

LOCAL FOOD ECONOMICS FACT SHEET

COMMUNITIES WIN

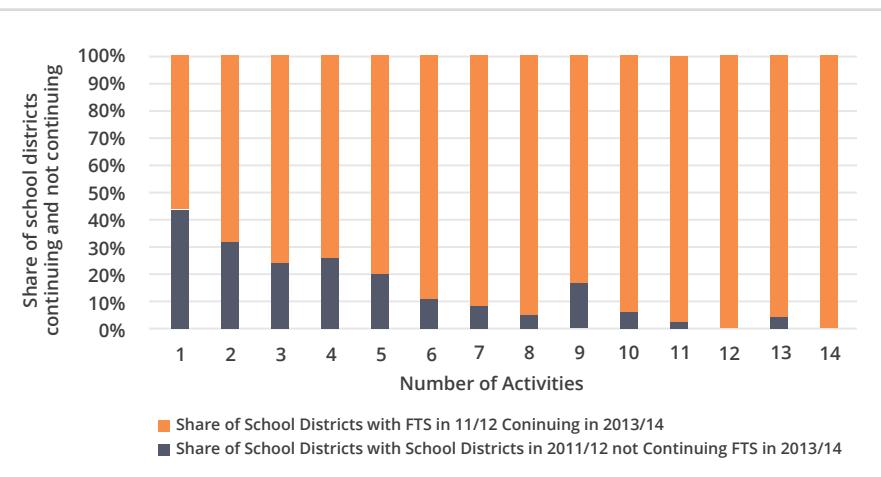


IMPLICATIONS OF FARM TO SCHOOL PROGRAMS

Farm to school [FTS] programs are widely celebrated for their broad, multi-sectoral benefits, often summarized as the “triple win” - kids win, farmers win, communities. With respect to the “communities win” benefit of FTS, the National Farm to School Network states that “FTS benefits everyone from students, teachers and administrators to parents and farmers, providing opportunities to build family and community engagement.

Buying from local producers and processors creates new jobs and strengthens the local economy.¹ This fact sheet reviews our research team’s findings about the relationship between participation in various FTS activities and the likelihood of a school district’s continued participation, as well as research on the community economics of FTS programs.

The Number of Activities is Associated with Higher Likelihood of Continuing Farm to School



- » This figure shows the shares of school districts that participated in FTS in the 2011/12 school year that continued (orange bar) or did not continue (blue bar) FTS programming in the 2013/14 school year by number of activities implemented in the 2011/12 school years.
- » School districts that continued FTS were systematically more likely to have most of the FTS activities than those that did not continue FTS in the following year.
- » The one FTS activity **not** associated with continuation is farm visits. Schools that did not have a farm visit in the 2011/12 school year were more likely to have continued participating in FTS in the 2013/14 school year.

¹ <http://www.farmtoschool.org/about/what-is-farm-to-school>



What is Farm to School?

FTS activities take place in the cafeteria (e.g., procurement and cafeteria promotions), the classroom (e.g., school gardens, integrating nutrition and/or agricultural education), or outside the classroom (e.g., farm visits).

<https://farmtoschoolcensus.fns.usda.gov>

Farm to School Census

The USDA conducted the FTS Census in 2013 and 2015 to better understand the prevalence of FTS program implementation and to identify needs for technical assistance.

Economic Impacts

One of the purported benefits of local procurement, a key element of FTS, is that it strengthens the local economy by providing expanded market access for local farms and ranches.

- » Local food producers selling to schools spend their money differently than more commodity-oriented producers or traditional distributors in ways more likely to create localized economic impacts. In other words, producers participating in FTS are more likely to buy local themselves. And, this is one of the reasons that FTS procurement results in positive local economic impacts.
- » To capture these differences, researchers refine economic impact models to more accurately represent the business spending patterns of producers selling to schools.
- » A literature review of studies that estimate the economic impact resulting from FTS (see Data Sources) found that:
 - » For every \$1 spent by schools on local food procurement an additional \$0.03 to \$1.40 is generated in related sectors of the local economy. This means that local procurement by schools has an economic multiplier of 1.03-2.40.

\$1 on local food purchases at schools.

Results in an additional \$0.03 to \$1.40 spent in the local economy.

Modeling Assumptions and Resulting Multiplier Ranges

Define Your Region

The larger the definition of your region, the larger the multiplier (as there are more locally owned inter-industry linkages).

Countervailing Effects

Additional purchases from local sources generally mean less purchases from mainline distributors. Deducting such purchases are important, and will reduce your multiplier.

Modification To FTS Sector

Modifying the ag sector to better reflect producers selling to schools generally increases the FTS multiplier effect as producers often use more labor and spend a greater share of variable expenses (as a share of total costs), in the local economy.

Considerations for Examining Economic Impacts in Farm to School

Things to consider when exploring the economic impacts of local purchases:

- » How is the region defined where the impacts will be felt?
- » Is FTS influencing just the county where the school is located, or multiple counties that include where school and producers are located, or the statewide food system?
- » Are there any countervailing effects?
 - » Is local procurement displacing funds spent with traditional distributors, which may have negative effects on the distributors and thus reduce the total economic impact?
- » For the purposes of analysis, one can create a new FTS producer sector to reflect how different production and marketing/distribution practices influence spending compared to traditional producers?

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Data Sources:

Christensen, L., B.B.R. Jablonski, L. Stephens, A. Joshi. 2019. Evaluating the economic impacts of farm-to-school procurement: An approach for primary and secondary financial data collection of producers selling to schools. Journal of Agriculture, Food Systems, and Community Development:8(Suppl.3): 73-94. <http://www.farmtoschool.org/resources-main/economic-impacts-of-farm-to-school>

Bonanno, A., and S. Mendis "Too Cool for Farm to School? Analyzing Factors Associated with School Districts" Organized Symposium: Effectiveness of Farm-to-School Programming – Data Availability and Preliminary Evidence, 2018 WAEA Meeting, Anchorage, AK, June 24-26 2018

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