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I. Executive Summary

The purpose of the Real Food Calculator (RFC) Internship is to audit the sourcing practices of Carolina Dining Services in compliance with Real Food Challenge standards. The following report covers the purchases made in February 2018.

Results & Analysis

The Real Food percentage for September 2017 is 21.16% (calculator version 2.1).

Sources of Error

- When a company is based locally, but it is not clear where all their individual products are sourced as well as where the ingredients within their products are sourced. Consequently, there could be more local products than what is included.
- There were a couple vendors who did not follow up about inquiries related to their compliance with Real Food Guidelines.

Recommendations

The Fall 2018 recommendations are focused on:

- A very small percentage of grocery items are considered Real Food, but many of these products could be sourced locally or from companies with varying third-party certifications.
- Communication with the Real Food Challenge needs to be improved, and a dialogue where CDS can provide more direct feedback must be created.
- After experiencing several setbacks and frustrations with the Real Food Challenge, researching the approaches and auditing systems of other universities would be helpful.
- By recommending additional third-party certifications to the Real Food Challenge to be included in the Real Food Standards, CDS could potentially increase its percent of Real Food.

II. Internship Purpose

The purpose of the Real Food Calculator internship is to evaluate UNC-Chapel Hill's Campus Dining Service's purchases. Because UNC-Chapel Hill has committed to purchasing practices that are in compliance with Real Food Challenge standards, Real Food Calculator interns audit CDS's purchases. Through this process, interns can also help CDS learn about how they can improve their purchasing to further fulfill the different aspects of "real food" such as being local, fair, ecologically sound, and humane (The Real Food Guide.).

Interns review the purchases CDS makes within a single month, and they calculate the percent of food that is considered Real Food according to the Real

Food Challenge's 2.1 Guide (The Real Food Guide). After auditing the purchasing records, Real Food interns analyze this data based on CDS's intention of supporting a sustainable and equitable food system.

III. Calculator Methodology

Before beginning the audit, interns complete an online training in order to be registered with the Real Food Calculator as researchers. The training covered several topics such as the background and values of the Real Food Challenge, the process of preparing the audit then calculating the Real Food percentage, and how the data will be reviewed. Interns also completed quizzes to assess their comprehension of the training. After completing the training, interns meet with employees of Carolina Dining Services to discuss the audit process and to receive copies of redacted velocity reports for the month they are auditing. Interns then enter the reports into the spreadsheet template provided by the Real Food Challenge. This spreadsheet requires several types of information on the products, some of which is provided in the velocity reports such as product description, product code, label/brand, vendor, cost, and dining facility in which it was prepared. The interns then categorize the products by type of food. The categories are produce, baked, beverages, dairy, eggs, grocery, meat, poultry, fish, and teacoffee. The rest of the prompted information must be researched by the interns based on the Real Food Challenge guidelines. Interns research the products online or by contacting the vendors to determine whether the products are considered to fall within the categories that constitute Real Food. If a product qualifies as one of the Real Food categories (Local & Community Based, Fair, Ecologically Sound, and Humane), it is recorded in the spreadsheet as well as the reason that it qualifies as Real Food, most commonly being a third party certification. Additionally, any disqualifiers, such as being sourced from a CAFO or being produced using prison labor, are noted and automatically eliminate a product from being considered real even if it satisfies other categories.

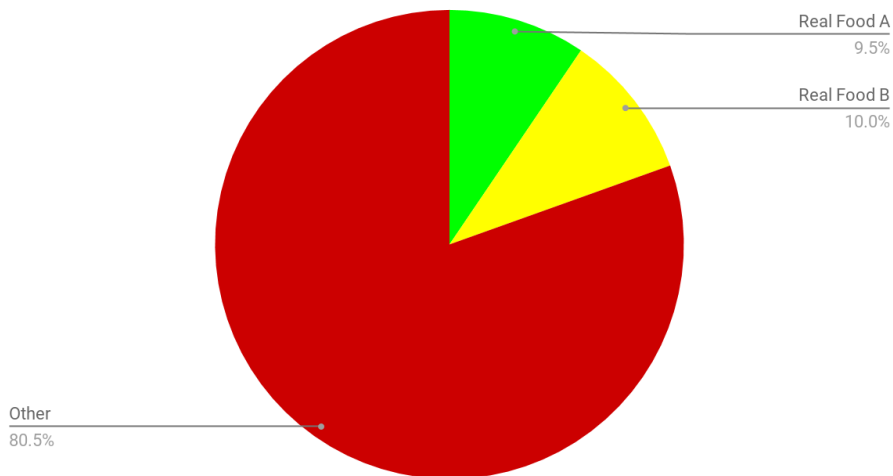
After uploading and researching all of the purchases, interns submit their spreadsheet to the Real Food Challenge who will review the data. RFC also asked that interns reaudit the Fall 2017 data that last semester's interns originally audited in compliance with the 2.1 Standards. After resubmitting Fall 2017, RFC reviews the data from both semesters.

Throughout the audit process, interns learn about CDS's purchasing practices and are able to reflect on how CDS may improve their purchasing in order to increase their percentage of Real Food. Interns may form suggestions, research new vendors for CDS to consider, and work with CDS on ideas they have.

IV. Results

Under the 2.1 standards for the Real Food Challenge, CDS purchased 21.16% Real Food. Of the \$667,877.72 spent in February 2018, \$141,348.57 qualified as Real. 9.5% (63,360.42) qualified as Real Food A and 10% (\$67,116.57) qualified as Real Food B.

Real Food Total



V. Analysis

Semesterly Real Food Percentages under 1.0 Standards

Semester	Real Food Percentage
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Fall 2010	13%
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Fall 2011	10%
Fall 2012	20%
Fall 2013	23%
Spring 2014	26%
Fall 2014	21%
Spring 2015	29%
Fall 2015	28%
Spring 2016	24.2%
Fall 2016	22.87%
Spring 2017	23.5%

**Semesterly Real Food Percentages under the (more strict) 2.0 Standards
Real Food Breakdown by Food Type**

Spring 2017	19%
Fall 2017	20.24%

Real Food A = \$63,360.42

Real Food B = \$67,116.57

Real Food Total = \$141,348.57

Total \$= 667,877.72

% Real under 2.1 standards= **21.16%**

Category	Amount \$ Real	Total \$ Spent	Total \$ Real A	Total \$ Real B
Baked	0	\$9,164.53	0	0
Beverages	0	\$19,068.91	0	0
Dairy	\$1,066.92	\$493.4+ Maola (56,685.92) = \$57,179.32	\$1,066.92	0
Eggs	\$2,7221.61	0	0	\$27,221.61
Fish	\$10886.55	\$10,886.55	0	\$10,886.55
Grocery	\$2,620.93	\$1,402.56	\$2,353.07	\$267.86
Meat	\$17138.6	\$21063.15	\$17138.6	0
Poultry	\$41,613.94	\$41,613.94	\$41,613.94	0
Produce	\$26602.19	\$80,276.39	\$1187.89	\$25,414.3
Tea/Coffee	\$3,326.25	\$3,326.25	m	\$3,326.25

Produce, Dairy, Meat, and Poultry are the most essential

VI. Sources of Error

- There are potential errors in determining whether foods sourced from Freshpoint are local because CDS and Freshpoint define local differently and because there are some discrepancies between the Freshpoint spreadsheets and the CDS velocity reports.
- When researching whether food qualified as real, we commonly started on the vendor's website to look for third-party certifications. If a third-party certification was not listed on the website but there was information about the vendor using environmental or socially-conscientious practices, we would contact the vendor to inquire as to whether they had any third-party certifications. There were a couple of instances when these vendors did not reply to our inquiries. Since a select few vendors replied that they did, in fact, have third-party certifications, it is possible that vendors who did not reply did as well.

VII. Recommendations

As we completed our audit, we evaluated ways in which CDS could increase their percent of Real Food. With CDS' goal to obtain a new dairy vendor, we found that the Real Food percentage would increase in a couple percentage points if the dairy purchasing was counted as local. While there is definitely space for CDS to improve their purchasing practices, UNC does exceptionally well in their efforts to purchase Real Food. Most of our recommendations are focused on improving communication with the Real Food Challenge and reflecting on what steps are in the best interest for UNC and supporting sustainable food systems, given the limitations of being a public institution, moving forward.

Dairy

One of the main concerns of this semester was not being able to reach the 20% real food because of the 2.0 standards for dairy. However, the 20% goal was reached this concern, proving great potential and accomplishment in the real food purchasing at CDS in terms of produce, grocery, and meat products. It is important to note that the interns did not complete any research of new Dairy vendors or follow through with any past intern recommendations because Aramark and CDS were in the process of obtaining a local Dairy producer themselves. The percentage of real food under 1.0 standards, the initial

standards CDS signed on to, was calculated this semester, and that percentage would be _____, with a local and real food dairy producer.

Communication Gaps

Over the course of the semester, we corresponded regularly with CDS employees about our progress and questions, and throughout the process they expressed several frustrations. These frustrations mostly centered around the lack of a dialogue they have been able to have with Real Food Challenge about their guidelines as well as changes they make. Often, CDS is not notified in advance of changes to guidelines nor are they asked for their input as these guidelines are implemented. As a result, CDS is often not given the chance to adapt nor express challenges they face. For example, when the 2.0 Real Food Standards were released in 2017, dairy companies who grossed over \$5 million annually would no longer be considered Real Food (Real Food Standards 2.1). Consequently, dairy sourced from Maola was no longer considered real.

CDS employees were frustrated about these changes and especially about not being included in the conversations that led to them. There have been other similar frustrations such as the change in the 2.0 Real Food Standards that stated that produce companies could not be considered real once they had over \$5 million in annual profits (Real Food Standards 2.1). For the future interns, we recommend that interns take time at the beginning of the semester to learn about the challenges that CDS employees are facing related to the Real Food Challenge and start thinking about how they can contribute to fostering a dialogue between CDS and RFC.

Expanding Third-Party Certifications

Whether a food product is Real is often determined by its third-party certifications (Appendices). How an item can be Real is considered either Real Food A or Real Food B depends on whether it meets one or two qualifications that make it real. For example, it could have two of the included third-party certifications (Real Food Standards 2.1). While the Real Food Challenge has a large number of third-party certifications listed, they are also lacking many that vendors have. For example, CDS sources its coffee from Larry's Coffee. Because Larry's Coffee is certified USDA Organic, it is considered Real Food B. Yet, Larry's Coffee has six other certifications that are not covered by the Real Food Challenge (Larry's Coffee). It seems that as a large and reputable coffee company, these six other certifications are most likely valid. Also if a company advertises sustainable or ethical practices and has third-party certifications that are not covered by RFC, interns cannot count that product as Real even if all the evidence indicates that it is. We recommend that future interns pay careful

attention to instances of this and take note of what certifications are not being included. It would be helpful not only to UNC but to other colleges as well to expand the third-party certifications available.

Researching Options

As a large public institution, it is a priority for UNC to offer affordable and accessible food options for its students. UNC has excelled at meeting the requirements provided by the Real Food Challenge, yet CDS has experienced continuous frustrations with the updating guidelines and general relationship with RFC. In addition to suggestions regarding an increased dialogue and more feedback to RFC, we recommend that future interns start researching how other universities source sustainably, especially those who do not participate in the Real Food Challenge. This may include exploring the practices of universities such as the University of California System as well as Warren-Wilson College. Also, interns could try to find potential other audit programs. Furthermore, we reckoned that interns begin learning about how UNC audits its clothing purchases for the potential to translate some of the approaches to food purchasing.

Appendices: Real Food Standards 2.1

The Real Food Guide			
Local & Community Based	Fair	Ecologically Sound	Humane
<p><i>These foods can be traced to nearby farms, ranches, boats, and businesses that are locally owned and operated. Supporting small and mid-size food businesses challenges trends towards consolidation in the food industry and supports local economies.</i></p>	<p><i>Individuals involved in food production work in safe and fair conditions, receive fair compensation, are ensured the right to organize and the right to a grievance process, and have equal opportunity for employment.</i></p>	<p><i>Farms, ranches, boats, and other operations involved with food production practice environmental stewardship that conserves biodiversity and ecosystem resilience and preserves natural resources, including energy, wildlife, water, air, and soil. Production practices minimize toxic substances, greenhouse gas emissions, natural resource depletion, and environmental degradation.</i></p>	<p><i>Animals have their mental, physical, and behavioral needs met in a low-stress environment and throughout their life are only administered drugs for treatment of diagnosed illness or disease.</i></p>
GREEN LIGHT: Products meeting these criteria or certifications qualify as Real Food and best represent the standard			
<p>Single-ingredient products: A product must meet ALL the following criteria:</p> <p>A. Ownership: Producer must be a privately or cooperatively owned enterprise. <i>Wild-caught seafood must come from owner-operated boats.</i></p> <p>B. Size:</p> <ul style="list-style-type: none"> • Produce: Individual farms must gross \$5 million/year or less • Baked goods, beverages, dairy, eggs, grocery, meat, poultry, seafood: Company or cooperative must gross \$50 million/year or less <p>C. Distance: All production, processing, and distribution facilities must be within a 250 mile radius of the institution. <i>This radius is extended to 500 miles for Meat, Poultry, and Seafood.</i></p> <p>Single-ingredient products (aggregated): 100% of the products must meet the criteria for Ownership, Size, and Distance</p> <p>Multi-ingredient product: The company and at least 95% of the ingredients by volume must meet the criteria for Ownership, Size, and Distance</p>	<p>A single-ingredient product must be certified by ONE of the following approved certifications or criteria:</p> <p>International products:</p> <ul style="list-style-type: none"> • Ecocert Fair Trade Certified • Fair for Life Certified by Institute for Marketecology (IMO) • Fairtrade America (Fairtrade International FLO) • FairWild • Hand in Hand • Small Producer Symbol <p>Domestic products:</p> <ul style="list-style-type: none"> • Equitable Food Initiative (EFI) • Food Justice Certified by Agricultural Justice Project • Farms unionized through FLOC (AFL-CIO), FUJ, PCUN, UFW <p>Worker-driven Social Responsibility programs*:</p> <ul style="list-style-type: none"> • Fair Food Program by the Coalition of Immokalee Workers • Milk with Dignity by Migrant Justice 	<p>A product must be certified by ONE of the following approved certifications:</p> <p>Single-ingredient products:</p> <ul style="list-style-type: none"> • Biodynamic Certified by Demeter • FairWild • Food Alliance Certified (produce and grocery only) • Rainforest Alliance Certified • Regenerative Organic Certified • Salmon Safe • USDA Organic and approved certifiers <p>Coffee only:</p> <ul style="list-style-type: none"> • Bird Friendly by Smithsonian <p>Produce only: Produce grown in a farm or garden at the institution, in which the researcher can confirm the use of organic practices</p>	<p>A product must be certified by ONE of the following approved certifications**:</p> <p>All products:</p> <ul style="list-style-type: none"> • Animal Welfare Approved/Certified (AWA) by A Greener World • AWA Grassfed by A Greener World • Biodynamic Certified by Demeter • Global Animal Partnership Steps 4-5+

YELLOW LIGHT: Products meeting these criteria or certifications qualify as Real Food but do not represent the <i>fullest</i> expression of the standard			
<p>Multi-ingredient products: Company must meet ALL the following criteria:</p> <p>A. Ownership: Company must be a privately or cooperatively owned enterprise</p> <p>B. Size: Company or cooperative must gross \$50 million/year or less</p> <p>C. Distance: All processing and distribution facilities must be within a 250 mile radius of the institution.</p> <p style="text-align: center;">-AND-</p> <p>At least half (50%) of the ingredients by volume must come from farms meeting ALL the following criteria:</p> <p>A. Ownership: Company must be a privately or cooperatively owned enterprise</p> <p>B. Size:</p> <ul style="list-style-type: none"> • Produce: Individual farms must gross \$5 million/year or less • Baked goods, beverages, dairy, eggs, grocery, meat, poultry, seafood: Company or cooperative must gross \$50 million/year or less <p>C. Distance: All production facilities must be within a 250 mile radius of the institution</p> <p>Single-ingredient products (aggregated): At least three-quarters (75%) of the product (by volume) must meet the criteria for Ownership, Size, and Distance</p>	<p>A product must meet ONE of the following criteria:</p> <p>All products:</p> <ul style="list-style-type: none"> • <i>Fair Trade USA</i> <p>Multi-ingredient products:</p> <ul style="list-style-type: none"> • At least one of the primary ingredients (20% by volume) meets the Green Light criteria 	<p>A product must meet ONE of the following criteria:</p> <p>Single-ingredient products: Be certified by one of the following approved certifications:</p> <ul style="list-style-type: none"> • <i>ANSI/LEO-4000</i> (gold- or platinum-certified) by Leonardo Academy • <i>Bee Better Certified</i> • <i>Certified Sustainably Grown</i> • <i>Fair Trade USA</i> • <i>LEAF Marque</i> (Linking Environment and Farming) • <i>USDA Transitional Organic</i> <p>Multi-ingredient products:</p> <ul style="list-style-type: none"> • At least half (50% by volume) of the ingredients meet the Green Light criteria <p>Seafood (wild-caught only):</p> <ul style="list-style-type: none"> • <i>Marine Stewardship Council (MSC) Blue Eco Label</i> paired with the <i>MSC Chain of Custody Certification</i> • <i>Monterey Bay Aquarium Seafood Watch Guide "Best Choices" and "Good Alternatives"</i> 	<p>A product must be certified by ONE of the following approved certifications:</p> <p>Broiler chickens:</p> <ul style="list-style-type: none"> • <i>Certified Humane Free Range/Pasture Raised</i> • <i>Global Animal Partnership Step 3</i> <p>Laying hens:</p> <ul style="list-style-type: none"> • <i>American Humane Certified Free Range / Pasture Raised</i> • <i>Certified Humane Free Range / Pasture Raised</i> • <i>Global Animal Partnership Step 3</i> <p>Swine:</p> <ul style="list-style-type: none"> • <i>Global Animal Partnership Step 3</i>
DISQUALIFICATIONS: Products containing disqualifying characteristics cannot count as Real Food in any category			
<ul style="list-style-type: none"> • Egregious human rights violations <ul style="list-style-type: none"> ◦ Forced labor (including Prison labor): Producers have been found guilty of criminal charges of forced labor within the previous 10 years OR products that have been produced in prisons or using prison labor (through state or county correctional industries or through lease to, or partnership with, private agricultural or food processing companies). • Labor violations: Producer has been found guilty of or has been cited for three or more cases relating to serious, repeat, or willful Occupational Safety and Health Administration (OSHA), National Labor Relations Board (NLRB), or Fair Labor Standards Act (FLSA) violations within the last three years. • Concentrated Animal Feeding Operations (CAFOs): Producer is a Concentrated Animal Feeding Operation (CAFO) <ul style="list-style-type: none"> <i>Except for dairy that has been aggregated from multiple farms if the average farm size is less than 200 cows</i> • Genetically Modified Organisms (GMOs): Products made with genetically engineered ingredients (including corn, soy, rapeseed, beet sugar, papayas and summer squash) and their derivatives <ul style="list-style-type: none"> <i>Unless these ingredients are used in trace amounts or the product carries a certification that precludes the presence of GMOs (Non-GMO Project Verified or any of the certifications that qualify as Ecologically Sound)</i> • Ultra-processed foods: Products made with the following ingredients: Aspartame; Butylated hydroxyanisole (BHA), Butylated hydroxytoluene (BHT); Caramel coloring; Partially hydrogenated oil (trans-fats); Potassium bromate; Propyl gallate; rBGH/rBST; Saccharine; Sodium nitrite added; Dyes: Red #3, Red #40, Yellow #5, Yellow #6. <p><i>*Worker-Driven Social Responsibility Programs are exempt from Disqualifiers and can count as Real Food even if they have a disqualifying characteristic.</i></p> <p><i>**Animal products that meet the certifications in the "Green Light" Humane category are exempt from the CAFO disqualifier. All other animal products should be researched for the CAFO disqualifier.</i></p>			

VIII. Citations

“The Real Food Guide.” Real Food Challenge.
<http://calculator.realfoodchallenge.org/help/resources>.

Real Food Standards 2.1. Real Food Challenge.
<https://www.realfoodchallenge.org/documents/39/The Real Food Standards 2.1 Pack age.pdf>

“Larry’s Coffee”. Larry’s Coffee.
<https://larryscoffee.com/>