



Local Food for Schools (LFS) Grant Frequent Asked Questions (FAQ)

See below for answers to questions for participating schools in the Local Food for Schools grant. Please send any additional questions to localfoodgrant@texasagriculture.gov.

Table of Contents

ALLOWABLE PURCHASES/COSTS	2
PROCUREMENT	4
REIMBURSEMENT	7
OTHER	9

ALLOWABLE PURCHASES/COSTS

Q: What are the allowable costs for the LFS Grant?

A: According to the LFS Grant, funds can be used for food purchases that are unprocessed or minimally processed. Funds may also be used to cover the costs of storage and distribution of agricultural products to schools.

Examples of Allowable Food Products: fruits and vegetables, including 100% juices, olive oil, grains like pasta and rice, meats in whole, pieces, ground forms, meat alternates like beans or legumes, fluid milk and dairy products like yogurt and cheese, a variety of processing states (whole, cut, pureed) and forms (fresh, frozen, dried, canned).

Examples of Unallowable Food Products: processed foods, baked goods like breads, muffins, crackers, other prepared and/or pre-cooked items, bottled water, spices or seasonings, smoked brisket, items that come ready to eat or that require no further preparation beyond heating, pre-packaged sandwiches/meals, chicken nuggets, fish sticks, pre-made pizzas, direct or indirect costs associated with developing and administering the program.

Visit www.squaremeals.org/LFS to view an ongoing table of LFS allowable and unallowable food products.

Q: Can you clarify what foods are considered “unprocessed or minimally processed”

A: Whole foods and foods in a wide variety of minimal processing states (e.g., whole, cut, pureed, etc.) and/or forms (e.g., fresh, frozen, canned, dried, etc.) are allowable.

Examples of allowable food products include fruits and vegetables (including 100% juices); olive oil, grain products such as pastas and rice; meats (whole, pieces, or food items such as ground meats); meat alternates such as beans or legumes, and fluid milk and other dairy foods such as cheese and yogurt.

Foods that are generally understood to be significantly processed or prepared are unallowable.

Examples of unallowable products would include baked goods such as breads, muffins, or crackers; prepackaged sandwiches or meals; bottled water; spices or seasonings; smoked brisket; other prepared and/or pre-cooked items that come ready-to-eat or that require no further preparation beyond heating (e.g., chicken nuggets, fish sticks, pre-made pizzas, etc.).

Q: What is the definition of “local food” for the LFS Grant?

A: For the purposes of this grant, the “local or regional,” food item must be from Texas. TDA requires the Farmers/Producers' food to be raised, produced, aggregated, stored, processed, and distributed in Texas. The headquarters no longer needs to be local as long as the product is local.

Q: For which Child Nutrition Programs may LFS funds be used to support the service of meals and snacks?

A: LFS funds are available only to SFAs operating the NSLP and/or SBP and may only be used by SFAs to purchase unprocessed or minimally processed, local domestic food products for those programs. This includes the NSLP Seamless Summer Option (SSO) and NSLP Afterschool Snacks, as these are components of the NSLP.

As such, if an SFA operating NSLP and/or SBP operates other Child Nutrition Programs (i.e. the Special Milk Program, the Fresh Fruit and Vegetable Program, the Summer Food Service Program, and/or the Child and Adult Care Food Program), LFS funds may not be used in conjunction with those programs (i.e. the SFA must limit the purchase and use of local, domestic food products to support only the NSLP/SBP meal service).

Q: Do the purchases have to be from a TDA Farm Fresh Network Producer?

A: No. Purchases do not have to be from a producer on the Farm Fresh Network. The Farm Fresh Network is an optional tool for schools to use to locate vendors who are interested in selling local products to schools. Note: The Farm Fresh Network was created prior to the LFS grant; therefore not all Farm Fresh Network members meet the requirements for LFS reimbursement. Grant participants must verify that any intended vendor/producer meets all LFS requirements before making LFS purchases.

Q: Which programs can receive food purchased with LFS funding?

A: Food purchased with LFS funding may only be served in the National School Lunch Program and the School Breakfast Program.

Q: Is Olive Oil produced in Texas an allowable food product?

A: Yes; olive oil is allowable provided that it is local.

Q: Is bottled water from Texas an allowable food product?

A: Bottled water is not allowed.

Q: Are spices or seasonings from Texas an allowable food product?

A: Spices and/or seasonings are not allowed.

Q: Are herbs an allowable purchase?

A: Yes, fresh, locally grown herbs are an allowable purchase.

Q: Is flour allowable for purchase?

A: Yes; flour is an allowable food for the LFS grant program.

Q: Are Slim Jims an allowable product?

A: No, Slim Jims are not an allowable product because it is not minimally processed.

Q: To verify local status of meat products, do I need to provide cattle birth certificates?

A: No; you do not need to provide cattle birth certificates when verifying food product origin. A written statement from the vendor or reference from the vendor website is sufficient.

Q: What are examples of allowable storage and/or distribution costs?

A: Allowable costs under storage and distribution may include any typical direct costs associated with the storage and distribution of commodity products. Examples include direct salaries for temporary warehouse workers; *lease or rental* of delivery trucks or other equipment (forklifts, refrigerators, freezers, etc.); payments/fees for common carriers for transporting or storing commodities; *lease or rental* of warehouse space; or supplies used in the storage and handling of commodity products (boxes, pallets, etc.).

Q: In my opt-in form, for the food category question, I stated we were interested in purchasing fruits and vegetables, but now I want to purchase meats as well. Am I restricted to my original answer?

A: No; the question on the opt-in form was included to understand what schools were interested in purchasing. The LFS team has posted the list of participating schools and items they are interested in for producers to connect and reach out. Participants are not required to buy or limited to only buy the food categories originally stated; what food categories purchased is up to the grant recipient.

Q: If a vendor is on the vendor list or in the drop-down menu on the reimbursement form, does that mean all products from that vendor are allowable?

A: No, being on the vendor list or in the reimbursement form drop-down does not mean all products from that vendor are allowable. Only local food items are eligible for reimbursement. It is the responsibility of the SFA to ensure that the products they are purchasing are local.

PROCUREMENT

Q: Does the headquarters of a producer or supplier have to be in the same state or within 400 miles of the delivery destination to be considered a “local or regional” supplier?

A: The headquarters of the producer does not apply to the local requirement, but the product must be produced within the state, territory or within 400 miles of the delivery destination. The product must remain in the state, territory or 400 miles to meet the

local definition.

Q: My milk vendor provides milk produced in Texas, but the headquarters is out of state, would that qualify?

A: Yes; updated guidance allows the producer, supplier and distributor headquarters to be outside the state of Texas.

Q: Do vendors need to be TDA approved?

A: No; however, vendors must meet the LFS grant criteria and the current local procurement policies and requirements for school foodservice.

Q: When a district gets the grant money, who do they purchase the local products from? Directly from the producers on the list in Square Meals? What is the process?

A: Participating schools may purchase qualifying food products from local vendors/producers through their child nutrition program's procurement policies and procedures. For the purposes of this grant, TDA requires the vendor and/or producer to be located in Texas and the food products to be raised, produced, aggregated, stored, processed, and distributed in Texas. There is no local requirement for the headquarters of the vendor. Purchased items must be used in meals for NSLP or SBP; For more specifications on allowable food items and costs, please visit the resource section at www.squaremeals.org/LFS. Additionally, TDA emphasizes purchasing from historically underserved producers and small businesses located in Texas. *Note: The Farm Fresh Network on Square Meals is a resource to get started but the vendor/producer does not have to be from the Farm Fresh Network.*

Q: Can we only buy from small businesses based on the RFA definition, or can we also buy from large businesses?

A: Although the small businesses are targets of the LFS Program, it is allowable to use LFS funds to buy from larger businesses.

Q: Have these Local Farm Fresh foods been procured? How does a district know which distributor will provide the products ordered?

A: Participating school districts are responsible for contracting, determination of product types, quantities, delivery dates, and transportation logistics for qualifying LFS foods. TDA will process payments to CEs on a cost reimbursement basis. TDA requires the Farmers/Producers' food to be raised, produced, aggregated, stored, processed, and distributed in Texas. TDA emphasizes purchasing from historically underserved producers and small businesses.

Q: How do we determine if it is a small business? What qualifies as a small business?

A: A small business is generally defined by the U.S. Small Business Administration (SBA) as a business that is: a for profit-businesses of any legal structure; independently owned and operated, not nationally dominant in its field, and physically located and operated in the U.S. or its territories. States will determine which businesses are considered small businesses based on this definition. There is no required certification or validation process. There are multiple resources to assist with identifying small businesses. Applicants may wish to consult the Small Business Administration website at www.sba.gov for more information or consult with small business resources within their states or territories.

Q: Are we able to use all grant funds from the same vendor?

A: Yes; it is up to the discretion of the participating school which qualifying vendors you choose to do business with, however do consider using the funds for new business and/or make purchases with historically underutilized and small businesses and/or establish new relationships.

Q: Do procurement rules apply? Are we still required to go through all the normal procurement processes for this grant? Micro/small/formal, etc.

A: Yes; School Food Authorities must follow all federal, state, and local procurement laws when purchasing foods and associated allowable costs with these grant awards, including but not limited to procurement regulations [7 CFR part 210.21](#) and [2 CFR part 200.317-327](#), [TDA ARM Procurement Sections 17a-c](#), and local procedures.

Q: Will local farmers know we are looking to use them as vendors?

A: TDA has published the list of participating LFS schools on the LFS webpage, www.squaremeals.org/LFS. In addition, efforts are being made to communicate this grant opportunity to producers and vendors across Texas.

Q: When purchasing items, will we have to have three bids for each food item?

A: It depends on the Procurement method used and the necessary components of the determined procurement after a cost analysis was performed. When a CE uses the small purchase method, the CE must obtain price quotes from at least three responsible and responsive contractors (see [ARM Sect. 17 pg. 23](#)). The documentation for this procurement process for quotes request must be retained as required for records retention. Each (line) item is required to be procured for quotes.

Q: How can I execute a federally compliant formal solicitation that meets the local LFS requirements for the food and business headquarters when that is not allowed as a technical requirement?

A: To clarify, a state residency clause or provision cannot be included because it restricts competition. However, local can be used as a preference. As such, you can also award extra points if they meet these criteria. According to USDA's Procuring Local Foods for Child Nutrition Programs Guide (pg. 56), " 'Local' can be a preference but never a

requirement; therefore, it should never be used as a specification...while it is not acceptable to restrict responses to only those vendors located within a certain area, it is acceptable to award extra points or price preference if vendors can meet criteria such as...grown within a specific State or region”.

Q: If I separate my procurement by the school year, procuring some this year and more at the beginning of next school year, would that be considered breaking the purchases up to avoid formal procurement?

A: No; if procurement occurs in different budget years, then it is considered new procurement.

Q: What is self-certification for micro-purchasing? Where can I do that?

A: The self-certification process is an option to increase the micro-purchase threshold for Contracting Entities operating the National School Lunch Program up to \$49,999.99. TDA manages and approves self-certification requests. Submissions are only accepted from August 1-October 31 annually. More information can be found [here](#). Send additional questions to selfcertification@texasagriculture.gov

REIMBURSEMENT

Q: What records does a CE need to keep when they spend the grant money?

A: Schools are required to submit an LFS Reimbursement Form for costs incurred for the purchase, storage, and transportation of LFS qualified food, along with required supporting documentation. CEs will need to submit invoice(s) and answer questions in the form related to the vendor/producer if they are not on the drop down list. The Payment Request Form is required for more than 10 invoices and only the Itemized Tab. Visit www.squaremeals.org/LFS to access the Reimbursement Portal and resources.

Q: Where do we send the invoices?

A: Reimbursement requests will be submitted on the LFS Online Portal found on www.SquareMeals.org/LFS. If there are issues with submitting attachments, please contact localfoodgrant@texasagriculture.gov.

Q: When can these grant funds be used?

A: Funds may be used for qualifying purchases with invoices dated November 3, 2023, through March 31, 2025. TDA will accept reimbursement forms with supporting documentation no later than May 9, 2025.

Q: Will reimbursement come to us as submitted or will it be one lump sum at end of the year?

A: Reimbursement requests will be reviewed, approved, and processed as they are received.

Q: Will funds expire if we do not use them all? What if you can't use it all?

A: Yes; Funds must be spent by March 31, 2025 and invoices with supporting documentation submitted via Reimbursement form by May 9, 2025. TDA will reach out to schools who have not submitted reimbursements to determine if schools want to relinquish grant funds for reallocation in Fall 2024. If you have questions or concerns about participating in the grant program, please contact localfoodgrant@texasagriculture.gov.

Q: Has a payment been deposited from TDA? How can I find out?

A: You can search payments from TDA or any other state agency using the Comptroller's [Search State Payments Issued](#) website. Find Payment Search Information instructions [here](#).

Q: How many days is the turnaround to receive the reimbursement after submitting the reimbursement form?

A: Reimbursement requests will be reviewed and processed by TDA as they are received. Approved requests will be submitted to the Food and Nutrition Financial Division once a month. Inadequate documentation will delay reimbursement.

Q: If we submit payment to the vendor on a monthly basis but this includes numerous invoices, can we submit the reimbursement request form for the monthly payment invoice instead of individual school invoices?

A: TDA has created an "LFS Payment Request Form" for submission of multiple invoices for one vendor. Complete this form and submit it along with your Reimbursement Request Form. The LFS Reimbursement Portal and LFS Payment Request form can be found at www.squaremeals.org/LFS. For additional questions regarding bulk invoice submissions, contact localfoodgrant@texasagriculture.gov.

Q: How often can I submit invoices? As purchased or after we spend all the allocated funds?

A: It is suggested you submit reimbursement requests as soon as possible after purchase to receive reimbursement.

Q: I have submitted a couple of reimbursement requests. How do I confirm my request has been approved and when the reimbursement has been deposited?

A: TDA will send a notification when your reimbursement request has been accepted and sent to F&N Finance for approval. An automated email with the amount approved and amount remaining will be sent to the submitter. Once approved, reimbursements will be deposited within 30 days.

Q: Do we need to collect blank checks for reimbursement? What do I need to

submit in my reimbursement request?

A: For reimbursement requests, please submit the following:

1. Completed Reimbursement Request Form
2. Invoice(s) (use Payment Request Form if more than ten invoices per vendor)
3. Supporting Documentation as applicable (recipes, local vendor information such as website or written communications, etc.)

Supporting documentation of a local vendor is not required if the vendor is available in the drop-down list. Blank checks are not required, just the invoices. The Reimbursement forms and portal can be found at www.squaremeals.org/LFS.

Q: Is there a list of farms that LFS grant recipients are using already?

A: Yes; TDA shared the list of vendors that LFS recipients have used for reimbursement for this grant. An updated list will go out in the Fall.

OTHER

Q: What is the difference between the geographic preference requirement and the definition of local as it applies to LFS funding?

A: Geographic preference allows program operators to create their own definition of local and apply it to purchases. More on the Final Rule Expanding Geographic Preference can be found here: <https://www.fns.usda.gov/f2s/procuring-local-foods>. The Local Food for Schools Cooperative Agreement Program (LFS) is a grant with its own terms and conditions and is not impacted by this policy change. Schools wishing to receive reimbursement through LFS must still follow the LFS definition of local as within Texas. A school might make a more restrictive definition of local (e.g., 200 miles) and those purchases would still potentially be eligible for LFS.

Q: Can we use LFS funds for DoD FFAVORS produce?

A: No, you cannot use LFS funds for DoD FFAVORS produce.

Q: Is Hiland Dairy an allowable vendor?

A: Yes, Hiland Dairy is an allowable vendor. They offer milk and 100% local juice, which are eligible products for the National School Lunch Program and School Breakfast Program.

Q: Where do I find a copy of the Local Food for Schools Training and/or Office Hours PowerPoint slides?

A: You can find LFS PowerPoint slides under Resources here: SquareMeals.org/LFS.

Q: When will we know how much funds we receive as a district?

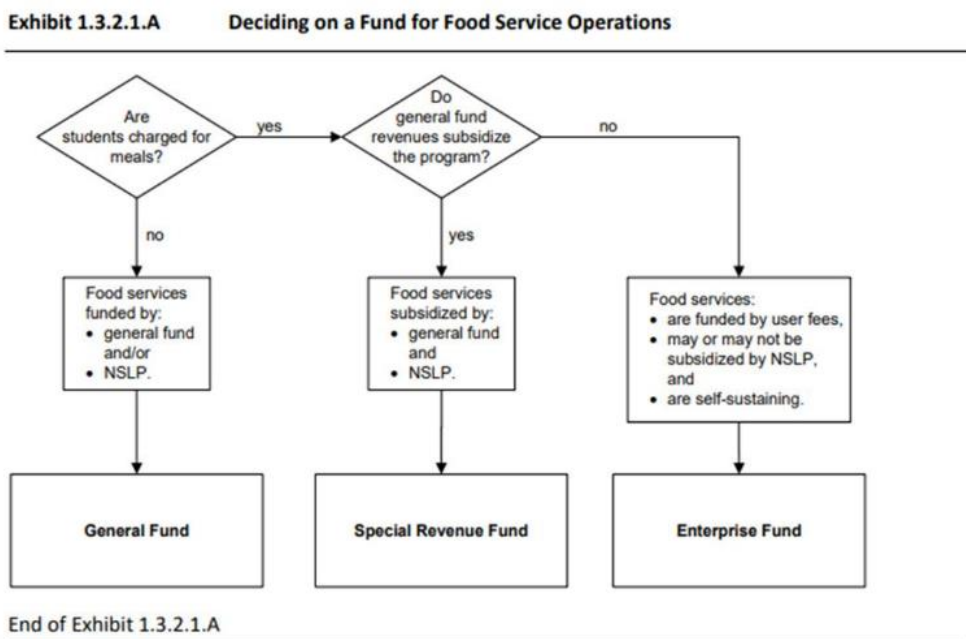
A: Commissioner Sid Miller will call district superintendents to formally award schools. Additionally, TDA sent out email notification to participating schools. Please reach out if you have not received the award emails.

Q: What will the deposit description look like for LFS reimbursement?

A: The deposit description for LFS reimbursement is “CN squaremeals.org/LFS – CE Name”.

Q: What funding code should schools use for this grant?

A: TDA cannot dictate what funding codes the CE should use. The grant should be categorized in accordance with food service operations. According to Module 1, Section 1.3.2.1 of the Financial Accountability System Resource Guide (FASRG: Module 1; available on texas.gov), food service operations should be recorded in either the general fund (fund 101), special revenue fund (fund 240), or enterprise fund based on several factors.



Q: Can you provide the CFDA number?

A: The Federal Assistance Listing Number (formally CFDA) for the Local Food for Schools Cooperative Agreement Program is 10.185.

Q: Where do I find our UEI number?

A: You may request your Unique Entity Identifier (formally known as DUNS number) from your Business Office or TX-UNPS. For technical assistance, contact LocalFoodGrant@TexasAgriculture.gov.