



Selling to Schools: Guidance for Farmers

Farm to School

Across the nation, Farm to School movements have been working hard to increase the amount of local fruits and vegetables served in school meals. Serving more fresh, nutritious food in school meals is associated with improved academic performance, reduced consumption of unhealthy foods, a stronger connection to the source of our food, and increased knowledge of agriculture.

Farm to School can also benefit farmers by providing a new market for your crops. Schools need fresh produce for a variety of child nutrition programs sponsored by the United States Department of Agriculture (USDA), including the National School Lunch Program, School Breakfast Program, Summer Food Service Program, and Fresh Fruit and Vegetable (Snack) Program.

How to Sell to Schools in Hawai'i

There are three avenues for selling to schools in Hawai'i: (1) Selling directly to the Hawai'i Department of Education by successfully competing for a contract; (2) Selling directly to charter schools and independent schools; and (3) Selling to distributors that work with schools.

1. Selling Directly to the Hawai'i Department of Education

Hawai'i has only one school district, which includes all public schools under the Hawai'i Department of Education (HIDOE). HIDOE public schools purchase a variety of fresh produce for schools, including apples, baby carrots, bananas, broccoli, cabbage, celery, cucumber, green leaf lettuce, oranges, papaya, red cabbage, romaine lettuce, spinach, tomatoes, and won bok.

In order to sell directly to HIDOE public schools, vendors must successfully respond to a formal competitive solicitation by HIDOE, during which HIDOE publicly advertises the district's needs, and interested vendors can respond. Successfully competing for a contract to supply HIDOE may be challenging for local farmers for several reasons:

- HIDOE requires a large volume of fresh produce to meet the needs of public schools statewide.
- To contract with HIDOE, a farmer must be able to commit in advance to certain quantities and prices.
- HIDOE requires certification of Good Agricultural Practices, a \$1 million liability insurance policy, and tax clearance from Hawai‘i Compliance Express (<https://vendors.ehawaii.gov>).

2. Selling Directly to Charter Schools and Independent Schools

Selling directly to charter schools and independent schools may be more feasible for local farmers because the food procurement systems at these schools are generally less complex. Selling directly to a charter school or an independent school requires building a relationship with the school food manager, learning about the school’s menu cycle, and understanding the school’s buying procedures and requirements. These schools may be interested in formally or informally contracting with local growers. See the attached list of **Hawai‘i Charter Schools** and **Tips for Selling to Charter Schools**.

3. Selling to Produce Distributors

The least complex route for a farmer to feed local school children is by working with a produce distributor. Distributors provide schools with fresh produce for a number of programs that fund school food purchases, including the USDA National School Lunch Program, the USDA Fresh Fruit and Vegetable Program, and the Department of Defense (DoD) Fresh Fruit and Vegetable Program.

Both charter schools and public schools in Hawai‘i purchase fresh produce through distributors. Schools purchase from distributors for convenience and also because schools may lack kitchen facilities or staff to process/prepare food. Food service management companies that provide meals to schools, such as Sodexo, also purchase fresh produce through distributors.

Distributors also may be interested in formally or informally contracting with local growers. See the attached list of **Hawai‘i Produce Distributors** and the **Tips for Selling to Produce Distributors** handout.

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Tips and Ideas for Selling to Schools

1. Start with the USDA Fresh Fruit and Vegetable (Snack) Program

The USDA Fresh Fruit and Vegetable (Snack) Program (FFVP) provides federal funds to low income elementary schools to purchase fresh fruits and vegetables to serve as snacks during the school day. Many local schools participate in the FFVP, and these schools often want to serve fresh local produce.

The FFVP is a good starting place for local farmers that are interested in selling to schools for several reasons: (1) the quantity requirements for the FFVP are lower than other school food programs and more attainable for local farms; (2) the FFVP has a more generous budget than other school food programs; and (3) the FFVP encourages schools to expose students to a variety of produce.

Most FFVP schools (public and charter) place their FFVP orders through distributors.

For more information on the FFVP, see the attached **USDA Fresh Fruit and Vegetable (Snack) Program Information Sheet – Hawai‘i**.

2. Grade No. 2

Ask charter schools and/or distributors if they are interested in purchasing Grade No. 2 produce for processing for school lunches and/or the USDA Fresh Fruit and Vegetable Program.

3. Timing / Production Planning

The fiscal year for schools begins on July 1 and ends on June 30. In general, schools should choose their food vendors before the school year begins. Contact charter schools and/or distributors in May to discuss fresh produce needs for the upcoming school year and the Summer Food Service Program. Schools often plan menus in advance, which can be useful for production planning.

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4. Farmer Cooperatives

HIDOE's large fresh produce requirements present a significant opportunity for local farmers, but can be more than a single farmer can supply. And while charter schools can buy directly from farmers, some charter schools are exploring ways to work together and collectively procure school food, which means higher quantities will be required to meet the needs of multiple schools.

Farmers may be able to meet the demand for high quantities by joining together and forming a cooperative to aggregate their crops. A farmer coop may also consider sharing processing facilities to wash, pack, cool, store and prep produce. See the attached USDA handout– **Understanding Cooperatives: Agricultural Marketing Cooperatives** – for more information on farmer cooperatives.

5. Charitable Deductions

If you sell to a charter school at a price lower than your usual price, the discounted amount may be tax deductible because charter schools are charitable organizations. Consult a tax advisor for guidance.

Assistance

If you are interested in selling directly to a charter school, selling through a distributor, or working toward selling directly to HIDOE public schools, The Kohala Center would like to support you. We can help in the following ways:

- Helping to form farmer cooperatives
- Business planning and raising funding for your farm
- Connecting you with schools or their distributors
- Providing you with information and resources as needed

For more information, contact:

The Kohala Center's Rural and Cooperative Business Development Services Program

<http://kohalacenter.org/business>

(808) 887-6411

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Hawai'i Island Charter Schools

East Hawai'i	West Hawai'i
<p>Hawai'i Academy of Arts & Science PCS Pahoa/Grades K-12 (808) 965-3730 www.haaspcs.org 2014/2015 Produce Vendor(s): Hilo Products</p>	<p>Connections New Century PCS* Hilo/Grades K-12 (808) 961-3664 www.connectionscharterschool.org <i>*School buys prepared meals at this time.</i></p>
<p>Ka 'Umeke Kā'eo PCS Hilo/Grades K-10 (808) 933-3482 http://kaumeke.org 2014/2015 Produce Vendor(s): Hilo Products</p>	<p>Kanu 'o ka 'Aina New Century PCS Waimea/Grades Junior K-12 (808) 887-8144 www.kalo.org 2014/2015 Produce Vendor(s): KTA, Costco</p>
<p>Ka'u Learning Academy* Na'alehu/Grades 3-6 www.kaulearning.com <i>*New charter school</i></p>	<p>Kona Pacific PCS Kealahou/Grades K-8 (808) 322-4900 www.kppcs.org 2014/2015 Produce Vendor(s): Adaptations</p>
<p>Ke Ana La'ahana Public Charter School* Hilo/Grades 7-12 (808) 961-6228 www.kalpcs.com <i>*Home lunch only or outside vendor at this time.</i></p>	<p>Innovations PCS* Kona/Grades 1-8 (808) 327-6205 www.ipcs.info <i>*Home lunch only at this time.</i></p>
<p>Ke Kula 'o Nawahiokalani'opu'u Iki PCS Keaau/Grades K-8 (808) 982-4260 www.nawahi.org 2014/2015 Produce Vendor(s): Hilo Products</p>	<p>Waimea Middle PCCS* Waimea/Grades 6-8 (808) 887-6090 <i>*Meals provided by Waimea Elementary School</i></p>
<p>Kua 'o Ka La PCS* Pahoa/Grades 6-11 (808) 965-5098 http://kuaokala.org/ <i>*School buys prepared meals at this time.</i></p>	<p>West Hawai'i Explorations Academy PCS* Kona/Grades 6-12 (808) 327-4751 http://whea.net <i>* Home lunch only at this time.</i></p>

East Hawai'i

Laupahoehoe Community PCS

Laupahoehoe/Grades Pre K-12

(808) 962-2200

www.laupahoehoecharterschool.com

2014/2015 Produce Vendor(s): Adaptations, Hilo Products, local farms

Na Wai Ola PCS

Mountain View/Grades K-6

(808) 968-2318

<http://nawaiolapcs.org>

2014/2015 Produce Vendor(s): KTA, Costco

Volcano School of Arts & Sciences PCS

Volcano/Grades K-8

(808) 985-9800

<http://volcanoschool.com/>

2014/2015 Produce Vendor(s): Hilo Products

Getting Started with a Farm to School Program: Tips for Selling to Charter Schools

Getting started supplying your fresh produce onto the lunch trays of area Charter Schools – should be easy right? Sure but there are some hoops to jump through first.

Primarily be up front and honest with what you can grow. This is a new program for everyone. We can start small with just a few items and go from there. What's important is getting this program started.

The big question to ask yourself before supplying schools with fresh produce – can you reliably provide quantities of produce? If not, consider offering a specialty product for the USDA Fresh Fruit and Vegetable Program to start a relationship.

Even small charter schools go through hundreds of pounds of produce every week. Just for a daily green salad for 100 kids, you need to provide 13 pounds of lettuce (or equivalent leafy dark green veg) per day.

1. USDA Guidelines Federally Mandated menus
 - Schools have to follow USDA guidelines for a fully reimbursable lunch, breakfast or snack program. Those guidelines mean the kitchen managers have to create a menu that hits all the food groups every week. This mandates that every week there has to be a certain amount of whole grains, proteins, beans leafy greens, red/orange veggies, starchy vegetables & “other” veggies.
 - When schools order certain vegetable types, they need those vegetables to hit that week's criteria
2. Purchasing is a complicated process.
 - Schools have to issue a bidding process called “Procurement” to prove to the USDA that they looked around and got the best price on what they need. They can't purchase from you until they get that completed.
 - When you receive the procurement request please study it & fill it out with your fair pricing and send it in.
 - Things to keep in mind when pricing: you will be held to that price unless you can do better.
 - Schools don't need Grade A produce – it doesn't have to look pretty; only taste good and be safe to consume.
 - This is a wholesale arrangement with the school as distributor
 - A future contract can be made between you and the school guaranteeing purchase when crops are ready. That means your crop is sold before you plant
 - Schools need to set up Net terms for payment once the invoice is submitted it generally takes 2 – 4 weeks to process
 - Delivery or pick up? Weekly deliveries are preferable. Plan for this in pricing
3. Invite the kids to your farm & Have FUN!
 - Get the kids involved – let them get dirty weeding, planting, harvesting. Educate them on where their food comes from. Studies have shown that when kids get to know how food is grown where it comes from and meet the people who grow it – they eat more vegetables!
 - Go to the school to help them start a school garden or do an educational seminar

Fair Pricing & Links to helpful sites

It is important to remember schools have only pennies to spend per meal.

Also schools do not need Grade A produce – as long as it's food safe.

Schools can also be a place to quickly sell highly perishable items.

Communicate regularly with your school food services manager.

- Fair pricing <http://www.ctahr.hawaii.edu/oc/freepubs/pdf/ET-13.pdf>
- Resource on Wholesale Success <http://www.familyfarmed.org/wp-content/uploads/2010/07/2014-WS-Manual-Preview-for-Website.pdf>
- Overview of USDA Farm to School program <http://www.farmtoschool.org/about/what-is-farm-to-school>
- USDA Current Pricing Forecast for Fruits & Vegetables <https://www.marketnews.usda.gov/mnp/fv-nav-byCom?navClass=FRUITS&navType=byComm>
- Information on Future / Forwarding Contracts <http://www.farmdoc.illinois.edu/irwin/archive/papers/Farmers%20use%20of%20forward%20contracts.pdf>



Hawai'i Produce Distributors

The following list provides contact information for produce distributors throughout the Hawaiian Islands.

Key

- HIDOE** Distributor that vends to Hawai'i Department of Education public schools
- FFVP** Distributor that vends to schools participating in the USDA Fresh Fruit & Vegetable Program (2014/2015)
- DoD Fresh** Distributor that participates in the Department of Defense Fresh Fruit & Vegetable Program (DoD Fresh)

Hawai'i Island

Distributors
<p>Adaptations (FFVP) 79-7500 Mamalahoa Highway, Kealahou (808) 324-6600 www.adaptationsaloha.com adaptations-hi@earthlink.net</p>
<p>Armstrong Produce (HIDOE, FFVP) 73-5581B Olowalu Street, Kailua-Kona (808) 331-2601 www.armstrongproduce.com</p>
<p>Cal-Kona (HIDOE, FFVP) 79-7365 Lehuula Way, Kealahou (808) 322-6033 www.calkonaproduce.com calkonaproduce@gmail.com</p>
<p>Crown Pacific International 355 Luakaha Street, Hilo (808) 935-1550 www.crownpacifichawaii.com crownpacifintl@gmail.com</p>

Hawai'i Island (continued)

Distributors
Hawai'i Food Basket 40 Holomua Street, Hilo (808) 933-6030 79-1016A East Honalo Road, Kailua-Kona (808) 322-1418 www.hawaiifoodbasket.org info@hawaiifoodbasket.org
HFM Foodservice Corporation Hawai'i Island Distribution Center 215 D Railroad Avenue, Hilo (808) 880-9050 www.hfmfoodservice.com purchasingadmin@hfmfoodservice.com
Hilo Products (HIDOE, FFVP, DoD Fresh*) 41 Makaala Street, Hilo (808) 935-1379 <i>*DoD Fresh Vendor until September 30, 2015</i>
Honaunau Market 73-5569 Olowalu Street, Kailua-Kona (808) 329-1365 hmkpro@gmail.com
Suisan 333 Kilauea Avenue, Hilo (808) 935-8511 73-4836 Kanalani Street, Kailua-Kona (808) 329-3746 www.suisan.com

Moloka'i

Distributors
Moloka'i Food Hub (HIDOE, FFVP) (808) 560-5410 http://sustainablemolokai.org/foodhub/ harmonee@sustainablemolokai.org
Armstrong Produce 217 Hoohana Street, Kahului (808) 871-6232 www.armstrongproduce.com

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Kaua'i

Distributors
Esaki's Produce (HIDOE, FFVP, DoD Fresh*) 4780 Kahau Road, Kapa'a (808) 822-7722 <i>*DoD Fresh Vendor until September 30, 2015</i>
Kaua'i Growers Exchange (HIDOE, FFVP) 3094 Peleke Street, Lihu'e (808) 246-0541 kauaigrowers@hotmail.com
HFM Foodservice Corporation Kaua'i Satellite Center 3971 Halau Street, Lihu'e (808) 246-0296 www.hfmfoodservice.com purchasingadmin@hfmfoodservice.com

Maui

Distributors
Kula Produce Co. Ltd./Armstrong Produce (HIDOE, FFVP) 217 Hoohana Street, Kahului (808) 871-6232 www.armstrongproduce.com panchoc@kulaproduce.com
Watanabe Vegetable Processing LLC (HIDOE, FFVP, DoD Fresh*) 237 Naalae Road, Kula (808) 878-6747 <i>*DoD Fresh Vendor until September 30, 2015</i>
HFM Foodservice Corporation Maui Distribution Center 920 Eha Street, Wailuku (808) 877-2017 www.hfmfoodservice.com purchasingadmin@hfmfoodservice.com
VIP Foodservice 74 Hobron Avenue (808) 877-5055 www.vipfoodservice.com contact@vipfoodservice.com

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O'ahu

Distributors
Armstrong Produce (HIDOE) 802 Mapunapuna Street, Honolulu (808) 203-6262 www.armstrongproduce.com
Finest Food Co. (HIDOE, FFVP) 743 Waiakamilo Road # J, Honolulu (808) 848-0365 finestfoodhi@aol.com
Ham Produce and Seafood, Inc. (HIDOE, FFVP, DoD Fresh*) 918 Bannister Street, Honolulu (808) 842-7171 www.farmersmarkethonolulu.com info@hamproduceandseafood.com <i>*DoD Fresh Vendor until June 16, 2017</i>
HFM Foodservice Corporation O'ahu Distribution Center 716 Umi Street, Honolulu (808) 843-3200 www.hfmfoodservice.com purchasingadmin@hfmfoodservice.com
Joe Kim Chee Inc. (HIDOE, FFVP) 819 Moowaa Street # 112, Honolulu (808) 845-8432
So Ono Food Products, LLC (HIDOE, FFVP) 3219 Ualena Street # 2, Honolulu (808) 833-3664 nokinaka@so-ono.net
Y. Hata & Co., Limited (HIDOE) 285 Sand Island Access Road, Honolulu (808) 447-4321 www.yhata.com

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Tips for Selling to: Produce Distributors

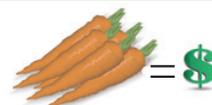
NCAT Marketing Tip Sheet Series

Produce distributors are businesses that aggregate product and resell it in small or large quantities to their customers. Distributors may be an individual with a van or a company with a fleet of eighteen-wheelers. Distributors can purchase from individual farmers, brokers, wholesale buyers, or packing houses.

Distributors sell to a range of customers, from individual restaurants to institutions such as hospitals and schools. Since local food has come into higher demand, some distributors have made the effort to focus their business on providing local produce to their customers.

For this market you can expect:

- Higher volume
- Lower prices



Advantages

★ key point

- Distributors can handle large volumes of product.
- Distributors can contract for a particular product for the whole season.
- Farm product identity could be retained in this wholesale market if the distributor focuses on local products.

Considerations

- While you can sell a larger quantity, expect a lower price per unit.
- Some distributors may not pay for 30 to 60 days. Make sure to keep organized records of money owed to you and be clear about when you want to be paid.
- Distributors have USDA standard pack and grade requirements that you will need to follow, which include clean, new boxes.
- Selling to distributors requires a well organized invoicing and recordkeeping system.



Earl's Organic Produce, San Francisco. Photo: Rex Dufour, NCAT.

Tips

- ★ Contact the distributor to see what products they are looking for as well as volume, price, pack and grade preferences, delivery or pickup schedule, and liability insurance and GAPs (Good Agricultural Practices) requirements.
- Ensure quality by pre-cooling and careful post-harvest handling.
- Consider specialty products that may bring a higher price, such as green garlic, squash blossoms, or pea tendrils that are variations on conventional items.



Key Questions to Ask Yourself about Selling to Produce Distributors

- How do these buyers want produce packed and delivered? What quantities do they want, and how often?
- Do I have liability insurance or a GAPs plan? Do these buyers require either of these items, and how much coverage do I need to have?

Resources

- **ATTRA Publications.** Prices vary for individual publications. Many are free. An inexpensive subscription to ATTRA will give you access to all 350+ publications and databases. Phone 800-346-9140. www.attra.ncat.org
 - *Illustrated Guide to Growing Safe Produce on Your Farm: GAPs* (2011) (English or Spanish)
 - *New Markets for Your Crops* (2008) (English or Spanish)
 - *Scheduling Vegetable Plantings for Continuous Harvest* (2008)
 - *Season Extension Techniques for Market Gardeners* (2005)
- *The Packer* is a weekly newspaper covering fruit and vegetable news, produce shipping, distribution, packing, marketing, and trends in fresh produce in North America. An annual produce and availability merchandising guide lists buyers by commodity and their states and cities. www.thepacker.com
- *Wholesale Success: A Farmers Guide to Selling, Post Harvest Handling, and Packing Produce* is a 255-page manual for the produce wholesale industry. It covers food safety, post-harvest handling, packing and grading standards, fulfilling orders, recordkeeping, billing, and building relationships. The manual includes harvesting, cooling, storing, and packing information for 103 different fruits and vegetables. Phone: 708-763-9920. www.familyfarmed.org/wholesale-success
- **AMS Fresh Fruit, Vegetable, Nut and Specialty Crop Grade Standards** lists the U.S. Agricultural Marketing Service grade (quality) standards for each fruit, vegetable and nut sold as commodities. <http://tinyurl.com/ams-grade-standards>
- *Food Safety and Liability Insurance for Small-Scale and Limited Resource Farmers* gives a brief overview of food safety and liability insurance. From the Community Food Security Coalition, in English or Spanish. www.foodsecurity.org/insurance.htm
- **Como Proteger Su Negocio Agrícola y Producir Alimentos Seguros en Su Granja** is a Spanish [audio](#) version of the Food Safety and Liability Insurance brochure mentioned above. On the Community Food Security Coalition website, you can click on the link to listen to the mp3 version on your computer. You can request a CD of this recording by contacting publications@foodsecurity.org, (503) 954-2970. www.foodsecurity.org/insurance.htm
- **USDA Terminal Market Report** lists current wholesale prices online at <http://tinyurl.com/3znaeuf>
- **Rodale Institute Organic Price Report** can be configured to show organic only or to compare organic and conventional wholesale prices at the current market rates. Prices of fruit, vegetables and grains are listed for six different wholesale terminals across the U.S. www.rodaleinstitute.org/Organic-Price-Report
- **UC Davis Small Farm Program Wholesale Market Resources** explain wholesale buyers and terminal markets: <http://sfp.ucdavis.edu/pubs/sfnews/Archive/93052.htm> and <http://sfp.ucdavis.edu/pubs/sfnews/archive/92091.htm>

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www.outreach.usda.gov/oasdrf



Tips for Selling to Produce Distributors

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By Marisa Alcorta, Rex Dufour and Tammy Hinman

Production: Karen Van Epen

Find this on the Internet at www.attra.ncat.org/marketing.html

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USDA Fresh Fruit and Vegetable (Snack) Program Information Sheet – Hawai‘i

Program Overview

The USDA Fresh Fruit and Vegetable (Snack) Program (FFVP) provides federal funds to low income elementary schools to purchase fresh fruits and vegetables to serve as snacks during the school day. The goal of the FFVP is to improve children’s overall diet and create healthier eating habits to impact their present and future health.

The total FFVP budget allocation from the federal government to Hawai‘i for the 2015/2016 school year is \$2,151,561, of which approximately \$1.8 million is available for produce purchases. Seventy-two (72) schools in Hawai‘i are participating in the FFVP during the 2015/2016 school year, including 26 on Hawai‘i Island, 5 on Kaua‘i, 9 on Maui, 2 on Moloka‘i, and 30 on O‘ahu.

The majority of FFVP schools in Hawai‘i serve all of their elementary school students one serving of fresh fruits or vegetables, at least twice a week, as part of the FFVP. Many FFVP schools want to serve fresh local produce that is ripe and in season.

See below for:

1. A list of schools participating in the FFVP for the 2015/2016 school year
2. A list of fresh produce ordered by schools for the FFVP during the 2014/2015 school year
3. Servings to pounds table for USDA school food programs, including the FFVP
4. Estimated FFVP demand for the state and by island
5. A Hawai‘i produce seasonality guide

1. Schools Participating in the USDA Fresh Fruit & Vegetable Program (2015/2016)

Hawai‘i Island

Name of School	# of Elementary Students	Total FFVP Allocation
Ha‘aheo Elementary	196	\$12,250
Hawai‘i Academy of Arts & Science PCS	196	\$14,700
Hilo Union Elementary	460	\$28,750
Honaunau Elementary	162	\$12,150
Honoka‘a Elementary	366	\$22,875
Ka‘ū High & Pahala (Elementary only)	152	\$11,400
Ka ‘Umeke Kā‘eo PCS (Elementary only)	199	\$14,925
Kaumana Elementary	287	\$17,938
Kalaniana‘ole (Elementary only)	255	\$15,938
Ke Kula ‘o ‘Ehunuikaimalino	129	\$ 9,675
Ke Kula ‘o Nāwahīokalani‘ōpu‘u Lab PCS	246	\$18,450
Kea‘au Elementary	823	\$51,438
Keaukaha Elementary	398	\$24,876
Kona Pacific PCS	173	\$12,975
Konawaena Elementary	572	\$35,750
Laupahoehoe Community PCS (Elementary only)	159	\$11,925
Lihikai Elementary	909	\$56,813
Mountain View Elementary	551	\$34,438
Na‘alehu Elementary	432	\$32,400
Pa‘auilo Elementary & Intermediate (Elementary only)	237	\$14,813
Pohakea Elementary	596	\$37,250
St. Joseph School (Elementary only)	191	\$14,325
Volcano School of Arts & Science PCS (Elementary only)	134	\$10,050
Waiakeawaena Elementary	668	\$41,750
Waimea Elementary	557	\$34,813
Waimea Middle PCCS (6 th grade only)	97	\$ 7,275

Hawai‘i Island – Total Number of Schools: 26

Hawai‘i Island – Total Number of Elementary Students: 9,145

Kaua'i

Name of School	# of Elementary Students	Total FFVP Allocation
Kapa'a Elementary	894	\$55,875
Kekaha Elementary	359	\$22,438
King Kaumuali'i Elementary	581	\$36,313
Koloa Elementary	364	\$22,750
St. Catherine School	139	\$10,425

Kaua'i – Total Number of Schools: 5

Kaua'i – Total Number of Elementary Students: 2,337

Moloka'i

Name of School	# of Elementary Students	Total FFVP Allocation
Kaunakakai Elementary	317	\$19,813
Kualapu'u Elementary New Century PCCS	327	\$24,525

Moloka'i – Total Number of Schools: 2

Moloka'i – Total Number of Elementary Students: 644

Maui

Name of School	# of Elementary Students	Total FFVP Allocation
Haiku Elementary	489	\$30,563
Kahului Elementary	922	\$62,000
Kamali'i Elementary	545	\$34,063
Kula Elementary	391	\$24,438
Makawao Elementary	546	\$34,125
Pa'ia Elementary	345	\$21,563
Princess Nāhi'ena'ena Elementary	726	\$43,375
Pukalani Elementary	450	\$28,125
Wailuku Elementary	725	\$45,313

Maui – Total Number of Schools: 9

Maui – Total Number of Elementary Students: 5,139

O‘ahu

Name of School	# of Elementary Students	Total FFVP Allocation
Aiea Elementary	354	\$22,125
August Ahrens Elementary	1,361	\$68,050
Benjamin Parker Elementary	323	\$20,188
Blanche Pope Elementary	248	\$15,500
Honowai Elementary	733	\$45,813
Ka‘a‘awa Elementary	127	\$ 9,525
Kahalu‘u Elementary	288	\$18,000
Kailua Elementary	359	\$22,438
Kalihi Uka Elementary	260	\$16,250
Kalihi Waena Elementary	556	\$34,750
Kamaile Academy PCS (Elementary only)	721	\$54,075
Kapalama Elementary	606	\$37,875
Kauluwela Elementary	355	\$22,188
Prince Jonah Kuhio Elementary	287	\$17,938
Laie Elementary	664	\$41,500
Leihoku Elementary	929	\$58,063
Linapuni Elementary	189	\$11,813
Malama Honua Learning Center	41	\$ 3,075
Nanaikapono Elementary	860	\$53,750
Nanakuli Elementary	456	\$28,500
Pearl City Elementary	486	\$30,375
Pearl Harbor Elementary	651	\$40,688
Pearl Harbor Kai Elementary	570	\$35,625
Puohala Elementary	273	\$17,063
Pu‘uhale Elementary	243	\$15,188
Samuel K. Solomon Elementary	963	\$60,188
Waiahole Elementary	101	\$7,575
Waialua Elementary	572	\$35,750
Waianae Elementary	619	\$38,688
Waikele Elementary	622	\$38,875

O‘ahu – Total Number of Schools: 30

O‘ahu – Total Number of Elementary Students: 14,817

2. Fresh Produce Ordered for USDA Fresh Fruit & Vegetable Program (2014/2015)

Fresh Produce List			
Apples	Clementines	Papaya	Sweet Potatoes
Asparagus	Kale	Peach	Tangelos
Avocado	Kiwi	Pears	Tangerines
Banana	Kumquat	Pineapple	Taro
Bell Peppers	Lettuce	Plum	Tomato
Blackberries	Lilikoi	Pumpkin	Ulu
Blueberries	Longan	Rambutan	Watercress
Broccoli	Mango	Raspberries	Watermelon
Cantaloupe	Mushrooms	Spinach	Zucchini
Carrots	Nectarines	Starfruit	
Cauliflower	Okra	Strawberries	
Celery	Oranges	String Beans	

3. Servings to Pounds Table for USDA School Food Programs

Fresh Fruit/Vegetable	Serving Size	Servings per Pound	Pounds for 100 Servings
Avocado	¼ cup raw	8.2	12.2
Bananas (petite)	¼ cup raw	6.5	15.4
Bananas (regular)	¼ cup raw	7.1	14.2
Blackberries	¼ cup raw	11.9	8.5
Blueberries	¼ cup raw	11.9	8.5
Broccoli (untrimmed)	¼ cup raw	9.8	10.3
Cabbage (Chinese; untrimmed)	¼ cup raw	20.4	5.0
Cabbage (Green; untrimmed)	¼ cup raw	17.7	5.7
Cabbage (Red; untrimmed)	¼ cup raw	13.0	7.7
Cantaloupe	¼ cup raw	5.73	17.5
Carrots	¼ cup raw	10.3	9.8
Cauliflower (trimmed)	¼ cup raw	12.5	8.0
Celery (trimmed)	¼ cup raw	12.2	8.2
Clementines	whole	3.7	27.2
Corn (with husks)	¼ cup cooked	3.4	29.9
Cucumber	¼ cup raw	11.1	9.1
Figs	¼ cup raw	8.0	12.5
Grapefruit	¼ cup raw	6.5	15.5
Honeydew	¼ cup raw	4.9	20.5
Kale (trimmed with stem)	¼ cup raw	35.7	2.9
Lettuce (Romaine; untrimmed)	¼ cup raw	31.3	3.2
Lilikoi	¼ cup raw	3.5	29.0
Mango	¼ cup raw	7.6	13.2
Mushrooms	¼ cup raw	18.7	5.4
Oranges	whole	3.4	29.5
Papaya	¼ cup raw	8.6	11.7
Peppers, Bell	¼ cup raw	9.7	10.4
Persimmons	¼ cup raw	11.7	8.6
Pineapple	¼ cup raw	6.4	15.7
Pumpkin	¼ cup cooked	4.7	21.3
Radish	¼ cup raw	12.8	7.9
Raspberries	¼ cup raw	12.1	8.3
Spinach (partly trimmed)	¼ cup raw	30.7	3.3
Squash (Summer; Yellow)	¼ cup raw	15.5	6.5
Taro	¼ cup cooked	8.0	12.6
Starfruit	¼ cup raw	13.5	7.5
Strawberries	¼ cup raw	10.5	9.6

Fresh Fruit/Vegetable	Serving Size	Servings per Pound	Pounds for 100 Servings
Sweet Potatoes	¼ cup cooked	6.6	15.2
Swiss Chard (trimmed)	¼ cup raw	21.1	4.8
Tangerines	whole	4.0	25.0
Tomatoes (Cherry)	whole	12.1	8.3
Tomatoes	¼ cup raw	10.4	9.7
Ulu	¼ cup cooked	5.7	17.6
Watercress	¼ cup raw	50.5	2.0
Watermelon	¼ cup raw	6.1	16.4
Zucchini	¼ cup raw	11.9	8.5

Source: USDA Food Buying Guide for Child Nutrition Programs, available at http://www.fns.usda.gov/sites/default/files/FBG_Section_2-VegFruits_2.pdf

4. Estimated Annual FFVP Demand

To figure out the demand for a particular crop, it is best to call the specific schools you are interested in supplying or call a produce wholesaler that supplies schools.

The following table provides estimated annual FFVP poundage requirements for the 2015/2016 school year based on the following assumptions:

- FFVP snacks are ¼ cup or one whole small fruit (such as a tangerine); and
- Each fruit/vegetable is offered a maximum of three times during the school year.

Calculations were made using the USDA Food Buying Guide for Child Nutrition Programs, available at http://www.fns.usda.gov/sites/default/files/FBG_Section_2-VegFruits_2.pdf.

<i>Fruit/Vegetable</i>	<i>Pounds</i>					
	<i>Statewide</i>	<i>Hawai‘i Island</i>	<i>Kaua‘i</i>	<i>Maui</i>	<i>Moloka‘i</i>	<i>O‘ahu</i>
Avocado	11,746	3,351	855	1,881	236	5,423
Bananas (petite)	14,827	4,230	1,080	2,374	298	6,845
Bananas (regular)	13,671	3,900	996	2,189	274	6,312
Blackberries	8,183	2,335	596	1,310	164	3,778
Blueberries	8,183	2,335	596	1,310	164	3,778
Broccoli (untrimmed)	9,916	2,829	722	1,588	199	4,578
Cabbage (Chinese; untrimmed)	4,814	1,373	351	771	97	2,223
Cabbage (Green; untrimmed)	5,488	1,566	400	879	110	2,534
Cabbage (Red; untrimmed)	7,413	2,115	540	1,187	149	3,423
Cantaloupe	16,848	4,806	1,227	2,698	338	7,779
Carrots	9,435	2,692	687	1,511	189	4,356
Cauliflower (trimmed)	7,702	2,197	561	1,233	155	3,556
Celery (trimmed)	7,895	2,252	575	1,264	158	3,645
Clementines	26,187	7,470	1,907	4,193	526	12,091
Corn (with husks)	28,787	8,212	2,096	4,610	578	13,291
Cucumber	8,761	2,499	638	1,403	176	4,045
Figs	12,035	3,433	876	1,927	242	5,556
Grapefruit	14,923	4,257	1,087	2,390	299	6,890
Honeydew	19,737	5,630	1,437	3,160	396	9,112
Kale (trimmed w/ stem)	2,792	796	203	447	56	1,289
Lettuce (Romaine; untrimmed)	3,081	879	224	493	62	1,422
Lilikoi	27,920	7,965	2,033	4,471	560	12,891
Mango	12,708	3,625	925	2,035	255	5,868

<i>Fruit/Vegetable</i>	<i>Pounds</i>					
	Statewide	Hawai'i Island	Kaua'i	Maui	Moloka'i	O'ahu
Mushrooms	5,199	1,483	379	833	104	2,400
Oranges	28,401	8,102	2,068	4,548	570	13,113
Papaya	11,264	3,213	820	1,804	226	5,201
Peppers, Bell	10,013	2,856	729	1,603	201	4,623
Persimmons	8,280	2,362	603	1,326	166	3,823
Pineapple	15,115	4,312	1,101	2,420	303	6,979
Pumpkin	20,507	5,850	1,493	3,284	412	9,468
Radish	7,606	2,170	554	1,218	153	3,512
Raspberries	7,991	2,280	582	1,280	160	3,689
Spinach (partly trimmed)	3,177	906	231	509	64	1,467
Squash (Summer; Yellow)	6,258	1,785	456	1,002	126	2,889
Taro	12,131	3,461	883	1,943	243	5,601
Starfruit	7,221	2,060	526	1,156	145	3,334
Strawberries	9,242	2,637	673	1,480	185	4,267
Sweet Potatoes	14,634	4,175	1,066	2,343	294	6,757
Swiss Chard (trimmed)	4,621	1,318	337	740	93	2,134
Tangerines	24,069	6,866	1,753	3,854	483	11,113
Tomatoes (Cherry)	7,991	2,280	582	1,280	160	3,689
Tomatoes	9,339	2,664	680	1,495	187	4,312
Ulu	16,945	4,834	1,234	2,713	340	7,823
Watercress	1,926	549	140	308	39	889
Watermelon	15,789	4,504	1,150	2,528	317	7,290
Zucchini	8,183	2,335	596	1,310	164	3,778

5. Hawai‘i Seasonality Guide - Peak Availability of Local Crops during School Year

August	September	October	November	December
Banana	Banana	Atemoya	Atemoya	Atemoya
Cantaloupe	Honeydew	Banana	Avocado	Avocado
Honeydew	Lime	Lime	Lime	Lime
Lime	Longan	Longan	Mango	Orange
Longan	Lychee	Mango	Orange	Rambutan
Lychee	Mango	Orange	Papaya	Tangerine
Mango	Orange	Papaya	Rambutan	Burdock
Papaya	Papaya	Persimmon	Tangerine	Cabbage, Asian
Pineapple	Persimmon	Rambutan	Burdock	Corn, Sweet
Watermelon	Pineapple	Burdock	Cabbage, Chinese	Heart of Palm
Beans	Watermelon	Cabbage, Chinese	Cabbage, Asian	Lettuce, Baby Greens
Burdock	Burdock	Cabbage, Asian	Corn, Sweet	Mushrooms
Cabbage, Chinese	Cabbage, Chinese	Daikon	Heart of Palm	Pumpkin
Cabbage, Asian	Cabbage, Asian	Heart of Palm	Lettuce, Baby Greens	Sprouts
Celery	Daikon	Lettuce, Baby Greens	Mushrooms	Taro
Cucumber	Heart of Palm	Mushrooms	Pumpkin	Zucchini
Daikon	Lettuce, Baby Greens	Pumpkin	Sprouts	
Ginger Root	Lettuce, Romaine	Sprouts	Taro	
Heart of Palm	Mushrooms	Zucchini	Zucchini	
Lettuce, Baby Greens	Pumpkin			
Lettuce, Romaine	Sprouts			
Luau (Taro) Leaf	Squash			
Mushrooms	Tomato			
Pepper, Green	Watercress			
Pumpkin	Zucchini			
Sprouts				
Squash				
Tomato				
Watercress				
Zucchini				

5. Hawai‘i Seasonality Guide - Peak Availability of Local Crops during School Year (continued)

January	February	March	April	May
Avocado	Avocado	Lime	Mango	Lychee
Lime	Lime	Mango	Orange	Mango
Orange	Orange	Orange	Papaya	Papaya
Rambutan	Rambutan	Papaya	Pineapple	Pineapple
Strawberry	Strawberry	Rambutan	Rambutan	Beans
Tangerine	Bitter Melon	Strawberry	Strawberry	Bitter Melon
Cabbage, Chinese	Cabbage, Chinese	Bitter Melon	Beans	Cabbage, Chinese
Heart of Palm	Cabbage, Head	Cabbage, Chinese	Bitter Melon	Cabbage, Head
Mushrooms	Corn, Sweet	Cabbage, Head	Cabbage, Chinese	Celery
Sprouts	Heart of Palm	Corn, Sweet	Cabbage, Head	Corn, Sweet
	Mushrooms	Eggplant	Celery	Cucumber
	Sprouts	Heart of Palm	Corn, Sweet	Eggplant
	Sweet Potato	Lettuce, Leaf	Cucumber	Ginger Root
		Mushrooms	Eggplant	Heart of Palm
		Sprouts	Ginger Root	Lettuce, Leaf
		Sweet Potato	Heart of Palm	Mushrooms
		Taro	Lettuce, Leaf	Pepper, Green
		Sprouts	Mushrooms	Sprouts
		Sweet Potato	Pepper, Green	Sweet Potato
		Taro	Sprouts	Taro
			Sweet Potato	Tomato
			Taro	Watercress



Understanding Cooperatives: Agricultural Marketing Cooperatives

Cooperative Information Report 45, Section 15



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Marketing cooperatives are found in every region of the United States and handle most types of farm product.

A marketing cooperative is a business organization owned by farmers to collectively sell their products. It allows producers to accomplish collectively functions they couldn't achieve on their own. Most agricultural producers have relatively little power or influence with large agribusinesses or food companies that purchase their commodities. Joining with other producers in a cooperative can give them greater power in the marketplace. In addition, cooperatives can give producers more control over their products as they make their way to consumers by allowing them to bypass one or more middlemen in the market channel. Farmers capture more of the returns that would otherwise go to others.

What Co-ops Do

Agricultural marketing cooperatives perform many functions. They may assemble the products of a number of producers into larger lots to facilitate more efficient handling and more competitive sales, and then grade and ship these lots to market. Some marketing cooperatives perform first-stage processing such as ginning cotton or hulling nuts while others vertically integrate by

processing products for the consumer or industrial markets.

Marketing cooperatives enable producers to 1) correct market failure where prices are too low or buyers have left the market; 2) provide a service not available otherwise; 3) gain market power (negotiating power) against much larger buyers; 4) spread risks and costs; and 5) have enough volume to operate a processing plant efficiently or enough to meet the demands of buyers.

Marketing cooperatives are found in every region of the United States and handle most types of farm product. The importance of these cooperatives to particular commodity sectors varies. Cooperatives account for 86 percent of total farm value of all milk marketed in the United States; 41 percent of the cotton; 40 percent of the grains and oilseeds; and 20 percent of the farm value of all fruits and vegetables.

Agricultural bargaining cooperatives are a special type of marketing cooperative. They negotiate with buyers, usually processors, on behalf of their producer-members for price and other terms such as quality and timing of delivery. Representing large volumes of products gives bargaining associations more market power and allows them to be more effective in negotiations than individual producers. These cooperatives usually do not own the farm commodity and usually do not physically handle the product. Farmers sell directly to processors at the price negotiated by the cooperative. Bargaining cooperatives are most common in processing fruits, vegetables, specialty crops, dairy, and sugar beets.





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How Co-ops Are Organized

Marketing cooperatives may be classified according to how they are organized, which is usually based on membership affiliation, control, and often, area covered. There are three main types of organizational structure: centralized, federated, and mixed.

In centralized cooperatives, membership is made up of individual producers. Control and product volume flow from producers directly to the cooperative. Patronage refunds flow from the cooperative back to the producer. These cooperatives usually serve a local area or community. Their functions are often limited to the first few steps in marketing, such as assembly and grading. A few centralized cooperatives are larger, operate in several States, and provide more complex functions, such as food manufacturing. Most cooperatives are centralized.

Federated cooperatives have local, centralized cooperatives as members, which in turn are owned by local producers. Federated cooperatives are often quite large and cover wide geographic areas. Control rests with the local cooperatives that make up the federation.

The federation sometimes acts only as a sales agent for its members. In some cases, cooperatives provide the more complex manufacturing functions.

Finally, a small number of cooperatives have structures which combine centralized and federated features and have as members both individual producers and local cooperatives. These are usually large organizations structured to fit unique situations in their particular industry.

How Co-ops Operate

Although a few cooperative auctions and commission agents exist, most cooperatives have traditionally acquired and marketed commodities in one of two ways — buy/sell or pooling.

Buy/Sell. This method is the way most noncooperative agribusinesses operate. The producer is paid cash at the time of delivery to the cooperative. The cooperative resells the product after grading, sorting, packing, or performing other types of value-enhancing activities. After the cooperative resells the product, any profits are returned to producers based on the amount of business they have done with the cooperative.

One problem with buy/sell is that it reduces the flexibility of the cooperative in making marketing decisions because it does not know far enough in advance how much product will be available. Thus, it may be difficult to respond to buyers in the market.

This problem is greatly reduced by the use of marketing agreements or forward cash contracts which allow the producer to contract with the cooperative for future delivery. The cooperative can better plan a marketing strategy knowing how much product will be available. These contracts can take several different forms and have different terms concerning pricing and delivery. All contracts obligate the producer to deliver an agreed amount of product to the cooperative.

The buy/sell method of marketing pays producers for their product at time of delivery rather than later when marketed. Noncooperative firms also use this method to



acquire and market products, but cooperatives offer their members an assured market and distribute back to the members any earnings from operations.

Pooling. Cooperatives also use “Pooling” in marketing. The production of members is “pooled” or marketed together (it may or may not involve the physical mixing of product). All marketing decisions are made by a pool manager. After deducting operating costs from the pool proceeds, the average net price is paid to the members. Some pools pay adjustments for quality and others for transportation. Pooling is a way to share risk, expenses, and revenue with other producers.

A producer will usually receive an “advance payment” upon delivering the product to the pool. As the product is marketed, the costs of operating the pool are deducted and “progress payments” are made to pool members. A final “equalization payment” reflects both the remaining proceeds from the pool and any differences in the quality of product delivered by individual producers. In this way, producers receive an average price for their commodities, which is often higher than prices they would have received using the buy/sell method.

Producers also benefit from the risk being spread among all members of the pool and from the ability to use the marketing expertise of the cooperative. The cooperative is more effective in the market as a result of having a known volume and quality of product to market; and it therefore can experience some degree of market power.

Variations

Many variations allow marketing cooperatives to meet specific goals or respond to specific situations.

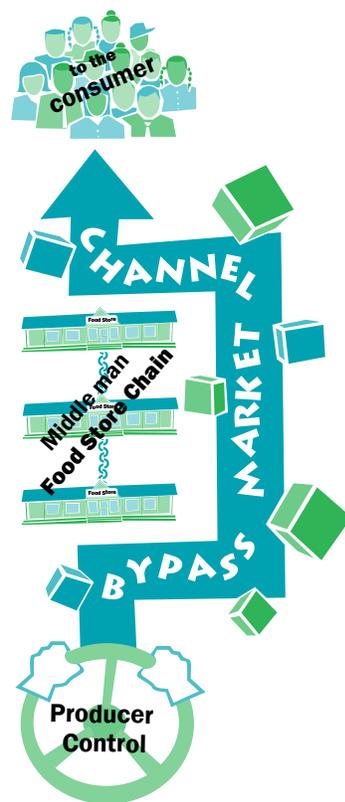
Marketing Agencies-in-Common (MACs).

This a strategic alliance among marketing cooperatives—similar to federated cooperatives—which join to market under a common agreement. MACs serve as marketing agents for their members to achieve economies of size in marketing like or complementary products. Member cooperatives retain operational independence in other areas. MACs also share large costs associated with developing brand names and provide a way to acquire and sell nonmember product to expand product lines. MACs can operate in domestic or export markets. The agency will usually have exclusive rights to sell members’ products in some or all markets.

Export Trading Companies (ETCs). An ETC is a marketing agency-in-common formed specifically for the joint exporting of products. Cooperatives, investor-owned companies, commodity associations, and others can be part of an ETC. Under the Export Trading Company Act of 1982, ETCs can apply for an export certificate of review (COR) which provides limited antitrust immunity. While cooperatives currently have limited antitrust immunity under the Capper-Volstead Act, the COR provides a measure of protection when noncooperative firms are included in the ETC. Since 1983, 45 agricultural marketing cooperatives have received antitrust preclearance to jointly export their products in 13 ETCs.

Cooperatives have used ETCs to increase their negotiating strength (and

Pooling is a way to share risk, expenses, and revenue with other producers.





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MACs serve as marketing agents for their members to achieve economies of size in marketing like or complementary products.

their market power) with foreign buyers, improve profit margins by bypassing intermediaries, facilitate foreign market development by spreading the cost among members, and manage the risks associated with international trade.

New-Generation Cooperatives. These are cooperatives with special ownership and operational features designed to allow producers to capture a greater share of the returns from the value-added activities. Keeping these value-added activities local also aids the rural economy by generating jobs.

The special ownership and operational characteristics of new-generation cooperatives are significantly different from those of more traditionally structured marketing cooperatives. First, new-generation cooperatives typically sell stock that have delivery rights and obligations for a specific quantity of product. These delivery rights result in the cooperative's membership being open only to those who purchase the stock.

Second, producers often must make a substantial, up-front investment to purchase

stock and delivery rights in a new or existing new-generation cooperative. Over time, delivery rights may increase in value. However, producers normally have the right to sell their membership and delivery rights to other qualified producers and capture the increase in value.

In many traditional cooperatives, membership is open to anyone wanting to sell product and usually requires little or no up-front investment. Examples of new-generation cooperatives include Dakota Growers Pasta Company, North American Bison Company, and American Crystal Sugar Company.

For more information about marketing cooperatives, contact:

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1-800-670-6553.

This circular is one of a continuing series that provides training information and presentations for education resource persons who may or may not be familiar with the cooperative form of business. This series provides the basic background material they need and in a form that can be readily adapted, with limited preparation time, to a lecture or other presentation.

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