Farm to Institution
Guidebook

A guide for farmers and producers with an emphasis on selling within Native communities

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Farm to Institution Guidebook

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I. Introduction

Selling food to schools, hospitals, and other institutions is a great way for producers and farmers to support their communities while growing their businesses. Institutions are increasingly seeking fresh, local foods. These partnerships also help keep food dollars in the local economy and provide healthier meals.

However, working with institutions differs from selling at farmers markets or grocery stores. Specific rules exist regarding food safety, contracts, and delivery. This guide is designed to help navigate these requirements, from making connections with buyers to setting prices and ensuring products meet institutional needs.

Beyond business opportunities, farm-to-institution programs provide fresh, seasonal food to people who need it most. In Native communities, these programs strengthen food sovereignty by increasing access to traditional foods in schools, health care centers, and other organizations.

II. Understanding the institutional market

Institutions such as schools, hospitals, and universities represent significant opportunities to producers. Entering these markets requires understanding of unique procurement processes, volume requirements, and quality standards.

Key considerations

- Procurement processes are more formal, including contracts, bids, specific delivery schedules, and payment systems.
- Consistent supply volumes and reliable deliveries may necessitate collaboration with other farmers or working through food hubs.
- Strict food safety and quality standards include state and federal regulations.

How to initiate contact with a potential institution

- Research potential buyers: Identify institutions that prioritize local sourcing and find the person responsible for purchases.
- Prepare a professional presentation: Develop a portfolio showcasing your farm's products, practices, and capacity.
- Attend networking events: Participate in local or regional food conferences, trade shows, and community events to connect with institutional buyers.
- Leverage food hubs: Collaborate with local food hubs that have already established relationships with institutions.

A. What is an institution?

Institutions include schools, hospitals, correctional facilities, and more that provide meals as part of their services. Selling to them can offer reliable, high-volume markets but requires understanding of their purchasing systems, food safety standards, and volume needs.

A growing trend in institutional food service is outsourcing food procurement and meal preparation to Food Service Management Companies (FSMCs). FSMCs handle planning, sourcing, and meal preparation for institutions. While institutions can negotiate with FSMCs for locally sourced foods, these companies often prioritize cost efficiency and may require higher volumes at lower prices.

Table 1. Types of institutions and key contacts (continued on page 7)

Institution type	Programs	Key contacts	Impacts
Schools (public, private, Tribal; K-12)	National School Lunch Program, School Breakfast Program, Farm to School, Harvest of the Month	Food service directors	» Farm-to-school programs introduce students to fresh, local foods, improving nutrition and lifelong eating habits. » Many schools integrate agriculture education by hosting farm visits, school gardens, and cooking demonstrations. » Institutions purchasing local food often display farm sourcing information, helping students understand where their food comes from.
Early childhood education and day cares	Child and Adult Care Food Program, Farm to Early Childhood	Directors, kitchen managers, nutrition coordinators	
Summer food programs	Fresh, local produce for youth meals	School nutrition directors, nonprofit coordinators	
Colleges, universities, Tribal colleges	Campus dining sustainability initiatives, student-led programs	Dining services directors, sustainability coordinators	
Culinary institutions	Local sourcing for food education	Instructors, purchasing managers, program directors	
Military bases	Local sourcing initiatives	Defense Logistics Agency, food service officers	Military bases sourcing local food contribute to regional food security and emergency preparedness.
Correctional facilities (prisons and jails)	Prison agriculture, food sovereignty efforts	Food service administrators, facility nutritionists	Farm partnerships with correctional institutions can support vocational training programs for incarcerated individuals, such as teaching agricultural skills.
Nursing homes and assisted living	Farm-fresh produce, texture-modified and therapeutic diets	Dietary managers, food service directors	» Sourcing locally grown, nutrient-dense foods supports patient recovery and long-term health. Locally grown foods can contain higher nutrient levels when they are fresher than foods shipped long distances. » Hospitals can educate patients about the importance of fresh, whole foods in preventing disease. » Institutional partnerships with local farms can provide Community Supported Agriculture (CSA) programs for hospital staff, increasing access to fresh food for employees.
Hospitals and Tribal health facilities	Local food initiatives, culturally relevant nutrition programs	Food service managers, dietitians, procurement officers	
Rehabilitation centers	Nutritious meal plans supporting recovery	Food service directors, nutrition specialists	
Retirement communities	Seasonal meals, community gardening	Dietary directors, wellness coordinators	
Corporate cafeterias	Wellness initiatives, local food sourcing	Corporate dining managers, facility coordinators	» Enhanced employee satisfaction and well-being. » Local food often travels shorter distances, leading to fresher ingredients with enhanced flavor and nutritional values. » Potential cost savings: reduced transportation costs and the ability to access seasonal produce at competitive prices.
Government buildings	Good Food Purchasing Program (GFPP), local procurement policies	Procurement officers, cafeteria managers	

Table 1. Types of institutions and key contacts, continued

Institution type	Programs	Key contacts	Impacts
Sports facilities and snack shacks	Community food integration (for example, fruit, cheese curds)	Concessions managers, food vendors	» Demonstrating a commitment to local sourcing and sustainability can improve a company's public image and resonate with environmentally conscious consumers. » Reduced food waste: shorter supply chains and the option to purchase 'ugly' or underutilized produce can help minimize food waste.
Casinos (Tribal and commercial)	Cultural sourcing, regional food integration	Executive chefs, food and beverage directors	
Faith-based organizations	Soup kitchens, local farm partnerships	Program coordinators, kitchen directors	» Supporting local producers helps build relationships between the organization and the local community. » Investing in local food systems can address social inequalities and address access to healthy food options in underserved communities.
Local food brokers (for example, Lone Tree Foods in Nebraska)	Institutional matchmaking, logistics and sales support	Food hub coordinators, procurement specialists	Diverse food options that reflect seasonal availability introduces buyers to new ingredients and exciting dishes.
Youth and women's shelters	Nutritious meals from local farms	Shelter directors, food service coordinators, program managers	» Fresh, local foods are introduced to children at a young age, improving nutrition and lifelong eating habits. » Sourcing locally grown, nutrient-dense foods supports long-term health. Locally grown foods can contain higher nutrient levels when they are fresher than foods shipped long distances.
Commodity food program recipients	U.S. Department of Agriculture commodities with potential for local supplementing	Schools: food service directors, procurement officers; food banks: program managers, warehouse coordinators; Tribal meal programs: Food Distribution Program on Indian Reservations coordinators, nutrition managers; shelters: food service coordinators, shelter directors	

B. Understanding procurement in Tribal institutions

Selling to Tribal institutions, such as schools, health clinics, casinos, and government-run food programs, may involve different procurement processes compared to non-Tribal institutions. Many Tribes operate under unique food sovereignty initiatives that prioritize Indigenous foods and Native suppliers.

1. Key differences in Tribal procurement

- Some Tribal governments have direct purchasing policies that allow them to buy from Native farmers without requiring competitive bidding.
- Tribal Employment Rights Ordinance (TERO) certification may be required for vendors supplying goods to Tribal entities.
- Food sovereignty programs may have funding to support purchases of traditional foods like corn, beans, squash, bison, and wild rice.
- Some Tribal health programs and schools integrate culturally relevant foods into their menus, creating opportunities for Native farmers.

2. Action steps for farmers

- Research the procurement policies of area Tribal institutions.
- Connect with Tribal food policy councils and Native-led organizations that support Indigenous food systems.
- If required, pursue Native-owned business certification through Tribal Employment Rights Ordinance or another Tribal entity.

> American Indian Foods Program (indianagfoods.org/aifprogram) and Sweetgrass Trading Company (sweetgrasstradingco.com) assist Native entrepreneurs looking to expand into new markets.

C. Current trends and demand in institutional purchasing

Understanding current trends can help you align your offerings with institutional demands.

1. **Local and sustainable sourcing:** Institutions are increasingly prioritizing locally sourced and sustainably produced foods to meet consumer demand and sustainability goals.
2. **Health and wellness initiatives:** A growing emphasis is on providing healthier meal options, increasing demand for fresh produce, whole grains, and lean proteins.
3. **Transparency and traceability:** Institutions seek transparency in their supply chains, requiring details including farming practices, sourcing, and product origins.
4. **Flexibility in product forms:** Institutional kitchens may have labor, preparation space, or storage limitations, so they may prefer products in various forms (for example, pre-cut vegetables or ready-to-cook meats).
5. **Collaborative supply chains:** Collaborations among farmers, food hubs, and institutions are becoming more common to ensure consistent supply and shared value systems.

D. Case studies of successful farm-to-institution programs

Examining successful models can provide valuable insights into best practices and strategies. These examples demonstrate how Indigenous agriculture can thrive within institutional markets while advancing food sovereignty and sustainability.

1. Tri-County Community Action Partnership's Farm to Head Start program

"Farm to Head Start" in Minnesota connects young children with healthy, locally grown foods and supports farmers in their communities. Tri-County Community Action Partnership, a Head Start program which has locations in Little Falls, Brainerd, Baxter, and surrounding towns, took advantage of the Sprout food hub, a well-established local foods distribution chain in the area.

Tri-County's nutrition manager sought to improve Head Start menus, placing a greater emphasis on local foods and scratch cooking. She saw Farm to Head Start as a great strategy to reduce processed foods and improve children's health.[1]

2. Montana ranches making farm to school sales work

In Montana, beef to school efforts are increasing the sustainability and viability of local and regional food systems. The Montana Beef to School Project is a three-year project in collaboration with producers, schools, researchers, and more.

As part of the program, two Montana ranches in particular, Bear Paw Meats and Muddy Creek Ranch, are successfully selling their beef to area schools. For farmers and ranchers, schools present a new market channel for their products, provided they are prepared to raise and process their crops or livestock to meet the schools' needs and specifications.[2]

3. Scaling up for institutional markets: Bon Appétit Management Company's Farm to Fork Program

Bon Appétit Management Company provides on-site food services for institutions such as private colleges, businesses, and museums. In 1999, the company launched its Farm to Food program which requires chefs to source at least 20% of their ingredients from small, owner-operated farms, ranches, and artisan businesses within 150 miles of their kitchens. Bon Appétit operates more than 500 cafes in 32 states, offering opportunities for area farms to scale up to a level that falls between direct marketing and selling wholesale.

St. Olaf College in Northfield, Minnesota, has been a Bon Appétit client since the Farm to Fork program was created. During the 2013-14 school year, Farm to Fork purchases represented about 24% of St. Olaf's food purchases. Local and regional products on the menu included all of its pizza cheese and most of its turkey. Fish served in the cafeteria came from an area aquaponics producer and the school sometimes purchased local, cage-free, humanely raised eggs.[3]

4. Food Connects food hub in Brattleboro, Vermont

Food Connects in Brattleboro, Vermont, is looking to be a catalyst for food system change in New England and beyond. The nonprofit is working to build healthy families, thriving farms, and connected communities through their farm to school program and food hub.

Their farm to school program works in schools throughout Windham County increasing the availability of fresh and nutritious foods in schools and offering hands-on learning opportunities. Their food hub is a regional food distributor, working primarily within a 50-mile radius of Brattleboro. They allow wholesale customers to purchase source-identified food from regional producers strengthening the regional food economy.

1 Kranz, Bridget, et al. "Tri-County Community Action Partnership." Institute for Agriculture & Trade Policy, March 13, 2019, iatp.org/documents/tri-county-community-action-partnership. Accessed June 2025.

2 Byker Shankes, Carmen, et al. "Moooooving Forward Together." Montana State University Extension, National Center for Appropriate Technology, store.msuextension.org/publications/HomeHealthandFamily/4623.pdf. Accessed July 2025.

3 Robinson, Ann Y., and Marlie Wilson. "Scaling Up for Institutional Markets: Midwest Case Studies." ATTRA Sustainable Agriculture, National Center for Appropriate Technology, July 2015, attra.ncat.org/wp-content/uploads/2019/05/scaling_up_midwest_case_studies.pdf. Accessed June 2025.

III. Alternative market paths: food hubs and brokers

Selling to institutions can be complex, but food hubs offer a strategic pathway by acting as intermediaries that aggregate, market, and distribute local food to meet institutional demand. For many farmers, food hubs simplify access to institutional markets while offering critical support services.

A. Advantages of selling to a food hub

Many farmers choose food hubs because they:

1. **Reduce time and labor:** The food hub handles sales, marketing, and distribution, allowing farmers to focus on production rather than coordinating with multiple institutional buyers. This is especially helpful for those who prefer farming over managing the logistics of marketing and delivery.
2. **Increase market access:** Institutions are often more willing to purchase from a trusted food hub than to manage multiple direct relationships with individual farms. Food hubs are a valuable stepping stone for farmers seeking to enter institutional markets before managing direct sales on their own.
3. **Provide infrastructure support:** Some food hubs offer storage, processing, or packaging assistance to help farms meet institutional food standards. This is ideal for farmers who need additional infrastructure to scale up or reach new markets.
4. **Help meet institutional requirements:** Institutions often require specific certifications (for example, Good Agricultural Practices [GAP] certification, liability insurance, traceability). Food hubs can help farmers navigate and meet these requirements, making institutional sales more accessible.
5. **Enable consistent, large-scale supply:** By aggregating products from multiple farms, food hubs allow farmers to more easily meet the larger and more consistent order volumes that institutions demand. This is particularly beneficial for farmers producing smaller quantities who want to contribute to larger contracts.
6. **Support diverse farmer needs:** Whether you're looking for a reliable, large-scale market for your products or want to collaborate with other farmers to meet demand, food hubs offer flexible options to suit different production scales and marketing capacities.

B. Potential limitations of selling to a food hub

While food hubs offer many benefits, they also have some trade-offs:

1. **Lower profit margins:** Food hubs take a percentage of sales to cover logistics and distribution costs, meaning farmers may earn less per unit compared to direct sales.
2. **Less control over buyer relationships:** Because food hubs facilitate the sale, marketing, and distribution of goods, farmers can miss the opportunity to build relationships with chefs, directors, and buyers that come with selling directly.
3. **Product requirements and standards:** Food hubs may have specific requirements for packaging, quality, and volume that not all farms can meet.

Key questions to ask a food hub before selling

- ✓ What institutions do you sell to?
- ✓ What product requirements do you have? (packaging, volume, quality standards)
- ✓ What certifications do I need?
- ✓ How often do you place orders and how are payments structured?
- ✓ Do you provide transportation or do I need to deliver my products?
- ✓ What percentage of sales do you take as a fee?

C. Alternatives to food hubs

Food hubs aren't the only route. Depending on your scale and capabilities, a food distributor or broker might be a better fit. Both food brokers and food hubs help connect farmers with buyers, but they operate in different ways and serve different roles in the food supply chain. See Tables 2 and 3 on the following page.

Table 2. Alternatives to food hubs

	Food broker	Food hub
Definition	A sales agent who represents farmers or food producers and connects them with institutional buyers, retailers, or distributors. The broker maintains the farm's identity in the transaction, ensuring that buyers know the source of the product.	A physical or virtual marketplace that aggregates, markets, and distributes products from multiple farmers to institutions, retailers, or consumers. Food hubs vary in structure; some sell under the hub's brand while maintaining full transparency about farm sources, and others act more like distributors, purchasing products outright and marketing them as local without farm-level identification.
Who they work for	Food brokers work on behalf of farmers or food producers to help them secure sales contracts with buyers.	Food hubs act as independent organizations that purchase, aggregate, and distribute products from multiple farmers.
Sales and distribution	Brokers do not handle distribution or logistics; they negotiate deals and connect farmers with buyers.	Food hubs manage sales, distribution, and logistics to deliver local food to customers.
How they make money	Brokers earn a commission (usually a percentage of sales) when a deal is made between a farmer and an institution.	Food hubs typically charge a service fee for aggregation, marketing, and delivery services. Some food hubs also receive grants to support operations.
Product handling	Brokers do not handle the food, they just facilitate the sale.	Food hubs often have storage, refrigeration, and transportation capabilities.
Best for	Farmers looking to expand into larger markets (such as grocery stores, institutional buyers, or national distributors), but who handle their own packaging and logistics.	Farmers who want a simplified process for selling to institutions without handling direct marketing or large-scale distribution.

Table 3. Which option is best for your farm?

Feature	Food broker	Food distributor	Food hub
Works directly with farmers	✓ Yes	✗ No (buys from many suppliers)	✓ Yes
Aggregates and sells local food	✗ No (facilitates sales, doesn't handle food)	✗ No (focuses on large-scale sourcing)	✓ Yes
Handles logistics and delivery	✗ No	✓ Yes	✓ Yes
Stores inventory	✗ No	✓ Yes	✓ Yes
Requires high volume	✗ No	✓ Yes	✗ No (often supports small farms)
Helps with food safety and processing	✗ No	✗ No	● Sometimes
Takes ownership of products	✗ No (only facilitates sales)	✓ Yes	✓ Yes

IV. Getting started with institutional sales

Selling to institutions requires preparation, research, and relationship-building.

A. Gather information before pitching

Before making a sales pitch, find out details about the institution's food service operations. You can often get this information through a short conversation with food service staff (such as a food service director or kitchen manager), by checking the institution's website (especially under dining services, nutrition, or wellness sections), or by reviewing publicly available materials like menus and procurement policies. Look for details such as the institution's food sourcing, service model, and logistics preferences.

Gathering this information ensures that you can make an informed sales presentation and meet institutional needs upfront, preventing miscommunications and streamlining the sales process.

Key questions to ask

Who is the food buyer? Is purchasing managed by a food service director, chef, procurement officer, or third-party company (for example, Aramark, Sodexo, Chartwells)?

What types and quantities of food do they need? Do they require large quantities of a few key items or smaller amounts of diverse products?

What are their seasonal needs? Do they need fresh produce year-round or do they focus on peak season purchasing? Do they have storage capacity for bulk buys?

What processing and packaging preferences do they have? Many institutions prefer pre-cut, washed, or portioned produce. Do they require vacuum-sealed, case-packed, or frozen options?

How does their ordering process work? Do they use a weekly order form, direct vendor calls, or an online platform?

What are their delivery preferences? Are deliveries required on certain days? Do they have restrictions on drop-off times?

How do they handle billing and payments? What are their payment terms (net 30, net 60)? Do they pay upon delivery or require invoices?

B. Understand procurement requirements

An institution has specific needs and expectations when acquiring food from external sources. Understanding these requirements is crucial for a successful procurement process and is useful in managing the supplier relationship.

1. **Direct purchases:** Some institutions can buy directly from farmers if their budgets allow.
2. **Formal bidding:** Government-funded institutions (like schools) often require farmers to submit bids or proposals to compete for contracts. If "local preference" is allowed, make your location known in your bid.
3. **Using a distributor or food hub:** Some institutions work only through approved distributors. In this case, you may need to partner with a food hub or broker.
4. **Strict food safety and quality standards:** Most institutions are required to follow both state and federal regulations. We go into food safety and risk management later in this guide.

C. Build effective relationships with institutional food service managers and chefs

Long-term success in the institutional market depends on strong relationships with food service staff.

1. Best practices for relationship-building

- **Understand their challenges:** Food service managers work under tight budgets, strict regulations, and labor shortages. Show that you're willing to help solve problems rather than add complexity.
- **Be reliable:** Deliver on time, in the correct quantities, and with clear communication. If a product isn't available, let them know early.
- **Follow up regularly:** Check in seasonally to update them on product availability, pricing, and new offerings. A quick email or in-person visit can go a long way.
- **Offer menu and education support:** Many institutions struggle to introduce new local foods. Consider offering recipe ideas, storage tips, or cooking workshops for institutional kitchens.
- **Understand food safety and procurement requirements:** Institutions require specific food safety, handling, and procurement procedures that farmers must follow.

2. Navigating institutional relationships in Native communities

- Building strong relationships with institutional buyers in Native communities often involves understanding Tribal values, governance, and food sovereignty efforts.
- Learn about the Tribe's food sovereignty goals and local food policies.
- Establish relationships with Tribal food directors and purchasing managers before discussing sales.
- Offer farm visits and cultural presentations to educate buyers on Indigenous food systems.
- Work with Tribal food hubs or cooperatives to scale production and distribution.

UMÓⁿHOⁿ Nation Public Schools | Omaha Tribe of Nebraska, Thurston County, Nebraska

D. Marketing and promotion

Successfully selling to institutions requires more than just quality products, it involves strategic marketing, storytelling, and relationship-building. For additional planning support, check out the marketing and outreach planner in Appendix D.

1. Tell your story

Institutional buyers want more than a product, they want a relationship with a trustworthy, transparent supplier. Develop a clear story that sets you apart and helps you connect.

a. Include storytelling elements

- **Farm history and legacy:** Emphasize multi-generational farming, mission-driven goals, or your origin story.
- **Sustainability practices:** Highlight efforts such as cover cropping, no-till farming, composting, solar-powered irrigation, or regenerative agriculture.
- **Community involvement:** Showcase participation in farm-to-school programs, food donations, and local food networks.
- **Traceability and food safety:** Describe how you track and label products, prevent contamination, and meet safety standards (for example, GAP certification, recall plans).

2. Create materials

Whether you create materials yourself or you hire a professional designer for your logo, labels, and signage, make sure the materials are clear, clean, and recognizable.

a. Marketing materials

- **Sales sheet:** Clearly list your farm name, available products, seasonal availability, certifications (GAP, organic, humane, etc.), pricing, and packaging options.
- **Farm profile:** Highlight your sustainable practices, food safety measures, and community involvement in a concise one-pager.
- **Product availability calendar:** Show buyers what they can expect to source from your farm throughout the year.
- **Website and social media presence:** Many buyers research farms online before making purchasing decisions. Keep your online profiles updated with photos, farm stories, and contact details.

b. Sales materials

- **Farm brochures and flyers:** Professionally designed handouts help you make a polished first impression.
- **Case studies and testimonials:** Share quotes or examples from satisfied institutional buyers to build trust.
- **Co-branding opportunities:** Offer signage or digital content that institutions can display to promote their commitment to local food.

E. Use samples to secure sales

Bringing samples is one of the best ways to showcase the quality of your farm's products and build trust with institutional buyers. Many food service managers, chefs, and purchasing agents prefer to see, touch, and taste what they are buying before committing to a purchase.

1. **When to offer samples:** Initial buyer meetings, product testing and menu planning, seasonal availability changes, or follow up after a meeting.
2. **Make it professional:** Use clean, food-safe containers and label samples clearly with your farm's name, product type, and handling instructions.
3. **Portion for the buyer:** Offer small, manageable samples. Provide enough for a few people to evaluate without waste. Overloading a buyer with too many items can be overwhelming. Keep it focused on your best and most in-demand products.
4. **Include a simple price sheet:** Attach a one-page document listing available products, unit sizes, and pricing. This helps buyers see how samples fit their budgets.
5. **Follow up:** Ask for feedback on quality, flavor, and packaging. Use their input to refine future offerings or adjust pricing.

F. Pricing strategies

Pricing for institutional buyers requires careful cost analysis to ensure you cover expenses, make a profit, and remain competitive. Unlike direct-to-consumer sales at farmers markets, institutional buyers expect consistent pricing, bulk discounts, and competitive rates compared to traditional suppliers.

1. Finding your bottom-line price

To determine a sustainable price, you need to know your production costs. Create an enterprise budget to help break down expenses per unit and ensure that institutional sales remain profitable. This is different from annual, whole-farm profitability. An enterprise budget can help you to calculate your cost per unit (pound, bushel, case, etc.) and set a base price that covers costs and provides a profit margin, as well as to compare crops for profitability.

When setting product prices, allocate fixed costs so each product shares an appropriate portion of expenses. But when comparing between products (such as choosing which crop or product is most profitable), compare only the direct and distribution costs.

a. What does an enterprise budget include?

- **Direct costs** (variable costs that change with production levels)
  - ☑ Seeds, plants, and livestock feed
  - ☑ Fertilizers, amendments, water, and energy costs
  - ☑ Labor for planting, harvesting, and processing
  - ☑ Packaging and labeling

- **Fixed costs** (costs that remain constant regardless of output)
  - ☑ Land rent or mortgage
  - ☑ Equipment and infrastructure
  - ☑ Insurance and certifications
  - ☑ Marketing and administrative expenses

- **Delivery and distribution costs**
  - ☑ Fuel and vehicle maintenance
  - ☑ Refrigerated storage, if applicable
  - ☑ Time spent handling orders and logistics

2. Competitive pricing strategies

Institutions often have tight budgets and compare pricing of locally procured foods against wholesale distributors. Farmers should balance competitive pricing with profitability.

Pricing considerations:

Price tiers for bulk orders

- ☑ Offer discounts for higher volumes to encourage larger institutional purchases.
- ☑ Know the component costs of sales to ensure that discounts reflect actual savings in marketing, delivery, etc., to maintain the desired profit margin.

Understanding institutional budgets

- ☑ Schools and hospitals often operate on annual food budgets, understanding their pricing constraints helps in negotiations.
- ☑ Some institutions may have specialty funds for local purchasing; farmers should ask buyers if grant funding supports higher-priced local food options.
- ☑ Farmers can suggest grant funding sources to institutional buyers.

Factor in delivery costs

- ☑ Some institutions expect pricing to include delivery, others allow for separate delivery fees.
- ☑ Use an appropriate pricing structure:
  - Built-in delivery cost: Raise per-unit pricing to include delivery.
  - Separate delivery fee: Charge per mile or per drop-off location.

Seasonal pricing adjustments

- ☑ Some institutions expect consistent pricing year-round, while others accept seasonal fluctuations based on supply.
- ☑ If offering seasonal pricing, clearly communicate availability and price shifts in advance.

G. Promote sustainability

Farm-to-institution sales create economic, environmental, and social benefits while offering farmers new revenue streams. By focusing on season extension, value-added products, and supply consistency, farmers can expand their institutional market potential. Additionally, programs like Environmental Quality Incentives Program (EQIP) and food hubs can provide critical support for infrastructure improvements.

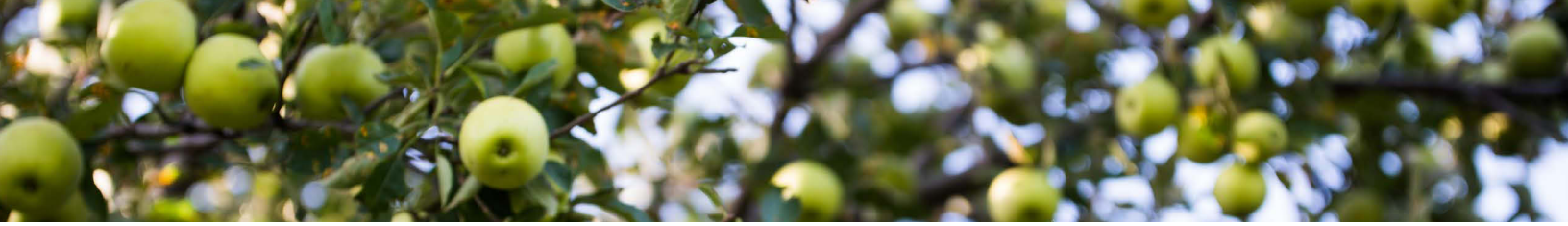
1. Increase market opportunities with value-added products

Institutions often require pre-processed or packaged products to fit their meal production systems. Farmers can increase market opportunities by offering value-added products that meet institutional needs.

a. Examples of value-added products for institutions

1. **Pre-cut, washed vegetables:** Many institutions prefer ready-to-use produce for cafeteria and meal prep efficiency.
2. **Frozen or preserved items:** Freezing or canning products extends their availability beyond the growing season.
3. **Bulk-packaged grains or legumes:** Schools and hospitals often source grains in large, standardized packaging for easy storage.
4. **Lightly processed proteins:** Ground meats, pre-portioned poultry, or smoked meats can be more appealing to institutional buyers.
5. **Dried herbs or seasonings:** Dehydrated products can be sold in bulk for institutional kitchens.

Processing food to meet institutional standards may require access to shared-use kitchens, co-packing facilities, or food hubs that offer aggregation and light processing services. Processing beyond a "minimal" amount may entail additional regulatory compliance requirements.



2. Integrate Indigenous foods into institutional markets

Many Tribal institutions prioritize the use of traditional and culturally significant foods, which can create opportunities for Native farmers producing Indigenous crops and livestock.

a. Examples of Indigenous foods in institutions

- **Schools and education centers:** Traditional corn, wild rice, buffalo meat, tepary beans
- **Tribal hospitals and clinics:** Nutrient-dense Indigenous foods incorporated into wellness programs
- **Casinos and Tribal restaurants:** Locally sourced Indigenous ingredients featured on menus

b. Challenges and solutions

- Some institutions require pre-processed or standardized packaging; consider working with a co-packer or food hub.
- Traditional foods may require cultural education for food service managers; offering workshops or materials on Indigenous food systems can help.
- Distribution logistics; partnering with Tribal food hubs or cooperatives can help aggregate supply for large buyers.

H. Market and season extension strategies

Institutions require consistent product availability to maintain menu planning and meal prep operations. Farmers can expand sales opportunities by extending the growing season and stabilizing supply throughout the year.

1. Extending the growing season

- **High tunnels and greenhouses:** Extend the growing season for crops like leafy greens, tomatoes, and peppers.
- **Cold storage for root crops:** Carrots, potatoes, beets, and squash can be stored for institutional use beyond the harvest window.
- **Freezing and preserving surplus:** Processed or frozen fruits and vegetables maintain sales even in off-seasons. Be aware that maintaining stored foods may require inspections of freezers or other facilities to ensure they remain safe for consumption.

2. Collaborating to meet institutional demand

Institutions often need consistent, high-volume food supply—something that may be difficult for a single farm to provide. Partnering with other farmers can help meet this demand while expanding your market reach.

Joining a food hub or cooperative allows you to aggregate products and share distribution. Some farmers coordinate through collaborative production planning, aligning crops and schedules to ensure steady supply. Others participate in multi-farm CSA programs, which bundle products from several farms into one offering for buyers.

These partnerships make it easier to scale up, stay reliable, and access larger institutional markets.

I. Improving consistency in institutional sales

Institutional buyers need regular, predictable supply to keep their operations running smoothly. Farmers can improve consistency by:

1. **Planning ahead with buyers:** Meet with food service managers before the season starts to align production with their menu needs.
2. **Using multiple production methods:** Combining field crops, high tunnels, and cold storage improves upon single-season availability.
3. **Coordinating with local food hubs:** Food hubs aggregate supply from multiple farms, reducing risks of shortages.
4. **Implementing strong post-harvest handling practices:** Reliable packaging, storage, and transportation ensure institutions receive high-quality products.

V. Contracts and purchase agreements

Contracts are essential when working with institutions, as they help establish clear expectations and responsibilities between farmers and buyers. Institutions often require formal contracts, especially when working with schools, hospitals, and corporate food service providers. A purchase agreement can be used for a shorter term or temporary situation. A template can be found in Appendix C.

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A. Considerations

1. **Plan production based on commitments:** If an institution requires a fixed amount of produce per week, ensure your planting schedule supports steady supply.
2. **Diversify market channels to manage risk:** Relying solely on one or a few institutional buyers may lead to challenges if a contract or agreement is reduced or canceled.
3. **Establish partnerships with other farms:** If an institution needs more product than your farm can provide alone, partnering with other local producers can help meet the demand outlined in your agreement.
4. **Maintain flexibility:** Some institutions may request last-minute adjustments. Having a plan for surplus or shortfalls protects your contracts and relationships.

B. Tips on managing contracts and agreements

1. **Read and understand all terms before signing:** Contracts may outline pricing, delivery schedules, food safety requirements, and penalties for missed deliveries.
2. **Negotiate terms that align with your farm's capacity:** Be realistic about production volumes, delivery frequency, and pricing structures.
3. **Include contingency plans:** Have a plan in place in case of crop failure, weather-related disruptions, or unexpected supply chain issues. Some contracts allow for substitutions or adjustments in cases of unforeseen circumstances.
4. **Clarify payment terms:** Both parties should have a clear understanding of all payment terms including invoicing schedules, payment deadlines, and any late payment penalties. Some institutions operate on a net 30 or net 60 schedule, meaning payments could take a month or more to process.
5. **Document everything:** Keep copies of contracts, delivery receipts, and correspondence with buyers to protect against disputes.
6. **Track contract details and expiration dates:** Use a spreadsheet to record contract terms, including start and end dates, renewal deadlines, pricing agreements, and special conditions. Staying organized helps ensure you are prepared for renegotiations and can maintain seamless sales without unexpected gaps in agreements.
7. **Discuss contract renewals before they expire:** Reach out to institutional buyers well in advance of contract end dates to discuss renewals, pricing adjustments, and any necessary changes to terms. Proactively managing contract renewals helps maintain long-term relationships and reduces uncertainty.

Elements of a purchase agreement

- Agreement date, start date, end date
- Parties to the agreement
- Mention of renewal
- Items to be purchased
- Delivery period and individual delivery timing details
- Delivery criteria (temperature, packaging, cleanliness, right of refusal)
- Delivery location and contact details
- Statement of delivery invoice
- Ordering and communication details
- Food safety and liability insurance requirements
- Payment terms, including taxes
- Termination and modification processes
- Signatures of authorized parties

VI. Food safety

Institutions have strict food safety requirements to protect consumers and reduce liability risks. When selling to these buyers, you must follow protocols, maintain records, and meet certification requirements to remain competitive or even to access the institutional market.

A. On-farm food safety practices

Institutions often require proof that farms follow safe handling practices to prevent contamination and foodborne illness. Developing a food safety plan, implementing GAP, and maintaining strong recordkeeping systems can help meet these requirements.

1. Key practices for institutional sales

- **Worker hygiene and training:** Require hand washing, clean gloves, and regular training on handling food safely. Workers should be trained to recognize potential contamination risks.
- **Safe harvesting and handling:** Use clean, food-grade containers for storage and transportation. Ensure proper post-harvest washing, cooling, and packaging to maintain freshness.
- **Water quality monitoring:** Regularly test irrigation and wash water to prevent contamination. Institutions may request proof of water safety testing.
- **Pest and animal management:** Keep food storage areas clean and protected from rodents, insects, and wildlife contamination.
- **Equipment sanitation:** Clean and sanitize all food-contact surfaces, such as knives, bins, and storage shelves, before and after use.
- **Proper refrigeration and storage:** Maintain cold chain logistics for perishable items. Refrigerated produce should stay at 34 to 41°F and frozen products should remain at 0°F or lower.
- **Temperature monitoring:** Use temperature logs for refrigerated deliveries. Some institutions require farms to keep records of cold storage conditions from harvest through delivery.
- **Cross-contamination prevention:** Keep raw and processed products separate. Some institutions may require written policies for product separation in storage and transportation to prevent contamination risks.

2. Develop a food safety plan

Many institutions require farms to have a written food safety plan that outlines protocols for growing, harvesting, handling, and delivering food safely. Formal food safety certification (such as GAP or Harmonized GAP) is not always required; many buyers will accept a well-documented food safety plan instead, especially for smaller purchases or direct relationships. Even if not required, a documented plan demonstrates professionalism and preparedness.

This is especially important under the Food Safety Modernization Act (FSMA), which requires most farms to follow food safety practices that reduce the risk of contamination. Even if your farm is exempt from full FSMA compliance, developing and maintaining a food safety plan shows that you are prepared to meet buyer expectations and protect public health.

A strong food safety plan should include:

- Farm risk assessment: Identify and document potential contamination risks and mitigation strategies.
- Standard operating procedures, or SOP: Written step-by-step guidelines for food handling, cleaning, and delivery.
- Worker training logs: Records of employee food safety training.
- Traceability system: Procedures to track food from harvest to delivery. Many institutions require lot numbers for easy recalls.
- Recordkeeping system: Keep detailed records of harvest dates, storage conditions, and cleaning schedules.

Tip: If you're new to food safety planning, U.S. Department of Agriculture, local extension offices, and third-party certification groups offer guidance and templates for creating a compliant food safety plan.

Table 4. Food safety certifications

Type of certification	About the certification
GAP certification	» Focuses on worker hygiene, water quality, harvesting practices, and traceability. » Requires annual audits and detailed recordkeeping. » Some food hubs and cooperatives offer group GAP certification to reduce individual costs.
FSMA compliance (produce rule)	» Applies to farms selling more than $25,000 annually in fresh produce. » Requires worker training, sanitation practices, and documentation. » Even exempt farms may be asked to provide proof of compliance when selling to institutions.
Institution-specific safety requirements	» Schools may require state-approved vendor registration. » Hospitals and corporate cafeterias may require additional liability coverage beyond standard farm insurance.

B. Selling safely and legally

By prioritizing food safety and legal preparedness, you can confidently supply institutions, reduce risk, and build strong, long-term relationships with institutional buyers.

1. Does FSMA apply to your farm?

FSMA establishes minimum standards for the safe growing, harvesting, packing, and holding of fruits and vegetables intended for human consumption. Compliance with FSMA is mandatory for many farms, depending on factors such as farm size and annual sales.

To determine if FSMA applies to your farm, use the FSMA flowchart from the National Sustainable Agriculture Coalition.[4] This tool helps assess which FSMA rules apply to your operation and whether you qualify for exemptions. The flowchart describes the produce rule portion of FSMA for on-farm practices. A separate set of rules applies to processing facilities.

2. Food safety certifications for institutional buyers

Many institutions, especially schools, hospitals, and government agencies, require third-party food safety certifications. See Table 4 for the most common certifications. Before pursuing certification, ask buyers what they require so you can avoid unnecessary costs.

3. Lot-tracking and traceability requirements

Some institutions require farms to have a lot-tracking system that allows for traceability in case of a recall. A simple numbering system for production lots could include:

- Harvest date (MMDDYY format)
- Field ID (if multiple locations are used)
- Batch number (if harvested in different lots)

For example, a lot number might look like: **092524-FIELD2-BATCH03**, allowing easy identification of products in case of buyer concerns. If a recall is needed, buyers must be able to trace products back to the farm quickly. Having a recall procedure in place helps protect the farm and maintain buyer confidence.

If you're new to food safety planning, resources from USDA, local extension offices, and third-party certification groups can provide templates and guidance.

4. Cost-share and assistance programs for GAP certification

Since GAP certification can be expensive, explore cost-sharing programs:

- **USDA Specialty Crop Block Grant Program:** Some states offer funding for GAP certification assistance.
- **Food hub and cooperative programs:** Some food hubs offer group GAP certification, reducing individual costs.
- **Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP) funding:** Some farmers can use EQIP funds to support food safety improvements.

4 The FSMA flowchart can be found on the National Sustainable Agriculture Coalition's website at sustainableagriculture.net/wp-content/uploads/2016/02/2016_2-FSMA-Final-Rule-Flowchart-V3.pdf

VII. Logistics, delivery, and storage

Efficient logistics, delivery, and storage are essential when supplying institutions. Many buyers have strict delivery schedules, packaging requirements, and quality expectations, making proper planning crucial.

A. Harvesting

1. Harvest at peak freshness to ensure high quality upon delivery. Avoid overripe produce, which may not hold up well during transport and storage.
2. Align harvest schedules with institutional delivery days to maximize product freshness.
3. Use clean, sanitized tools and harvest containers to prevent contamination.
4. Keep produce shaded and cool immediately after harvest to maintain shelf life.

B. Packaging standards

1. Use food-grade packaging that meets institutional storage and handling needs.
2. Label all products clearly.
3. Some institutions require pre-cut or processed produce, which may need additional packaging steps or GAP certification.
4. For meat, dairy, or processed items, follow state and federal labeling and handling regulations.
5. Use standardized case sizes that fit within institutional storage setups.
6. Sort and grade produce before delivery to meet institutional quality standards.

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C. Transporting

1. Maintain the cold chain for perishable items using refrigerated trucks or insulated coolers. Use temperature monitors in transport vehicles to track cold storage compliance.
2. Plan efficient delivery routes to reduce travel time and ensure on-time arrivals.
3. Use shock-resistant packaging for delicate items like leafy greens and berries. Deliver high-moisture items (leafy greens, herbs) in vented containers to avoid condensation buildup.

D. Managing logistics and order changes

1. Confirm delivery instructions in advance, including:
   - Who to contact upon arrival
   - Drop-off location and unloading procedures
   - Receiving hours and access restrictions
   - Schedule drop-offs ahead of time. Some buyers require appointments for deliveries (especially hospitals, large schools, and correctional facilities).
2. Set a delivery schedule. Establish consistent delivery days and times to align with the institution's meal planning and inventory needs.
   - If working with multiple buyers, group deliveries by location to streamline transportation and reduce fuel costs.
   - Consider partnering with a food hub or distributor if handling logistics yourself becomes overwhelming.
3. Be proactive in communicating shortages or substitutions due to weather, crop failure, or supply chain issues.
4. Remain flexible with last-minute changes, ensuring they remain profitable and feasible for your farm.

E. Tracking deliveries and maintaining records

1. Keep detailed logs of deliveries, including:
   - Date and time of delivery
   - Products delivered
   - Quantities and weights
   - Buyer feedback and quality concerns
2. Some institutions require proof of delivery, such as signed invoices or delivery receipts. Ensure someone from the institution acknowledges receipt upon delivery.
3. Consider digital invoicing and tracking systems to simplify recordkeeping and speed up payment processing.

F. Delivering products

1. Bring necessary unloading equipment, such as:
   - Hand trucks or dollies for easy movement
   - Pallet jacks for large-volume deliveries
   - Liftgate trucks if unloading pallets at facilities without docks
2. Stack products carefully to prevent crushing or bruising.
3. Provide clear storage and handling instructions to institutional staff, especially for specialty crops or less common items.

G. Reducing waste

1. Offer seconds-grade produce for processing (e.g., making sauces, soups, or baked goods). These items are often just as nutritious and flavorful but may not meet cosmetic standards.
2. Work with institutions to develop "imperfect produce" programs that reduce food waste. Marketing these efforts as part of a commitment to reducing food waste and promoting environmental responsibility can build goodwill with buyers and consumers.

Table 5. Temperature and humidity guidelines

Storage type	Temperature range	Examples
Refrigerated storage	34 to 41°F	Lettuce, dairy, meat
Frozen storage	0°F or lower	Meat, seafood, frozen produce
Dry storage	50 to 70°F, low humidity	Onions, potatoes, squash
Proper storage ensures that food remains fresh, safe, and usable for institutional buyers. Understanding institutional storage conditions is critical to preventing spoilage and maintaining product integrity.		

Blackbird Bend Casino | Onawa, Iowa

VIII. Financial planning and management

Careful financial planning is needed to ensure profitability, manage risks, and take advantage of available funding opportunities. However, budgeting specifically for institutional sales can make your operation a success. Explore your funding options, and take a look at what's available specific to Native farmers. Additional resources can be found in Appendix A.

A. Budgeting for farm-to-institution sales channels

Selling to institutions differs from direct-to-consumer markets. It often involves higher volume sales, lower per-unit prices, and additional costs such as compliance, certifications, and logistics. Creating a budget can help you determine whether institutional sales align with your financial goals.

Budget considerations

- Production costs: Factor in expenses related to labor, seeds, soil amendments, water, and pest management.
- Processing and packaging: Institutions may require pre-cut, washed, or bulk-packed products, increasing labor and material costs.
- Food safety compliance: GAP certification, liability insurance, and recordkeeping require both time and money.
- Delivery and logistics: Fuel, vehicle maintenance, cold storage, and labor for deliveries should be calculated.
- Cash flow planning: Institutions often operate on net 30 or net 60 payment terms, meaning farmers may wait one to two months for payment. Ensuring enough working capital is available is critical.
- Creating a financial plan for institutional sales.
  - Determine cost per unit: Calculate the true cost of production per pound, bushel, or case to set realistic pricing.
  - Assess profit margins: Institutional sales often offer lower per-unit prices than farmers markets, so ensuring profitability at scale is key.
  - Estimate order volume: Work with institutional buyers to forecast demand and avoid over- or under-producing.
  - Plan for infrastructure investment: Consider long-term costs such as upgrading cold storage, purchasing delivery vehicles, or installing food safety equipment.

B. Financial aids and grants available for farmers selling to institutions

Several programs offer financial assistance to farmers looking to expand into institutional markets. These include grants, cost-share programs, and low-interest loans.

1. Federal and state grants

- **USDA Value-Added Producer Grant:** Supports farmers looking to process or market their products to larger buyers, including institutions.
- **USDA Specialty Crop Block Grants:** Provides funding for specialty crop producers, often with an emphasis on farm-to-school or institutional sales.
- **Local Food Promotion Program:** Funds development of agricultural businesses, cooperatives, associations, and networks; and helps fund infrastructure improvements for local and regional food systems, including institutions.
- **Farm to School Grant Program:** Assists farmers in supplying schools with local food, covering expenses such as transportation, food safety upgrades, and educational initiatives.
- **USDA Sustainable Agriculture Research and Education (SARE):** Funds demonstration and testing of innovative farming and ranching practices that enhance profitability, environmental care, and quality of life aspects of agriculture.

2. Cost-share programs

- **NRCS EQIP:** Helps farmers implement conservation practices, including high tunnels and improved irrigation, which can support institutional sales.
- **GAP certification cost-share:** Some states offer financial assistance to help farmers cover the costs of obtaining GAP certification.
- **USDA FSA Organic Certification Cost Share Program:** FSA provides financial assistance for the costs of organic certification.

3. Local and private funding sources

- Many nonprofit organizations, food policy councils, and state departments of agriculture offer mini-grants or technical assistance to farmers entering institutional markets.

EQIP funds and support for market consistency

EQIP, offered by USDA, provides cost-share funding to help farmers implement conservation practices and invest in infrastructure. While not specific to institutional sales, many EQIP-funded improvements can directly support your ability to serve schools, hospitals, and other large buyers.

For example, high tunnels funded through EQIP can extend your growing season, allowing you to supply fresh produce earlier in the spring and later into the fall. Irrigation system upgrades improve water efficiency and support more reliable yields. Cold storage investments help maintain product quality and allow for more flexible delivery schedules.

Other projects, like composting systems and soil health initiatives, not only boost productivity but can also align with an institution's sustainability goals—making your farm more attractive to values-driven buyers.

EQIP funding is competitive, but growing demand for local food in institutions can strengthen your application. Working with your local NRCS office can help identify the best opportunities and increase your chances of receiving support.

C. Funding options for infrastructure and equipment

Selling to institutions often requires upgrades in on-farm infrastructure, such as cold storage, washing and packing areas, and refrigerated transportation, to meet buyer expectations around food safety, quality, and delivery reliability. These improvements can be expensive, funding options are available to help.

One accessible option is the Farm Storage Facility Loan Program through FSA. This program offers low-interest loans to help farmers invest in essential equipment for handling and storing food. Eligible expenses include cold storage units, refrigerated trucks, packing sheds, bulk bins, washing stations, and sorting equipment.

Farmers can borrow up to 85% of the total cost of these improvements, with repayment terms ranging from 3 to 12 years depending on the loan amount. The interest rates are typically more favorable than commercial loans, making it a practical option for producers looking to scale up for institutional markets.

Investing in infrastructure can help you maintain product quality, reduce food waste, and deliver consistent volumes, key factors in meeting institutional demand. If you're unsure whether your project qualifies, reach out to your local FSA office for guidance and support through the application process.

D. Funding and resources specific to Native farmers

In addition to USDA and FSA programs, Native farmers have access to Tribal and Indigenous-specific funding opportunities that can support farm-to-institution expansion.

1. Funding opportunities to benefit Native farmers

- **Native American Agriculture Fund (NAAF):** Provides grants to organizations that provide business development training, credit access, grants, and loans to Native farmers and ranchers for business expansion, infrastructure, and education.
- **Indigenous Food and Agriculture Initiative:** Offers technical assistance, policy support, and business development resources for Native agricultural enterprises.
- **First Nations Development Institute:** Funds Tribes and nonprofit organizations for projects related to Indigenous food sovereignty, farm expansion, and local food systems.
- **Food Distribution Program on Indian Reservations (FDPIR) Purchasing:** Some Tribal governments operate food distribution programs and seek Native-grown food supplies.
- **USDA Agricultural Marketing Service (AMS) Local Food Purchase Assistance Cooperative Agreement Program:** AMS funds Tribes and organizations that wish to source local and culturally appropriate foods or that assist historically underserved farmers and small businesses.

2. How to access these funds

» Check eligibility requirements for Native-specific grants and cost-share programs.
» Apply for USDA funding while leveraging Tribal matching funds for additional support.
» Work with a Tribal agriculture extension office to get assistance with applications and business planning.

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IX. Risk management and insurance considerations

Selling to institutions comes with risks, including crop failure, food safety liabilities, contract disputes, and delayed payments. Risk management strategies help protect farm businesses from financial losses.

By securing financial stability, you can successfully grow institutional sales while maintaining long-term profitability.

A. Insurance requirements for institutional sales

Many institutions require liability insurance to protect against potential foodborne illness claims. Even if not required, insurance is an essential risk-management tool for farmers selling at a large scale.

1. Common institutional insurance requirements:
   - **General liability insurance:** Covers accidents and injuries related to your farm's products. Many institutions require at least $2 million per occurrence.
   - **Product liability insurance:** Protects against foodborne illness claims.
   - **Workers' compensation insurance:** Required if you have employees handling food or delivery.
2. Choosing the right coverage:
   - Check if your current farm policy covers institutional sales or if additional coverage is needed.
   - If working with a food hub, confirm whether they provide insurance coverage under their distribution model.
3. Scaling insurance with institutional growth:
   - Some institutions require farms to increase their liability coverage over time. Negotiating liability terms with food hubs or buyers can help reduce unnecessary insurance costs.
   - Some farmers process products through a certified kitchen, which may have its own insurance policy covering food safety risks.

B. Legal protections: forming a Limited Liability Company (LLC) or business entity

Many small farms operate as sole proprietorships, but selling to institutions increases liability risks. Establishing an LLC or other legal structure can provide financial and legal protection.

1. Why consider an LLC?

- **Protects personal assets:** If a food safety issue arises, an LLC shields personal property (home, vehicles, savings) from lawsuits.
- **Builds credibility:** Many institutional buyers prefer working with a formally registered business.
- **Simplifies tax and financial management:** An LLC separates farm business finances from personal accounts.

Farmers selling to institutions should consult a legal or tax professional to determine if forming an LLC or corporation makes sense for their business.

C. Key risk management strategies

- **Diversify markets:** Avoid overreliance on a single institution or contract.
- **Use written agreements:** Clear contracts outlining terms, pricing, and delivery expectations help prevent disputes.
- **Maintain buffer production:** Overplanting by a small percentage ensures fulfillment even in case of unexpected losses.
- **Track inventory and sales:** Keeping detailed records helps adjust pricing and production strategies.

Essential insurance policies

- General liability insurance: Covers accidents, injuries, or damages related to food sales. Many institutions require at least $2 million in coverage.
- Product liability insurance: Protects against claims of foodborne illness or contamination.
- Business interruption insurance: Provides financial protection in case of crop loss due to weather or unforeseen disruptions.
- Workers' compensation: Required if employees are involved in harvesting, processing, or delivering products.

About the Center for Rural Affairs

Established in 1973, the Center for Rural Affairs is a private, nonprofit organization with a mission to establish strong rural communities, social and economic justice, environmental stewardship, and genuine opportunity for all while engaging people in decisions that affect the quality of their lives and the future of their communities.

Appendices

Appendix A: Resources and support for farmers engaging in farm-to-institution sales

Accessing the right resources and support networks is crucial to successfully enter and thrive in the farm-to-institution market. Below is a curated list of educational materials, support organizations, and professional development opportunities to assist you in this endeavor.

A. Educational resources

1. **USDA Farm to School planning toolkit:** This comprehensive guide assists farmers and school districts in developing farm-to-school programs. It covers topics such as team building, establishing goals, and promoting farm-to-school initiatives.
   - fns.usda.gov/f2s/farm-school-resources
2. **National Farm to School Network resource database:** This collection of resources includes guides, case studies, and toolkits to support farm-to-school programs.
   - farmtoschool.org/resources
3. **SARE Program:** SARE offers a wealth of information on sustainable farming practices, including resources on building local and regional food systems.
   - sare.org/resources/farm-to-table-building-local-and-regional-food-systems

B. National support organizations

1. **National Farm to School Network:** A hub for farm-to-school practitioners, providing support to connect farms with schools and early care education settings.
   - farmtoschool.org
2. **Farm to Institution New England (FINE):** FINE offers resources and support for farmers looking to sell to institutions in the New England area, which can serve as a model for other regions.
   - farmtoinstitution.org/resources

C. Professional development and training opportunities

1. **National Farm to School Network producer training:** Download materials, such as a producer workbook and case studies, to help farmers access K-12 and early care education markets.
   - farmtoschool.org/our-work/producer-support
2. **University of Wisconsin-Madison Extension farm to institution program:** Resources and guidance on connecting farms with local institutions, including schools and hospitals.
   - foodsystems.extension.wisc.edu/topics/farm-to-institution
3. **USDA Farm to School Grant Program:** Find funding to support the planning and implementation of farm-to-school programs, which can include training and technical assistance for farmers.
   - fns.usda.gov/f2s/grant

D. Additional support services

1. **NRCS:** NRCS offers technical and financial assistance to farmers implementing conservation practices, which can enhance sustainability in farm-to-institution operations.
   - nrcs.usda.gov
2. **American Farmland Trust:** American Farmland Trust focuses on protecting farmland and promoting environmentally sound farming practices, providing resources that can benefit farmers engaging with institutions.
   - farmland.org

Appendix B: Next steps checklist: entering the institutional market

Use this checklist to guide your farm's transition into institutional sales.

A. Research institutional buyers in your area

- ◘ Identify local schools, hospitals, Tribal institutions, and other potential buyers.
- ◘ Research their procurement policies and food service needs.
- ◘ If applicable, determine Tribal procurement policies, Tribal Employment Rights Ordinance certification requirements, or Indigenous food preferences.

B. Assess your farm's readiness

- ◘ Confirm that your farm can meet volume demands and maintain consistent supply.
- ◘ Review food safety protocols (food safety plan, GAP certification, traceability).
- ◘ Evaluate your infrastructure needs (storage, transportation, processing).

C. Establish buyer relationships

- ◘ Contact food service directors, purchasing managers, or institutional buyers.
- ◘ Offer product samples and share availability lists.
- ◘ If selling to Tribal institutions, highlight Indigenous food sovereignty initiatives.

D. Determine your sales strategy

- ◘ Decide whether to sell directly, through a food hub, or via a broker.
- ◘ Set competitive pricing based on production costs, delivery expenses, and market rates.
- ◘ Develop a contract plan (formal agreements, seasonal commitments).

E. Secure required certifications and legal protections

- ◘ Obtain any required food safety certifications (GAP, FSMA compliance).
- ◘ Consider business insurance (liability, product safety, workers' compensation).
- ◘ If necessary, register your farm as an LLC or other legal entity for protection.

F. Prepare for logistics and delivery

- ◘ Develop a delivery plan (cold storage, transport schedule, packaging compliance).
- ◘ Ensure traceability and recordkeeping for compliance with institutional buyers.
- ◘ Work with a food hub if logistics are challenging.

G. Explore financial and grant opportunities

- ◘ Research FSA food storage loans, EQIP grants, and USDA Farm to School grants.
- ◘ If applicable, explore NAAF and First Nations Development Institute funding.
- ◘ Budget for infrastructure improvements, compliance costs, and scaling production.

H. Track and improve your institutional sales

- ◘ Maintain sales and delivery records to improve efficiency.
- ◘ Gather feedback from institutional buyers to refine operations.
- ◘ Expand partnerships with other local farmers, food hubs, and institutions.

Appendix C: Farm-to-institution purchasing agreement template

Purchase agreement (page 1 of 2)

This agreement is made on [date], between [institution name] (hereinafter referred to as "Buyer") and [farm name] (hereinafter referred to as "Seller"). This agreement is effective as of [start date] and will remain in effect for [date, or school year or fiscal year], with [renewal, for example, the possibility of renewal upon mutual agreement].

1. Product purchases and availability

The Buyer agrees to purchase [product(s)] from the Seller during the specified term. The agreement may cover a variety of fresh produce, meat, dairy, grains, or value-added products to be used for institutional food service programs.

Expected delivery period: [specify time frame, for example, Aug. 15 to June 5]
Extensions for additional purchases may be discussed annually in [date] before the new contract year.

2. Delivery requirements and standards

All deliveries must meet the following criteria:
[criteria, for example,
Temperature requirements: Perishable items must be delivered at 41°F or below. Temperature will be checked upon arrival.
Product cleanliness: Produce must be free from excessive dirt, plant material, insects, or contaminants.
Packaging standards: All products must be delivered in clean, food-grade packaging that is free from damage or tampering.
Transport conditions: Delivery vehicles must be clean and well-maintained. Refrigerated trucks must register at 41°F or below upon delivery.
The Buyer reserves the right to refuse delivery if any of the above standards are not met.]

3. Delivery location and procedures

Deliveries must be made to:
[Institution name]
[Address]
[City, state, ZIP code]

Contact person: [name]
Phone number: [phone]
Email: [email]

Deliveries should be arranged in advance with the designated contact person. A detailed invoice including product type, weight, quantity, price per unit, and total cost must accompany all deliveries. The invoice must be signed upon receipt by [authorized representative, for example, institution's food service staff].

4. Ordering and communication process

The Seller shall communicate [product details, for example, availability and pricing] via email or phone each week on [agreed day]. Orders will be placed by [Buyer contact] to [Seller, method, contact] and confirmed in writing before the delivery date.

Orders should include [order details, for example, product type, quantity, packaging, processing, pricing, and estimated delivery time]. If the Buyer opts for on-farm pickup, both parties must agree on the time and procedure.

5. Payment terms

Payments will be made within [agreed upon time frame, for example, 30 days] of product delivery.

Payments will be issued by [method, for example, check] and [delivered by, for example, mail, direct deposit]:

[Seller/farm name]
[Bank account]
[Farm address]
[City, state, ZIP code]

The Buyer is a [profit/nonprofit institution; sales tax status, certificate availability].

6. Food safety and liability Insurance

The Seller agrees to follow [safety standards, for example, GAPs or farm safety plan] and other food safety guidelines to ensure product safety. If required, the Seller shall provide:
[Proof of GAP certification or other food safety plans
A copy of liability insurance coverage (minimum: $2 million policy)]
The Buyer reserves the right to inspect the farm or production facility to verify food safety practices.

7. Termination and modifications

Either party may terminate this agreement with [notice, for example, written notice of 30 days]. Any changes or amendments to this agreement must be made in writing and signed by both parties.

Signatures

[Seller (farm representative)]: _____
[Name and title]
[Farm name]

[Buyer (institution representative)]: _____
[Name and title]
[Institution name]

Marketing and outreach planner

Purpose: Helps farmers strategize outreach to institutional buyers through farm visits, samples, and promotional materials.

Target institutions:

_____

_____

Marketing materials checklist:

- □ Farm brochure
- □ Product availability sheet
- □ Food safety certification documentation
- □ Sample product packets

Follow-up contact schedule				
Institution	Date contacted	Contact person	Follow-up needed?	Notes

Appendix E: Institutional buyer contact worksheet

Institutional buyer contact worksheet

Purpose: Helps farmers track institutional contacts, procurement officers, food service directors, and purchasing managers.

Institution	Contact person	Role/title	Products of interest	Procurement process details	Order volume and frequency	Notes and next steps

Delivery and logistics checklist

Purpose: Ensures that farmers meet institutional requirements for delivery consistency and quality.

Pre-delivery checklist:

- □ Confirm order details with the institution.
- □ Check product quality and freshness.
- □ Ensure correct packaging and labeling.
- □ Maintain cold chain logistics for perishable items.
- □ Confirm delivery schedule and access requirements.
- □ Prepare invoices and delivery documentation.

Delivery log					
Date	Institution	Products delivered	Quantity	Condition upon delivery	Issues/resolutions

Delivery documentation template

Purpose: This delivery documentation template helps farmers track institutional deliveries, verify product quality, and maintain compliance with buyer expectations.

Proper documentation ensures:
- Proof of delivery for both the farmer and the institution.
- Accurate tracking of product condition, quantity, and lot numbers.
- Clear communication between farmers and buyers to prevent disputes.
- Support for food safety traceability in case of recalls or concerns.

Farm and buyer Information
Farm name: _____
Buyer/institution name: _____
Delivery date: ____ / ____ / _____
Delivery location: _____
Point of contact (buyer): _____

Delivered products					
Product name	Quantity delivered	Unit (lbs., cases, bunches)	Lot # (if applicable)	Temperature at delivery (°F)	Notes on quality/condition

Delivery documentation template, continued

Delivery Notes

Product quality observations: (for example, damage, freshness, ripeness)
Packaging notes: (for example, proper labeling, any issues with cases or containers)
Storage instructions provided? □ Yes □ No
Any special instructions from buyer? □ Yes □ No
If yes, details: _____

Buyer confirmation

I, _____, confirm that the products listed above were received in the expected condition.

Buyer signature: _____

Date: ____ / ____ / _____

Farm representative confirmation

I, _____, confirm that the products were delivered as listed above.

Farmer signature: _____

Date: ____ / ____ / _____