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Initiating Farm-to-School Programs with Small, Socially Disadvantaged Farmers: A Case Study in Fresno

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Abstract
Southeast Asian farmers in Fresno County are a socially disadvantaged group, which grows more than 14,000 tons of specialty crops per year. They typically sell produce at farm stands, Asian grocery stores and farmers markets throughout California. While previously they were unable to participate in farm-to-school programs in local school districts, technical assistance from a non-profit and a university extension program succeeded in a pilot program for institutional procurement at the Fresno Unified School District. Three farmers became vendors after barriers were addressed. We highlight the process and the outcomes of collaboration and advocacy.

Key Words: Institutional procurement, Southeast Asian farmer, farm-to-school.

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Introduction

As early as 1996, farm-to-school programs (FTS) began to develop across the country, largely due to growing concerns about children's health (Feenstra & Ohmart, 2012). The Farm-to-School Network (FTSN) identified several economic benefits from FTS programs, such as producing 0.27 to 2.35 jobs for every job created by school districts purchasing local foods and stimulating an additional $0.60-$2.16 of local economic activity for each dollar invested in farm-to-school programs (Farm to School Network, 2020).

In 2015, the United States Department of Agriculture (USDA) developed the Farm-to-School Census questionnaire and distributed it to schools to assess their engagement in FTS programs during the 2013-2014 school year (USDA, 2015). A total of 42,587 schools in 5,254 districts across the country participated in these programs. The Fresno Unified School District (FUSD) had not yet engaged in FTS procurement practices in 2015. The economic impact of these investments in the local community was estimated at $789,000,000. In California alone, 5,498 schools in 373 districts invested $56,662,694 (USDA, 2019).

In 2017, the Asian Business Institute and Resource Center (ABIRC), with support from the University of California Cooperative Extension (UCCE) small farms extension program in Fresno County, began developing a farm-to-school program connecting local Southeast Asian (SEA) farmers to the FUSD. A UCCE survey found there were more than 1,300 SEA farming families in Fresno County in 2007 with average farm sizes of 5.8 acres, 7.8 acres, 6.3 acres, and

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9 acres for Hmong, Lao, Mien, and Vietnamese farms, respectively (Molinar et al., 2007). SEA farms in Fresno County produce around 14,000 tons of traditional Asian crops, e.g., bittermelon, moringa, opo, for an average value of $17,500,000 per year in addition to mainstream vegetable crops for farmers markets (University of California Agriculture and Natural Resources, 2019).

According to the 2018 Farm Bill, these farmers are considered a "socially disadvantaged group," defined as one whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities (USDA-Economic Research Service, 2019). FUSD's Food Services Department has a goal of increasing local food procurement by 3-5 percent annually and a supply chain preference for small- (between $1,000 and $250,000 in gross annual sales) and medium-sized (generates up to $1,000,000 in gross annual sales) operations (FUSD, 2019).

While SEA farmers in the Fresno area meet size requirements, FUSD had not previously been open to purchasing from these farmers due to smaller volumes available from individual farms and requirements for food safety third-party audits. One SEA strawberry farmer had been accepted as a vendor, but the contract was terminated by FUSD due to the low volume and short shelf life of the strawberry variety. Despite the barriers, farm-to-school sales could benefit SEA farmers as prices are higher than wholesale. For instance, produce sales under $10,000 would qualify for retail price purchasing rather than wholesale. ABIRC and UCCE began discussions with the FUSD Nutrition Department with the following objectives: 1) identify barriers to local procurement, 2) select crops currently produced on SEA farms appropriate for the FTS program, and 3) work with FUSD and farmers to overcome barriers to meet FUSD's requirements.

Project Steps

Identifying Barriers to Local Procurement

Early discussions with FUSD identified the major impediments to SEA farmers becoming FUSD vendors. SEA farmers had difficulty filling out the form due to limited English language proficiency, literacy issues, and the lack of bilingual staff at FUSD's Purchasing Department to assist them. Purchasing required that vendors under contract furnish Comprehensive General Liability Insurance up to $2,000,000. While some farmers had insurance, their limits were much lower than the requirement, and the additional coverage would cost more than they would earn if they added FUSD as an additional insured. FUSD required farmers and their employees to be trained in current food safety procedures and that all products be produced and handled in accordance with applicable sanitary practices (FUSD, 2019), including passing a third-party audit.

While training in Good Agricultural Practices (GAPs) is available at no cost from UCCE, the cost of third-party audits, an excess of $600 per farmer, was a barrier for all the SEA farmers. Another obstacle posed by purchasing was the guarantee of a seven-day shelf life after delivery, a difficult assurance due to extreme temperatures in the region during the summer months. Lastly, FUSD could only purchase under $10,000 from an individual farmer without requiring a competitive bidding process that would likely result in competition with larger farms offering lower prices.

Outreach and Technical Assistance

The ABIRC provides culturally appropriate technical assistance to SEA businesses and farmers in the Central Valley, and UCCE in Fresno County assists small-scale farms through extension

support, bilingual training, research on specialty crops, and policy engagement. To prepare SEA farmers for institutional procurement, ABIRC met with 30 SEA farmers and discussed the opportunities and challenges at FUSD including food safety requirements and liability insurance. In June of 2019, discussions began for FUSD to purchase specialty crops from SEA farmers. Supported by UCCE, ABIRC staff provided technical assistance for SEA farmers to fill out the vendor application, obtain liability insurance and become vendors in one of the largest school districts in the region.

Crop Selection and Food Safety Requirements

The FUSD requirement for third-party food safety audits was identified as a major barrier for small-scale SEA farmers due to the cost they would incur and the challenges with recordkeeping for limited-English and limited-resource farmers. To address the barriers of food safety requirements, green beans, Thai chili peppers, and Kabocha squash were selected as crops that would be cooked before serving in meals, providing a kill step that would eliminate human pathogens potentially present on raw produce. FUSD also agreed to consider UCCE's food safety training in GAPs as meeting their food safety requirements for the lowest tier of their bidding process (under $10,000). This voluntary training is available without cost to small-scale farmers in Fresno County through UCCE's ongoing food safety workshops and one-on-one technical assistance.

Evaluation Methodologies

Farmers who had become vendors were interviewed about the procurement process and its financial implications for their operations. The two farmers who successfully completed the procurement process indicated that the payment process was long due to the bureaucracy of multiple departments working to generate the purchase order and payment. Nonetheless, they received market retail prices. The Kabocha squash was not ready to be harvested at the time that FUSD needed it; thus, the third farmer became a vendor, but did not benefit from a FUSD sale (the farmer was able to sell the squash later in other market channels at harvest). Prices received by farmers as FUSD vendors were compared to USDA Agricultural Marketing Service terminal market prices for the date ranges during which crops were sold to FUSD to determine the increase in price from school district procurement.

Project Outcomes

The Thai chili farmer dropped off two boxes to FUSD for a trial recipe for a Thai chili sauce for their eggrolls. FUSD's Nutrition Department created the recipe with some suggestions from ABIRC and UCCE and tested it with staff and students. The sauce, a value-added product, was well received and proved to be a media-worthy success story (HmongUSA TV, 2019). After the news release, other schools and districts inquired about sales (FUSD, November 2019). Then, FUSD decided to invest in a machine that would package the sauce in small containers to share with/sell to other schools and districts. The initial financial impact was a total of $9,807.20 for 46-40 lb. boxes of Thai chilis for the farmer at $5.33/lb., over double the current wholesale price of $2.60/lb. The second farmer received $9,990 for 222-30 lb. boxes of green beans at $45 per box, a 68.5% increase over the current wholesale price of $26.69/lb. The farmers who became vendors are now in the FUSD system and can continue to offer crops for procurement in the future. Additionally, the success of this effort has the potential to benefit other small scale,

socially disadvantaged farmer communities such as African American farmers and Latino farmers in the region.

Discussion

Efforts to involve small-scale SEA farmers in a farm-to-school program with FUSD resulted in a pilot project in which two farmers became vendors with the school district, and the school district committed to investing in equipment to continue preparation of a sauce using one of the crops procured. The district's value-added strategy increased the value of the SEA specialty crop and may increase future efforts with other agricultural commodities.

The competitive bidding process presents a difficulty for smaller farmers as they may be easily outbid by larger farmers that can offer lower prices and prevent the district from making any commitment to purchasing from smaller, SEA farmers. As a result, difficulty arises for both farmers and FUSD to plan institutional procurement for specific crops during the school year.

To expand on these initial successes, we recommend a modified process allowing FUSD to make contracts with farmers and with the SEA farmer community to seek cultural brokers like ABIRC and UCCE as needed to advance community prosperity.

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