECTIONS PRODUCER + SCHOOL MEETUP

Hardin, Montana
March 14, 2023

The *Bringing the Farm to School: Agricultural Producers' Toolkit* was developed in partnership by USDA Food and Nutrition Services, the National Center for Appropriate Technology, and the National Farm to School Network.

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