

Local Food Purchase Assistance (LFPA) Cooperative Agreement Program

Frequently Asked Questions (FAQs)

FAQs are routinely updated on the LFPA website at <https://www.ams.usda.gov/selling-food-to-usda/lfpacap/faq>. This list of questions is current as of March 3, 2022.

Q1. Would this program be able to support current programs or programs that are in development? Or would states be required to run concurrent programs?

A1. The terms of the cooperative agreement can reference that there is a non-federal source of funding or ongoing work (the state initiative) that dovetails with and will be folded into the purposes of the federal cooperative agreement. There must be alignment of goals and objectives of the state and federal efforts and the requirements of the federal cooperative agreement must be met.

Q2. Will advance payments be available?

A2. There will be provisions for advance payments in accordance with 4.0 Payments of the [AMS Grants Division Terms and Conditions \(pdf\)](#). Applicants may also request direct and indirect costs associated with developing and administering the program in accordance with [2 CFR § 200.414](#).

Q3. We partner with our neighboring states to purchase local food regionally. How could this program work with our existing efforts?

A3. States would be able to include information about ongoing efforts and how this program would work with existing programs in their proposals. Applicants should ensure they are not duplicating efforts, but that the funds from the LFPA would increase, expand, or replace existing activities as stated in the request for applications section 4.6.3 Supplanting.

Q4. What is the definition of domestic?

A4. Per the Agriculture Acquisition Regulation 470.103(b), food acquired must be a product of the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the Trust Territories of the Pacific Islands (hereinafter referred to as “the United States”), except as may otherwise be required by law, and shall be considered to be such a product if it is grown, processed, and otherwise prepared for sale or distribution exclusively in the United States except with respect to minor ingredients. Ingredients from nondomestic sources will

be allowed to be utilized as a United States product if such ingredients are not otherwise: (1) produced in the United States; and (2) commercially available in the United States at fair and reasonable prices from domestic sources.

The requirement for a component ingredient to be entirely produced and/or processed in the United States may be waived due to non-availability at fair and reasonable prices.

- a. Waived ingredients may be subject to the following two-part test to define a U.S. end product:
 1. The article must be manufactured in the United States; and
 2. The cost of domestic components must exceed 50 percent of the cost of all the components.
- b. Waived ingredients may be acquired as a foreign end product without regard to the restrictions of the U.S origin product requirement.
- c. The following ingredients have been determined by AMS Commodity Procurement as not available at fair and reasonable prices and are waived from all U.S. origin restrictions:
 1. Vitamin A (Retinol Palmitate)
 2. Vitamin D
 3. Carageenan (stabilizing agent)
 4. Sorbic Acid (preservative)
 5. Potassium Sorbate (preservative)
 6. Rennet (coagulant)
 7. Items excepted from the Buy American Act under [FAR 25.104 Nonavailable Articles](#)

Q5. What is the timeline of the program? When will the RFA open and close? What is the performance period?

A5. The application period will be 120 days. The period of performance will be for up to two years from time of award to accommodate two harvest seasons.

Q6. What types of products can be purchased? Is it limited to just fresh produce?

A6. The LFPA program is not limited to fresh produce. Any food or beverage product that meets the definition for domestic and local (local as defined in the RFA) are permissible. This includes processed products and seafood.

Q7. Can you explain what is meant by distribution outside normal TEFAP sites?

A7. The food may distributed thru nonprofit organizations, schools, or other groups engaged in food distribution. The goal is for the food to reach the hands of underserved communities.

Q8. Can you expand more on what is meant by socially disadvantaged producers? Are purchases limited to those producers or just need to target?

A8. The intent of the program is to target Socially Disadvantaged. For the purpose of this program, “socially disadvantaged” is a farmer or rancher who is a member of a Socially Disadvantaged Group. A Socially Disadvantaged Group is a group whose members have been subject to discrimination on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. While purchasing from socially disadvantaged farmers and ranchers is not a requirement, it is a target. Proposals should include the steps the applicant will take to target this population.

Q9. Can money be allocated to other organizations who purchase from local, socially disadvantaged vendors to conduct procurement for the States?

A9. The state or Tribal government may partner with subrecipients including non-profits to conduct the purchases and complete the activities defined in the project narrative’s work plan. Partnerships, if known, should be identified in the project narrative as part of the application. The cooperative agreement will be with the state or Tribal government.

Q10. What do we do if there is more than one agency or department within a state that procures food?

A10. There will only be one award per state. State agencies should work together to determine which agency within the state is the responsible agency.

Q11. What is the definition of “local”?

A11. Locally and Regionally Produced Food means food that is raised, produced, aggregated, stored, processed, and distributed in the locality or region where the final product is marketed to consumers, so that the total distance that the product travels between the farm or ranch where the product originates and the point of sale to the end consumer is at most 400 miles, or both the final market and the origin of the product are within the same State, territory, or tribal land. Food must also meet the requirements of the definition of “domestic food” in the Request for Applications, see A5.

Q12. The program is available for State Governments and Tribal Governments, are there opportunities for non-profits to participate?

A12. Section 3 of the Request for Applications lists the entities eligible to apply for a cooperative agreement. The eligible applicants include State agencies, commissions, or departments and Tribal governments. The recipient of the Federal award (cooperative agreement) must be a State office or Tribal Government. The recipient may partner with a nonprofit organization as a subrecipient to achieve procurement or distribution activities. Eligible applicants should describe plans to partner with organizations, including nonprofit organizations, in the project narrative work plan. Additional information pertaining to subawards and subrecipients can be found in the AMS Grants Division General Terms and Conditions.

Q13. When partnering with organizations to source local foods, can a State or tribal government work with an organization that has a local distribution site, but may have its national corporate headquarters in a separate location that is not local?

A13. No, the organization's corporate headquarters must be located within the same state as the recipient agency, or within 400 miles of the delivery destination.

Q14. How can public or private, non-profit or for-profit organizations connect with State governments about opportunities to be a supplier or distributor?

A14. Organizations interested in participating in the cooperative agreement as a supplier or distributor may identify points-of-contact at their State government by determining the agencies, commissions, or departments that are responsible for agriculture, procurement, food distribution, emergency response, or similar activities within the State.

Q15. Are schools eligible recipients of the distributed local foods?

A15. Food purchased through the cooperative agreement program may be distributed through nonprofit organizations, schools, or other groups engaged in food distribution. The goal is for the food to reach the hands of underserved communities.

Q16. Can emergency food bank network agencies, such as agencies administering The Emergency Food Assistance Program (TEFAP), participate in the LFPA cooperative agreement program?

A16. Food distribution may occur through state agencies, non-profit organizations engaged in food distribution, and other entities capable of ensuring program requirements are met. This can include agencies that administer the TEFAP program.

An applicant may subcontract or subaward with partners and collaborators. Only the applicant must meet the eligibility requirements listed in this RFA.

- A partnership is a relationship involving close cooperation between parties having specified and joint rights and responsibilities in the management of the project.
- A collaborator is a person or an organization unaffiliated with the applicant that cooperates with the applicant in the conduct of the project and is not immediately connected to the management of the project.

Q17. Can funding be used for infrastructure investments, such as equipment purchases?

A17. Funding is intended to primarily cover food purchasing. Storage and distribution expenses directly associated with this food purchase program are allowable. [Per the AMS Grants Division General Terms and Conditions \(pdf\)](#), acquisition costs of general purpose equipment or lease agreements to own (i.e., lease-to-own or rent-to-own) are not allowed. Equipment rentals are allowed, but the lease or rental agreement must terminate at the end of the grant cycle.

Infrastructure development for food assistance organizations is supported by the TEFAP Reach and Resiliency Grant Initiative, a separate grant program administered by the USDA Food and Nutrition Service. Both the LFPA program and the TEFAP Reach and Resiliency Grant program are part of the [Build Back Better Food System Transformation Initiative](#). [View information on funds available through the TEFAP Reach and Resiliency Grant](#)

Q18. What percentage of funding is required to be spent on food purchases?

A18. AMS has not provided percentages of funding requirements. Per the RFA, the predominance of funding must be used to purchase food. The applicants will provide a breakdown of expenses and any justifications in the Project Narrative. The budget justification must provide enough detail for AMS staff to easily understand how costs were determined and how they relate to the Project Objectives and Expected Outcomes.

Q19. Is GAP or GHP certification a requirement for suppliers who participate in this program?

A19. Suppliers that partner or subcontract with State agencies or Tribal Governments under this program are required to follow their state and local regulations regarding food safety.

Q20. Are partner agencies to be designated at time of application or can they be determined after award of the cooperative agreement?

A20: Proposed partnerships, if known, should be identified by the State Agency or Tribal Government in their project narrative as part of the application submission to AMS.

Q21: Are entities that are part of the normal food distribution network, such as the TEFAP food bank agencies encouraged to participate?

A21: AMS encourages partnerships with organizations that have experience in food distribution, including knowledge of food safety and handling, and capacity to store and manage food inventory. This includes organizations that are part of the normal food distribution network, including food bank network agencies.

Q22: Does this program support the strengthening of existing distribution to communities that meet the definition of "underserved"? In other words, if a community is current being served, but not served "well," does the program support strengthening pre-existing efforts to serve those communities?

A22: Yes. Strengthening existing distribution to communities that meet the definition of "underserved" (as defined in the RFA) aligns with the overarching goals of the program. Cooperative agreement recipients may partner with organizations already engaged in food distribution to underserved communities, such as agencies that administer the TEFAP program.

Q23: Can an agreement holder place conditions on beneficiaries receiving the food, such as attending a class/service, or praying?

A23: No. Eligible beneficiaries to receive the food are those members of communities in need of food. Agreement holders cannot place any additional conditions on receiving food.

Q24: Can procurements be channeled into foodservice at institutions in underserved communities, such as schools, early childcare centers, senior centers, etc? Or is it required that the food is channeled only to food bank clients?

A24: Recipient State agencies and Tribal Governments will determine how best to distribute the food according to the needs of underserved communities in their states and Tribal regions. The goal of the program is to get the food to those that are underserved. This may include distribution through foodbanks to families directly, or through foodservice at institutions in underserved communities such as schools, early childcare centers, senior centers, etc.

Q25: Is funding for Tribal governments separate from the funding for the state they are located in, or do the State and Tribal governments share the allocation? If the

allocation is shared, how will AMS determine how much goes to the Tribal Government and how much will go to the State?

A25: There is no specified allocation for Tribal Governments. The total available allocations listed in Section 2.5 of the RFA are to be shared between the State agency and Federally Recognized Tribal Governments in those states. To ensure that all eligible applicants have an opportunity for an award, initial awards to State agencies will be limited to 60% of the TEFAP allocation. Final award amounts will be based on multiple factors, including the number of applications and the specific details of each proposal. There is also no prohibition on Tribal Governments collaborating with State Governments. Applicants should apply for an amount of funding commensurate with their need and the population they intend to serve.

AMS will create the agreement or “initial award” as applications are reviewed. Once the application period has closed, agreements can be amended to add additional funds. The final award amount is the total funding on an agreement including initial awards and funding added through amendments.

Q26: Can food distributed through this program be delivered to schools and go toward schools lunches, via the National School Lunch Program?

A26: No. LFPA recipients can include schools as food distribution points, however the food distributed is not intended to supplement the National School Lunch Program (NSLP). USDA announced another program on December 17th, 2021, called the Local Food For Schools Cooperative Agreement Program (LFS). The LFS program will support school meal programs through the NSLP. More information is available here: <https://www.ams.usda.gov/selling-food-to-usda/lfs>

Q27: 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” supplier?

A27: Yes. To be considered "local or regional," the producer or supplier headquarters must be in the same state or within 400 miles of the delivery destination.

Q28: Are aggregator fees an allowable cost under this program?

A28: Aggregator costs are not prohibited costs under LFPA. However, determinations regarding allowability of specific costs will ultimately be made during the application review process, where we can see proposed costs in the context of the proposals. We suggest applicants refer to the RFA and the AMS Terms and Conditions for Grants and Agreements for details about allowable and unallowable costs, to assist with preparing their budget

proposals. Generally, if the cost is not expressly prohibited in the terms and conditions, directly supports the achievement of program objectives, and is reasonable in accordance with federal cost principles, then it would be allowable.

Q29: Can meals be purchased and distributed through the program?

A29: Food can be purchased and used in meals that are distributed through the LFPA program, however all meal components must meet the definitions for domestic and local, as defined in the RFA. Minor ingredients (spices, oils, sweeteners, etc) used in meal preparation must meet the definition of “Domestic Food” outlined in the RFA. Meal preparation must also be performed locally.

Q30: Can we use LFPA funding to add funds to an existing program?

A30: This will depend on the details of the existing program and the way in which funding is used. Applicants who intend to use LFPA funding for existing efforts must demonstrate clearly in their proposal how LFPA funds will supplement (e.g. by increasing or expanding) existing food procurement and food distribution activities. The applicant must also demonstrate how funds will be used to align existing activities with LFPA program goals, objectives, outcomes, and reporting requirements.

LFPA funding is intended to support programs involving procurement of local or regional food from socially disadvantaged producers and the distribution of that food to underserved communities. It is not intended to provide funding for programs where individuals are provided directly with funds to make individualized purchases.

Q31: Are awardees required to follow their state, local, or tribal laws and regulations for procurements, even if they subcontract with one or more private entities to implement the funds?

A31: Yes, awardees and their subrecipients must follow the state, local, or tribal laws and regulations used for procurements from non-Federal funds. Please reference the Request for Applications (RFA), Section 1.3.1, Section 3.2, and Section 7 of the AMS General Terms and Conditions. Also reference Title 2 of the Code of Federal Regulations, specifically 2 CFR § 200.317 and 2 CFR § 200.318.

Q32: Our state procurement regulations limit us to making awards on a low-cost basis only, which may inhibit our ability to achieve some program goals. Can AMS provide states with information/models for subcontracting that will provide procurement flexibilities and guide them toward meeting the goals of the program?

A32: There is not a one size fits all model for every state's procurement regulations. AMS is available for consultation to assist applicants with finding flexibilities to assist with meeting program goals. Additionally, the application review process allows negotiation, so if a submitted proposal does not align to the program goals, AMS can provide additional procurement technical guidance at that point.

Q33: Can LFPA funding be used to provide technical assistance to small and socially disadvantaged suppliers and producers?

A33: Yes. Section 4.6.1 of the RFA states that direct costs may be proposed for outreach and program development, which may include technical assistance for socially disadvantaged producers to facilitate participation in the LFPA program. Costs associated with outreach and program development must be directly allocable to LFPA program activities and goals.

Q34: Can LFPA funding be used to pay for GAP certifications, training, seed, or crop insurance?

A34: No. Food safety certifications, training, seed, or crop insurance are examples of production costs. Costs associated with food production activities, or costs associated with general purpose development or training are unallowable. In addition to food purchases, State and Tribal governments may propose direct costs for outreach, program development, program administration, food storage, and distribution expenses.