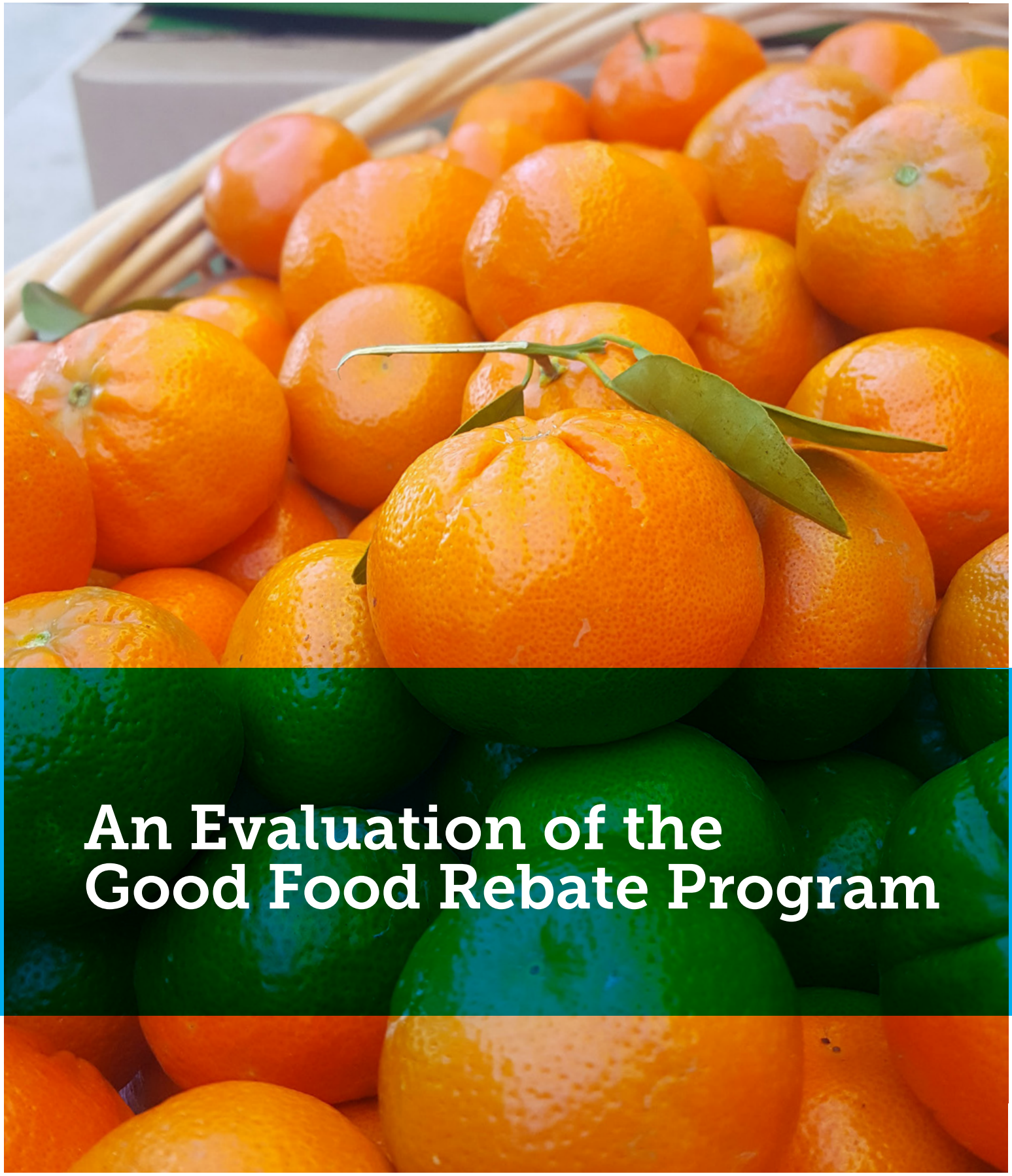

An Evaluation of the Good Food Rebate Program

FUNDING PROVIDED BY

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REPORT DEVELOPED BY

COMMUNITY HEALTH IMPROVEMENT PARTNERS

making a difference together

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INTRODUCTION

The **Good Food Rebate Program (GFRP)** is an initiative that offers motivated institutions a targeted, accountable financial incentive to support increased purchasing of local, sustainable, and fairly-produced foods. Community Health Improvement Partners (CHIP), a San Diego County nonprofit, incubated and houses the GFRP as part of its farm-to-institution and food systems change efforts in the region. This report summarizes the pilot of the GFRP in Fallbrook Elementary Union School District (FUESD) in the 2016-2017 school year.

PROGRAM CONTEXT

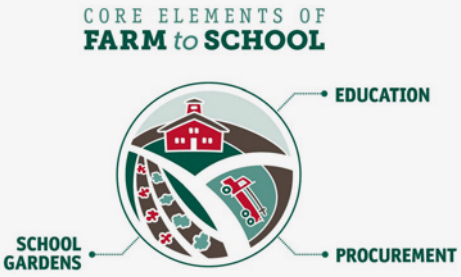
INCREASING HEALTHY FOOD ACCESS THROUGH INCENTIVES

Over the past decade, a confluence of **public health, economic development, and food systems change-makers have coalesced around the strategy of increasing Americans' access to good food** where they eat, learn, live, work, and play. **Financial incentives have played a crucial role in these efforts.**

On the demand-side, numerous programs funded by the federal and state governments and private foundations have sought to incentivize consumer purchases of more fresh fruits and vegetables at farmers markets, grocery stores, through community supported agriculture (CSAs), and more. Examples include farmers market matching programs (i.e. Market Match), point-of-sale incentives in grocery stores (Food Insecurity and Nutrition Incentives, or FINI), and subsidized CSA shares. Between 2015 and 2018, FINI alone projected to award $90M to support point-of-sale incentives to increase fruit and vegetable consumption among Supplemental Nutrition Assistance Program (SNAP) participants.[1]

On the supply-side, financial strategies to increase access to healthy food have come in the form of grants, tax breaks, and low-to-zero-interest loans to food business owners and their community partners. Strategies have been targeted at healthy corner store initiatives, developing grocery stores in 'food deserts,' developing mobile markets, and more. Examples include the Healthy Food Financing initiative (HFFI) and dozens of similar state-level programs. Between 2011 and 2016, HFFI alone awarded over $50M.[2] Including all funding from federal and state governments, private foundations, and match dollars, **hundreds of millions of dollars have been invested over the last decade into supply and demand-side incentives to increase healthy food purchasing.**

FARM-TO-SCHOOL AND FARM-TO-INSTITUTION MOVEMENTS



Farm to school (F2S) is defined as the combination of school gardens, food based education, and local foods procurement in a school setting.[3]

[1] *Fair Food Network, Food Insecurity Nutrition Incentive (FINI), Grant Program Overview, accessed in November, 2017 at fairfoodnetwork.org/wp-content/uploads/2016/09/Food-Insecurity-Nutrition-Incentive-FINI Overview_Fall-2014.pdf.*

[2] *U.S. Department of Health and Human Services, Healthy Food Financing Initiative, accessed in November, 2017 at www.acf.hhs.gov/ocs/programs/community-economic-development/healthy-food-financing.*

[3] *Joshi, A., Henderson, T., Ratcliffe, M.M., Feenstra, G. (2014). Evaluation for Transformation: A CrossSectoral Evaluation F ramework for Farm to School, National Farm to School Network. Accessed at http://www.farmtoschool.org/Resources/Evaluation_Transformation_FINAL-Web.pdf in February, 2016*

Across the country, the farm-to-school (F2S) and broader farm-to-institution (F2I) movements are thriving. Food-serving institutions are recognizing the influence of their collective buying power and the unique opportunity they have to educate and engage their students, patients, employees, and broader communities. Active F2I sectors include K-12 schools, universities, healthcare, government, large employers, early childcare, senior care facilities, and more. A number of these institutions are notably tax-funded and charged with the care and well-being of society's most vulnerable populations including children, the sick, and elderly, making the quality of the food they provide and the desire for greater transparency all the more important. Among these sectors, K-12 schools are leading the charge. According to the USDA's most recent Farm to School Census, over 5,254 school districts participate in farm-to-school activities, investing over $789M in local and regional foods.[4]

In San Diego County, collective advancement of F2S and F2I efforts has been facilitated by the **San Diego Childhood Obesity Initiative** and related sub-groups such as the **San Diego County Farm to School Taskforce** (F2ST) and the **Nutrition in Healthcare Leadership Team**. These initiatives have consistently provided 'backbone' support and a range of technical assistance support to K-12 schools and hospitals, respectively, including good food brokering, workshops, coordination, research, evaluation, strategic planning, facilitation, events, and more. In the 2015-16 school year, the F2ST had 34 member organizations, including 22 school districts and institutional buyers, six local food and farm businesses, and six community partners.

From school year 2013-14 to 2015-16, San Diego County public school districts increased:

Local food purchasing by 470%
(to roughly $17.7m/year)

Participation in F2S activities by 200%

The number of school gardens by 40%[5]

Despite progress nationally and in San Diego County, steep challenges remain. Institutional food purchasing budgets remain very limited. Schools often lack kitchens, infrastructure, and necessary staff capacity to serve fresh, whole meals, and the supply chains serving them are highly consolidated and not as transparent as many institutions and advocates would prefer. **In San Diego County, school districts had just $1.19 to spend on food per plate to serve over 60M meals per year.** Indeed, in the past three consecutive years of CHIP's comprehensive annual State of Farm to School in San Diego County survey and report, school districts number one reported barrier to purchasing more local and regional food is cost.[6] From an economic perspective, improving the quality and healthfulness of the foods served in schools and other institutions is an uphill battle.

Despite steadily increasing interest in F2I around the country, demonstrated economic challenges, and the increased use of incentives, **the use of financial incentives has yet to take root in F2I initiatives**. Outside of a handful of states that have established state-level funds to provide additional per meal reimbursements to school districts for local foods, incentive approaches are few and far between.

THE IDEA OF 'GOOD FOOD' IS HERE TO STAY

Simultaneous to these developments in healthy food incentives and the F2I movement, many food systems change practitioners have shifted toward a fundamentally 'triple bottom

[4] *USDA, 2015 Farm to School Census Results, accessed in November, 2017 at https://farmtoschoolcensus.fns.usda.gov/.*

[5] *Community Health Improvement Partners, 2015-2016 State of Farm to School in San Diego County, accessed in November, 2017 at http://www.sdchip.org/wp-content/uploads/2016/06/2015-16-State-of-F2S-in-SD-County.pdf.*

[6] *Community Health Improvement Partners, 2014-2015 State of Farm to School in San Diego County, accessed in November, 2017 at www.sdchip.org/wp-content/uploads/2015/12/State-of-F2S-in-SD-County-2015.pdf.*

line' approach that recognizes the interrelatedness of the food system's impact on the economy, health, environment, and our overall wellbeing. The food and food system that supports our health, the economy, environment, and well-being has come to be called, simply, 'good food.'

This dynamic is perhaps best articulated in the principles of the Brazilian Ministry of Health's Dietary Guidelines for the Brazilian Population, which are widely recognized as some of the most forward-think dietary guidelines in existence, and were used to inform the development of the County of San Diego's Eat Well standards. The guidelines simply state the core principle that, **"Healthy diets derive from socially and environmentally sustainable food systems."**[7] While a seemingly obvious statement to those already on board with the good food movement, understanding this inherent interconnectedness in the context of dietary guidelines is a tectonic shift forward.

In the institutional sector in the U.S., **national efforts have coalesced around the Center for Good Food Purchasing and its Good Food Purchasing Program (GFPP)**. First developed by the Los Angeles Food Policy Council and adopted by the City of Los Angeles, the program provides a metric based, flexible framework that encourages larger institutions to direct their buying power toward five core values: local economies, environmental sustainability, valued workforce, animal welfare, and nutrition. **CHIP recognizes and appreciates the national efforts to grow the good food movement, particularly those in institutions, and offers the GFRP as a related strategy that supports schools and other institutions in overcoming the primary barrier they have identified to increasing good food purchasing.**

PROGRAM OVERVIEW

THE RATIONALE FOR THE GFRP

The **GFRP starts from the premise that an economic barrier requires a primarily economic solution**. As previously stated, **in San Diego County the number one barrier consistently identified by school districts curtailing their procurement of good food is cost**. The GFRP is designed to be a financial bridge that helps school districts defray the high cost of purchasing good food in the short-term while also supporting school districts in making institutional changes to handle these costs in the long-term.

The key premise of the GFRP is that local, sustainable, fairly-produced food may cost, on average, more than 'conventional' food, but the cost difference is often only a fraction more than the conventional price.

The key premise of the GFRP is that local, sustainable, fairly-produced food may cost, on average, more than 'conventional' food, but the cost difference is often only a fraction more than the conventional price. In other words, the cost of buying **good, healthy food is only nominally more expensive than less healthy options**. Rebating institutions the difference between conventional food and good food removes an economic barrier and

[7] *Ministry of Health of Brazil, Dietary Guidelines for the Brazilian Population, 2nd edition. Accessed in November, 2017 at www.foodpolitics.com/wp-content/uploads/Brazilian-Dietary-Guidelines-2014.pdf.*

allows institutions to shift their pre-existing food dollars into more local, sustainable, and fairly-produced products.

GFRP DESIGN: HOW THE PROGRAM WORKS

In the pilot of the GFRP, **CHIP provided a 20% rebate to the participating district on all qualifying purchases of local, sustainable, and/or fairly-produced foods up to $10,000 in rebates during the 2016-2017 school year. With $10,000 in rebates, the program was designed for the participating district to be able to shift up to $50,000 in total food purchasing.** From the perspective of the donor/funder, the effective result of the GFRP is to turn every dollar invested in rebates into five dollars of good food for school children. CHIP paired the incentives with targeted technical assistance to support long-term institutional change (details below). Operationally, other aspects of the program design included:

...the effective result of the GFRP is to turn every dollar invested in rebates into five dollars of good food for school children.

- CHIP setting guidelines for eligible GFRP purchases, which are largely aligned to the County of San Diego's new Eat Well guidelines
- CHIP encouraging the participating district to vet desired purchases with them to ensure they meet program guidelines
- Participating district submitting quarterly invoices to CHIP for rebates
- CHIP providing a flexible suite of brokering and technical assistance

A STEP-BY-STEP APPROACH TO THE GOOD FOOD REBATE PROGRAM

KEY PREMISE The cost of procuring local, nutritious ("good") school food is only marginally higher than the cost of procuring generic school food.

RESULT Good food rebates account for the small cost difference between good school food and generic school food, effectively removing the cost barrier to **increasing** good food procurement.

STEP 1

BUY LOCAL

School purchases healthy produce direct from local farms or from a produce distributor that labels local.

STEP 2

RECORD & INVOICE

School submits invoices to CHIP; local purchases are identified and the rebate is calculated.

STEP 3

APPLY REBATE

The rebate reimburses the school a percent of the price of the local purchase, generally around 20%.

services to the district including 'contract clinics,' farm-to-school planning, marketing, and engaging district leadership, parents, and community members

SUSTAINABILITY

The GFRP is designed to stimulate and support institutions' good food purchasing in the short-term, not indefinitely. Therefore, participating institutions' ability to sustain these purchases long-term is of the utmost importance.

First and foremost, it is important to note that there is no silver bullet to increased good food purchasing. The ultimate solution is for schools, institutions, their leadership, and stakeholder communities to shift their values around the food we feed our children and other vulnerable populations, and understand the role our publicly-funded institutions have to ensure health and well-being through the foods they offer. At the heart of many of these institutions lie democratic processes and tax-funded budgets. Therefore, **the most sustainable long-term solutions are advocacy efforts that shift the values and financial priorities of school districts**.

In addition, **the economics of school food allow for the possibility that the GFRP may be able to induce a snowball effect that allow the increased costs of good food purchasing to be self-sustaining long-term**, in whole or in part. The key lies in the theory that improved food offerings, when effectively prepared and marketed, can drive more students to participate in school meals programs, which allows districts to draw down more resources from paid and reimbursable meals. Increased revenue in combination with economies of scale[8] allows for the possibility that the GFRP may be able to spark a process by which the cost of better food offerings become self-sustaining.

To be clear, better ingredients alone are unlikely to move the dial on meal participation rates. The key will be to pair changes in procurement with innovative menu design, preparation techniques, marketing practices, and more.

POTENTIAL IMPACT

In the short-term, the **GFRP has the potential for $10,000 in rebates to shift a total of $50,000 of a school district's food budget into local, sustainable, and/or fairly-produced foods**. For the average San Diego County school district that has a roughly $1M annual food budget and $200,000 produce budget, a $50,000 shift in a single year is significant. For example, if all or most qualifying purchases were made in produce, this could shift 25% of a district's produce budget into good food options in a single year.

The effective short-term **return on investment (ROI), of $1 invested in good food rebates is $4**, which does not include the numerous positive externalities associated with healthy, sustainable, and local food systems (i.e. mitigating climate change, reducing pollution, investing in local economies, preventing chronic diet-related disease, and more). Another way to frame the short term impact of the GFRP is that every **$1 invested in rebates is able to shift an existing $4 into good food, resulting in a total of $5 of good food for students**.

Over the long-term, if good food purchases are sustained in whole or in part, the ROI of the program only increases. In one model scenario, **a $20,000 investment in the GFRP resulting in partially sustained good food purchases in future years could reasonably result in a 5-year ROI of $8.46 for every $1 spent, with a return of $189,101.** This estimate does not include the indirect and induced economic effects, or the many other positive spillover effects (positive externalities) of good food. Simply put, rethinking how philanthropic dollars are deployed to support institutions' efforts to purchase, prepare, and serve more healthful foods could result in much more efficiently achieving the desired end result of more good food getting to more students.

[8] *Economies of scale' is a basic concept in economics that states, for regular firms, the cost of producing an additional unit decreases as production increases. In the case of school districts, various efficiencies such as buying in bulk allow the per meal production costs to come down slightly as the total number of meals being served increases. If per unit meals decrease but revenue per meal is constant, this additional margin can be used to support purchasing more healthy, local, sustainable, and/or fairly-produced foods. More information on the impact of F2S on school meal participation rates and economies of scale in school food can be found at: Joshi, A., Misako Azuma, A., Feenstra, G. Do farm to school programs make a difference? Findings and future research needs. Journal of Hunger & Environmental Nutrition. Vol 3(2/3). 2008 and Ollinger, M., Ralston, K., Guthrie, J. School breakfast and lunch costs: are there economies of scale? Paper presented at Agricultural and Applied Economics Association 2011 Annual Meeting. July, 2011. Available online at ageconsearch.umn.edu/handle/103191.*

ACCOUNTABILITY

Another important aspect of the GFRP's design is accountability. In the GFRP, **districts only draw down rebates commensurate with the purchases they make**. The rebate amount is designed to be sufficient to cover increased, but not excessive, purchasing costs. In other words, there is no free lunch (pun intended).

Targeting the rebate at the point of purchase is arguably preferable to state-level reimbursement programs (as done in Oregon), which provide additional flat per meal reimbursements based on the number of meals that include local foods. In these approaches, accountability decreases and the risk of food service staff making decisions based on 'perverse incentives' increases. For example, there is an incentive to spread small volumes of good foods across many meals to boost reimbursements but effectively erode meaningful changes in the foods children are eating. The GFRP's consideration of how and where to target the financial incentive is another benefit of the program compared to the few similar national programs.

WHAT FOODS QUALIFY FOR REBATES?

SUSTAINABLE AND FAIRLY-PRODUCED FOODS are those produced in systems that, among other attributes:

> **Eliminate the use of toxic pesticides**
>
> **Prohibit the use of hormones and non-therapeutic antibiotics**
>
> **Support farmer and farm worker health and welfare**
>
> **Use ecologically protective and restorative agriculture**

For the GFRP, CHIP has developed a list of allowed third-party certifications and/or sustainability claims, and these lists are available upon request.

LOCAL FOOD, according to the San Diego County Farm to School Taskforce, is defined using the following three-tiered definition:

> **Tier 1, San Diego County: grown, raised, or landed within San Diego County**
>
> **Tier 2, Regional: grown, raised, or landed within 250 miles of San Diego County, within California**
>
> **Tier 3, California: grown, raised, or landed within California**

Foods grown or raised in Tier 1 or Tier 2 qualified for GFRP rebates. Local or regional food purchased through a distributor must be source-identified or verifiable through a consistent, transparent labeling system. Food purchased directly from a local farm in San Diego County or within 250 miles of the County border automatically qualifies for rebates.

These guidelines were designed to closely match the County of San Diego's.

GFRP PILOT SETUP

The GFRP guidelines and management process were designed in early 2016 and a Request for Applications (RFA) was released in May, 2016. Six to eight districts expressed interest and four applications were received. Fallbrook Union Elementary School District (FUESD) was selected based on demonstrated commitment to growing their F2S in the face of compelling financial and capacity barriers to scaling up good food purchasing.

On-boarding to the program and procurement planning was conducted over the summer of 2016 and rebates began in Fall of 2016. Based on FUESD staff capacity, the program pilot period was from September, 2016 to March, 2017.[9]

CHARACTERISTICS OF PILOT DISTRICT

Fallbrook Union Elementary School District (FUESD) is located in a rural, agricultural, lower-income area of North Coastal San Diego County. The district is adjacent to Camp Pendleton, a large military base, and serves both military and non-military families.

5,185
total district enrollment
2016-17

FUESD

63%
of students were eligible for free & reduced-priced school meals

36%
identified as being overweight or obese[10]
5th & 7th graders, 2015-16

$10K
in local foods purchasing in 2014-15[11]
or 1.5% of all food purchased.

$835K
total food budget *2015-16*

$252K
total produce budget *2015-16*

making it slightly smaller than the average San Diego County district budget of roughly $1M[12]

In prioritizing equity, lead FUESD partners decided they would use the rebate funds to purchase local, sustainable, and/or fairly produced food at all schools in the district.

[9] *The lead FUESD staff person managing GFRP implementation went on parental leave in March 2017 and, given lack of staff capacity within the district, intentional additional purchasing, documentation, and submission of rebates was not continued by remaining FUESD staff.*

[10] *District-specific rates available from CHIP, and publicly accessible through the California Department of Education's DataQuest website.*

[11] *These judgements are based on the results of CHIP's annual State of Farm to School in San Diego County survey and report.*

[12] *Excluding San Diego Unified School District, which has a food budget of over $20M and is an outlier.*

GFRP PILOT RESULTS

Baked into the design of the GFRP is a data-driven approach that allows for tracking results in a number of ways. Presented below is an analysis of GFRP pilot results including:

- **GFRP purchases by dollar value, number of purchases, producers, and qualifying attribute (i.e. local, organic, etc.)**
- **Price, comparing GFRP products versus the 'conventional' alternative**
- **Plate waste on days featuring GFRP products**
- **School meal participation rates in schools featuring GFRP schools**
- **GFRP-related events and media**

TOTAL GFRP PURCHASING

From September, 2016 to March, 2017.

$5,277
in rebates to purchase $26,385 of local, sustainable, and/or fairly produced foods

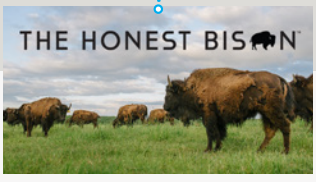
- $18,922 fruit
- $3,4125 vegetables
- $4,050 meat
- $3,865 organic product

10% of total budget

Nearly 10% of FUESD's $1/4MILLION produce budget being spent on local, sustainable, and/or fairly-produced foods.

58 transactions sourced direct from 7 producers, including:

EDEN TROPICS
Local strawberries, guava, grapes and cucumbers



Free-range ground bison from THE HONEST BISON

Spring salad mix produced by SOLUTIONS FOR CHANGE aquaponics farm

OLD GROVE ORANGE, INC.
Local oranges, mandarins, tangerines and organic apples

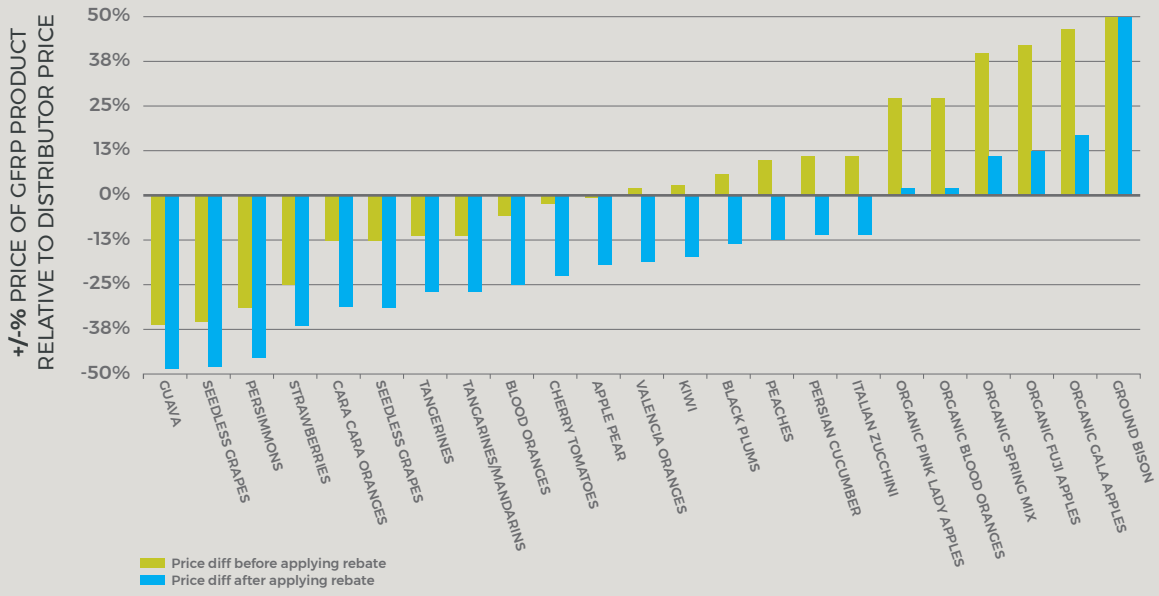
PRICE ANALYSIS: CONVENTIONAL DISTRIBUTOR VS. GFRP PRODUCERS

For the pilot program, an important question was whether a 20% rebate would be adequate to defray the district's added cost of good food purchases. In order to find out, the pilot district tracked price points for the 'conventional' alternative of GFRP products from their broadline, or primary, distributor. District personnel then compared these to good food price points to determine the price difference between local, sustainable, and/or fairly-produced foods and their conventional alternatives.

Figure 1 below shows this price analysis, pre- and post-rebate. Interestingly, **roughly half of the products purchased through the GFRP were bought at or below the price of the non-local, non-organic alternative**. These below-cost products tended to be local but not organic. After adjusting for the 20% rebate, Figure 1 shows that only six products purchased by FUESD cost more than the conventional alternative. These products tended to be organic and/or sustainably-produced meats (i.e. grass-fed). The analysis suggests that a **20% rebate is more than adequate** to meaningfully support a school district's increased costs of good food purchasing. However, it is important to note FUESD was intentional in purchasing only local foods that could be reasonably price competitive with conventional foods post-rebate. Hence, there is a strong purchase

Roughly half of the products purchased through the GFRP bought at or below the price of the non-local, non-organic alternative.

FIGURE 1 : Price ($/lb) difference between GFRP producer and distributor, as a ratio of distributor price[13,14]



[13] *Not shown in this graphic is one outlier—a purchase of grass-fed pork, which was substantially more expensive locally than conventionally purchased and not easily incorporated into the figure.*

[14] *The result shown in this graph is place-specific and the result of a price-conscious institutional buyer. Prices fluctuate daily and seasonally, therefore this result cannot be generalized to showcase price differences between GFRP producer and conventional distributor pricing.*

selection bias at play. Even so, the potential displayed through FUESD's purchasing a number of good foods direct from producers at or below the cost of non-local, non-sustainable alternatives offered by broadline distributors is an inherently powerful argument for good food purchasing.

PLATE WASTE

Another important question for the pilot was whether or not students would eat the new foods purchased through the GFRP. While measuring consumption is notoriously difficult, a proxy often used is plate waste. On four days during the trial period, FUESD tracked plate waste in the school cafeteria for two sets of comparable meals- one featuring foods purchased through GFRP and one featuring similar ingredients in a more 'conventional' school meal. Comparing the school's total waste at the end of each day provides a good proxy for consumption of meals with 'conventional' versus good food ingredients. Tables 1 and 2 to the right summarize these two sets of meals (GFRP foods are colored in red).

The tables demonstrate that per student plate waste was slightly higher Good Food Days relative to both comparison days, .02lbs/student in one case and .05 lbs/student in the other. These small differences added up to a difference in school-wide plate waste of 25 and 35 lbs, respectively, on days with GFRP-meals compared to 'conventional' meals. While days featuring GFRP foods resulted in slightly higher volumes of plate waste, it is

TABLE 1 : Plate waste comparison #1

DATE	MENU	MEALS SERVED	TOTAL WASTE *LBS*	WASTE/ STUDENT *LBS*
9.29.16 GOOD FOOD DAY	**Mary's Free Range Chicken & InHarvest Brown Rice** Local yogurt & bagel Beef & bean burrito for Jr. High Salad bar: Shredded lettuce, spinach, nectarines, celeryv, orange quarters	367	331	0.46
2.14.16	Ling's orange chicken & InHarvest Brown Rice PB & Strawberry Jelly uncrustable Mini cheeseburgers for Jr. High strawberry milk cartons valentine's cookies for K-3 Shredded lettuce, coleslaw, celery, whole apples, baby carrots, broccoli, org local blood orange qrters	377	306	0.44

TABLE 2 : Plate waste comparison #2

DATE	MENU	MEALS SERVED	TOTAL WASTE *LBS*	WASTE/ STUDENT *LBS*
2.2.17 GOOD FOOD DAY	**BBQ Pulled pork sandwich (Sage Mountain Farms) w/ scoop roasted fingerling potatoes** WW bagel w/ peanut butter cup Mini corn dogs for Jr. High Salad bar: **Solutions Farms spring mix, local tangerines**, cucumbers, beans, dinner roll	360	331.25	0.45
3.13.17	Commodity bbq pork sandwich made in-house Pepperoni pizza pocket Salad bar: Shredded lettuce, baby carrots, cherry tomatoes, pinto beans, whole pears, peas, canned peaches	355	274.7	0.40

important for any future iteration of the program to consider the ways in which menu planning, marketing, and other methods can ensure the new good food options in schools are consumed by students in equal or greater amounts than 'conventional' school foods.

MEAL PARTICIPATION RATES

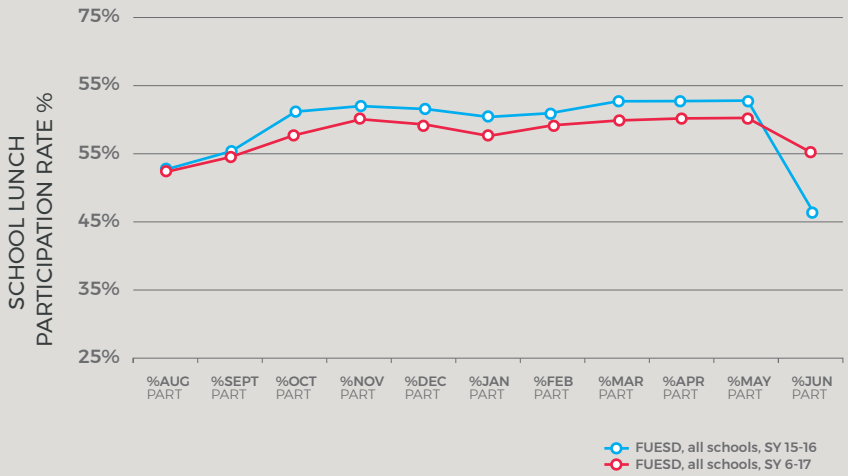
Yet another important question for the GFRP pilot was whether sustained offering of more good food options would have any effect (positive or negative) on school meal participation rates. The hypothesis introduced earlier is that improved food offerings could increase school meal participation rates, and that increased participation could help sustain more good food purchases long-term.

Figure 2 investigates this question below by showing monthly school lunch participation rates at all FUESD school sites for the 2015-16 and 2016-17 school years. In this analysis, only participation in FUESD's school lunch program is examined.

Overall, meal participation rates were lower in 2016-17 (58.1%) than in 2015-16 (60.2%). As evidenced through Figure 2, this difference is relatively consistent throughout the school year, with the exception of in June.

In terms of attribution, there are several factors that may have played a role in the reduced participation rate during the GFRP school year. Some of those factors are: enrollee demographics, school food perception, schoolchildren comfort with new foods, school staff capacity for integrating F2S education with school meals, etc. Assessing causal GFRP impact would require a more intensive implementation effort, including multiple districts participating via a randomized control trial.

FIGURE 2 : School lunch participation rates, FUESD non-GFRP pilot sites, 2015/16-2016/17



The fact that lunch participation decreased during the GFRP school year further emphasizes the necessity of implementing strategies for fully realizing the F2S potential catalyzed through the rebate program.

Deviating from traditional school meals and increasing or even maintaining meal participation rates is a challenging endeavor. It requires a multi-faceted strategy to building schoolchildren interest and appreciation for new foods while introducing those foods. That being said, the GFRP itself is not proven successful or unsuccessful by meal participation rates. The change in rates just accentuates the fact that the GFRP is a tool for catalyzing institutional good food procurement. It relies on implementation of connected F2S strategies to maximize impact.

EVENT, PRESS COVERAGE, AND OTHER COLLATERAL

A final important aspect of the GFRP is that it would serve as an innovative solution districts can use to increase, promote, and sustain their good food purchasing and related educational efforts. To identify ways to promote and sustain GFRP purchases, FUESD's wellness committee met three times to plan for the sustainability of good food purchases and related educational programming. The committee decided to plan and host a GFRP Showcase to demonstrate the benefits of local and sustainable foods, and to garner community and district leadership support.

The Showcase was targeted at district leadership, community, staff, and students.

The GFRP Showcase was hosted on February 2nd, 2017, and included a meal featuring local and sustainable foods supported with GFRP funds. The event also featured good food producers and suppliers including CalTropics, Sage Mountain Farms, and Hollandia Dairy, as well as CHIP staff and County of San Diego public health educators. The event was featured in the local paper, The Fallbrook and Bonsall Village News. The excerpts below highlight the impact of the GFRP on the district.

THE IMPACT OF THE GFRP ON THE DISTRICT

"As part of the Good Food Rebate Program, Fallbrook Union Elementary Child Nutrition Department has brought 30 percent more local produce to the salad bars at each school during school year 2016-17 and has increased local food sources by 20 percent. Plans for the remainder of the school year include bringing in additional local growers for an increase of local foods by 50 percent."

Fallbrook & Bonsall
VILLAGE NEWS
ALSO SERVING THE COMMUNITIES OF DE LUZ, RAINBOW, CAMP PENDLETON, PALA, AND PAUMA

FUESD, local growers benefiting from Good Food Rebate Program Grant

By Newsroom on January 28, 2017 · No Comment

FALLBROOK – In July 2016, Fallbrook Union Elementary School District (FUESD) was awarded the Good Food Rebate Program Grant by the collective collaboration of Community Health Improvement Partners, the San Diego County Farm to School Taskforce, San Diego County Childhood Obesity Initiative, and the Leichtag Foundation.

IMPACT

First and foremost, the pilot of the Good Food Rebate Program was effectively developed and implemented in a school district in the 2016-2017 school year. The generous resources used to support the pilot laid important groundwork including program guidelines, an RFP, rebate and data tracking tools, whiteboard video, and an operational model.

The program was also successful in supporting good food purchases of a motivated district with demonstrated economic and other challenges. **Over the 7-month pilot, the GFRP strategically deployed $5,277 in rebates to support $26,385 FUESD purchases of local, sustainable, and/or fairly-produced foods. This is over 250% of FUESD's total good food purchasing in the prior year.** It was also effective from the perspective of raising the visibility of FUESD's good food purchasing and related F2S educational efforts.

The **data-driven approach of the program also helped uncover valuable information that F2S and F2I advocates have been craving** for some time, such as price points for products in conventional institutional supply chains via broadline distributors versus local and sustainable products purchased direct from the producer. The price point data showed that, in this case, roughly half of all local products purchased direct from the producer were acquired at or below the price of the conventional (non-local, non-sustainable) alternative. Figure 1 presented above has since been identified as valuable information being utilized by a leading food hub in the Upper Midwest, and in advocacy efforts by the National Sustainable Agriculture Coalition (NSAC) on Capitol Hill.

CHALLENGES AND LESSONS LEARNED

The GFRP pilot uncovered several challenges and lessons learned that can inform future program expansion. While relatively small, any increase in plate waste resulting from shifting to more good food products is a concern. **Future program expansion should make more targeted efforts to prevent increased food waste**, including targeted marketing and other leading best practices to reduce food waste.

An important lesson learned is that the rebate ceiling may be higher than is necessary or feasible for even a motivated district the size of FUESD to spend in a single year. Had the pilot extended to the end of the year, FUESD was on track to spend $6,784, or just under 70% of the total rebate fund. Potential solutions include:

- Extending the rebate program over two school years or adjusting the rebate fund per district downward;
- Keep the rebate at 20% but reduce the total rebate fund per district;
- Tie the total rebate fund for each district to the number of students in the district, since a district's ability to spend a given amount of rebates is contingent on district size. With roughly 5,000 students in FUESD, their per capita rebate fund was $2.00/student. Tying the rebate fund to district size and shifting the per capita rebate fund downward to $1.50/student could stretch funders' dollars further, right size the program for participating districts, and ultimately bring more good food to more students in more districts.

Finally, a number of other challenges endemic to increasing local and good food purchasing persisted during the pilot. Many of these problems are not strictly financial, such as farmer preparedness to sell to institutional buyers, product being provided in ways that needed more processing than expected, delivery issues, food service staff capacity constraints, and so on. It is important to note that the GFRP is not designed or able to resolve the ongoing challenges of developing new institutional supply chains, and instead needs to be

advanced and planned accordingly with these likely challenges in mind. This is yet one more reason why **nesting good food purchasing initiatives inside trusted F2S and F2I community partners such as CHIP makes sense**, as they are able to meet ongoing institutional needs to make change sustainable in the long-term.

SUSTAINABILITY

The GFRP is designed to stimulate good food purchases, not subsidize them indefinitely, thus the long-term sustainability of these purchases is a key concern. One aspect of the program design is the theory that improved food offerings can bring more students into school meals program, raise revenue through paid and reimbursed meals, capitalize on economies of scale, all of which could help sustain these purchases long-term.

In the short-term, **constant or increased school meal participation in GFRP pilot schools versus declining participation in all other schools is a good sign**. However, this finding should be interpreted cautiously given underlying changes in FUESD's school-level free and reduced-price eligibility rates.

Long-term sustainability is being assessed through follow-up tracking of FUESD's 2017-2018 good food purchases. In comparing the July – November period of the 2016-17 and 2017-18 school years, we see a 39.62% decrease in good food purchasing from $11,047 to $6,670 at FUESD school sites. This report will not speculate into reasons for the decrease in good food purchasing, particularly as the analysis is based on only partial school year data. There are likely a number of factors challenging the sustainability of 2016-17 levels of good food purchasing at FUESD, further emphasizing the need for a holistic, long-term approach, with the GFRP a catalyzing effort within it.

It is important to note that the **ultimate sustainability strategy for increased good food purchasing is a shift in values toward valuing of children's health, local economies, and the environment**, and recognizing the impact school districts' tax-funded dollars can have in these areas. School districts and other institutions advancing their good food purchasing efforts should use any and all mechanisms to mobilize community and district support and engage in the public decision-making processes that determine how these institutions spend their resources. Districts and advocates should also develop complementary strategies to sustain good food purchases. For example, crowd-funding campaigns could be utilized to match donor dollars dedicated to the GFRP to expand the rebate fund, demonstrate community buy-in, and stretch philanthropic resources further.

The GFRP can be a financial bridge, but ultimately there is no long-term silver bullet. **Long-term success in sustaining purchases is likely contingent on mutually supportive changes in procurement, menu planning, food preparation, marketing, communications, and engagement of district leadership and stakeholders.** Fortunately, school districts around the country are well on the way to shifting our practices and values in these areas. **The GFRP can be yet one more tool in the broader effort to move the needle on health, local economies, and the environment.**

RECOMMENDATIONS FOR GFRP EXPANSION

Having implemented an informative pilot, CHIP has learned a great deal about the GFRP in practice and believes the program is poised for expansion, after making a few key adjustments. The following recommendations should be used to guide GFRP expansion:

1. Develop a holistic F2S strategic plan with the GFRP school district, ensuring that the GFRP is one tool within a set used to complement each other and that sustainability is both planned and achievable

2. Provide participating districts more intentional technical assistance support in the areas of long-term sustainability planning, promotion and advocacy, and other institutional changes that will support increased good food purchasing long-term

3. Make a number of tweaks to the rebate fund design to stretch funders' dollars further, including potentially:

Tie a district's total rebate fund to its district size, considering an allocation of $1.50 per student per year.

4. Ensure a plan is in place to support the GFRP within participating districts in the event of staff turnover or extended leaves of absence

5. Make an intentional plan with GFRP districts around food waste, utilizing best practices for good food marketing and other food waste reduction strategies

6. Ensure mechanisms are in place to conduct long-term tracking of participating institutions good food purchasing in order to evaluate sustainability strategies

CONCLUSION

The pilot of the Good Food Rebate Program in Fallbrook Unified Elementary School District entailed the successful development and deployment of a new approach to growing the farm-to-school, farm-to-institution, and good food movements. By providing targeted, accountable financial incentives, **the GFRP pilot demonstrated that a relatively small amount of rebates can be used to shift a substantial amount of a school district's food purchasing into local, sustainable, and/or fairly produced foods**.

The power of the GFRP lies in its design as an economic solution to what stakeholder institutions identify as an economic problem. By defraying the costs of a district's increased good food purchasing for a year, t**he GFRP provides an efficient and accountable mechanism to bring more good food to those who need it most**.

ACKNOWLEDGEMENTS

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If you are interesting in knowing more about or utilizing the Good Food Rebate Program, please contact:

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