

Analysis of 5 Million Meals Challenge

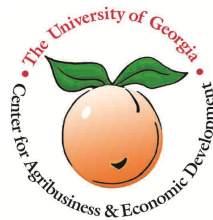
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Executive Summary

During the 2012-2013 academic year, Georgia Organics began the 5 Million Meals Challenge. The challenge called for school nutrition directors to pledge to purchase and serve local foods in their cafeterias. The goal of the challenge was to serve at least 5 million meals in schools across the state with at least one local food item included. The Center for Agribusiness and Economic Development (CAED) was commissioned to design and implement a survey to collect from the pledged school districts the number of meals that included a local food item and the value of these purchases and other details about the school districts and their purchases.

Some highlights from the analysis include:

- Exceeding the goal of 5 Million Meals, the total number of meals that included at least one local food item was nearly 14 million.
- Districts responding to the survey reported a total value of the local food purchases during the school year of \$2.1 million.
- The economic contribution of these purchases is between \$797 thousand and \$3.2 million in output/sales; 5 to 20 jobs; \$342 thousand to \$1.4 million in value added; and \$225 to \$902 thousand in labor income.
- 88% of participants intentionally served local foods during the 2012-2013 school year.
- 100% of participants that served local foods served them at lunch, while 31% of schools served local food at breakfast.
- 30% of schools surveyed served local foods daily. Weekly (26%), and other time frame (26%) were the next most popular answers, followed by monthly (13%), and annually (4%).
- The most popular local food items served were strawberries (70.8% of participants), sweet potatoes (62.5%), cabbage (62.5%), carrots (58.3%), and apples (58.3%). Only one school served a local food item (blueberries) that was also organic.
- Most (87.5%) of the survey participants featured a promotional program to highlight the local food that they served. Promotional programs included classroom education (63.2% of schools districts), special signage (57.9%), taste tests (42.1%), newsletters (26.3%), farmer visits (15.8%), and cooking demos (5.3%).
- Other promotional programs included: Georgia Grown logo on menu, serving line cards/on sneeze guard, national school lunch day celebration, highlighted on Facebook page, highlighted on website, announced on the morning announcements, had a kickoff with features on local TV station and newspaper; local government officials and farmers invited to the kickoff.
- 63% of the participants indicated that their schools use the same definition of local as mentioned in the survey (Georgia and contiguous states); One-quarter defined local as just from the state of Georgia; 13% used a different definition.

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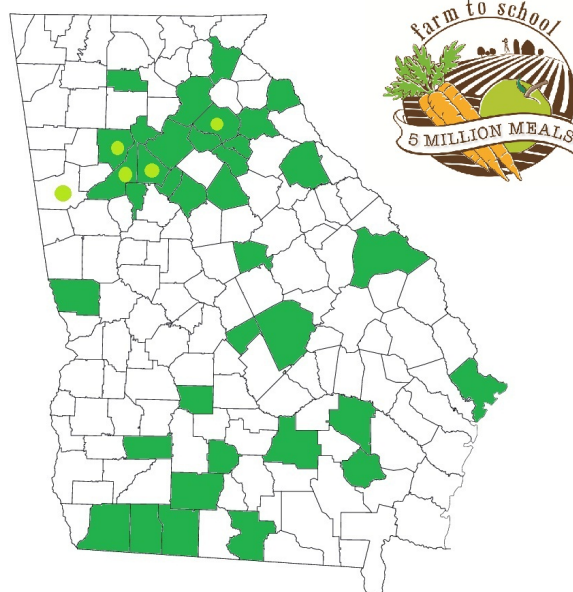
Analysis of 5 Million Meals Challenge

1.1 Background/Overview

During the 2012-2013 academic year, Georgia Organics began the 5 Million Meals Challenge. The challenge called for school nutrition directors to pledge to purchase and serve local foods in their cafeterias. The goal of the challenge was to serve at least 5 million meals in schools across the state with at least one local food item included. The Center for Agribusiness and Economic Development (CAED) was commissioned to design and implement a survey to collect from the pledged school districts the number of meals that included a local food item and the value of these purchases and other details about the school districts and their purchases.

For the purposes of the survey, local food was defined as being grown in Georgia or in contiguous states (Alabama, Florida, South Carolina, North Carolina, and Tennessee.) During the sign-up period, 40 school nutrition directors from around the state signed the pledge, agreeing to purchase and serve local food in their cafeterias during the 2012-2013 academic year. In order to follow up on adherence to the pledge, the 40 school nutrition directors were contacted and asked to respond to a survey requesting details about their intentional local food purchases and meals served. Following multiple attempts at contact, 26 responded, which resulted in a 65% overall response rate.¹ The pledge-taking school districts are displayed on a map in Figure 1.1² and listed in Table 1.2. From the survey responses, CAED compiled and analyzed the information, including an estimate of the economic contribution resulting from the purchases, which includes the multiplier effects. This analysis helps to assess the 5 Million Meals Challenge and quantify the economic contribution of serving local foods on the State of Georgia.

Figure 1.1: Challenge Pledge Taker Map



¹However, not all 26 answered every question in the survey.

²The darker green shading shows county district, while the lighter green circle represents other districts.

Table 1.2: 5 Million Meals Challenge Pledge Takers

Participating School Districts 2012-2013	
Appling County School System	Gwinnett County Public Schools
Atlanta Public Schools	Habersham County Schools
Baldwin County Schools	Hall County Schools
Barrow County School System	Harris County School District
Bleckley County School District	Hart County School System
Burke County Public Schools	Jackson County School System
Carrollton City Schools	Laurens County Schools
City Schools of Decatur	Lowndes County Schools
Clarke County School District	Madison County School District
Clayton County Public Schools	Marietta City Schools
Cobb County School District	Morgan County School System
Coffee County School System	Newton County Schools
Colquitt County Schools	Oconee County Schools
Commerce City Schools	Pickens County Schools
Crisp County School System	Pierce County Schools
Decatur County Schools	Rockdale County Public Schools
DeKalb County School District	Savannah-Chatham County Public School System
Dougherty County Schools	Thomas County Schools
Fulton County Schools	Tift County Schools
Grady County Schools	Wilkes County School System

1.2 Survey Results

1.2.1 Serving Local Foods

In order to get an idea of actual participation, the school nutrition directors were asked if they intentionally served local foods during the 2012-2013 school year. Nearly 9 out of 10 (88%) of the survey respondents said their local food purchases were intentional, while 12% said they were not. Those who did not intentionally serve local foods indicated that their purchases were instead vendor driven. Only one indicated that they did not serve any local foods during the 2012-2013 school year.

1.2.2 Value of Local Food Purchases

We also asked the nutrition directors about the dollar amount of any intentional local food purchases that they made during the school year. The sum of all of the reported dollar values of intentional local food purchases made by survey respondents was \$2,051,057.80. The average amount spent on intentional local food purchases among all the responding districts was \$102,553.

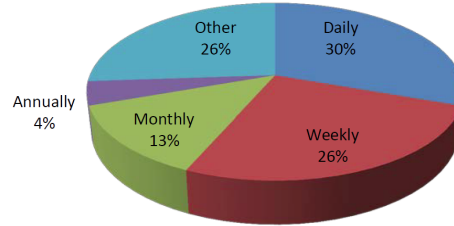
1.2.3 Intentional Local Foods Profile

In determining the total number of local food meals served, we asked each school nutrition director to tell us the total number of meals during the year that contained at least one intentionally-purchased local food item. Based on the responses, the districts that did intentionally purchase

and serve local food served nearly 14 million meals (13,909,249), greatly exceeding the 5 Million Meals goal.

All of the respondents said that they had served local foods at lunch, while 31% of them also served local foods at the breakfast meal offering. When asked how frequently they serve local food in their schools, approximately 30% of those who answered the question served local food in their cafeterias daily, followed by weekly (26%), monthly (13%), and annually (4%), or some “other” time frame (26%). See Figure 1.3. “Other” responses included: 4 times per year, 3 times per year, and bimonthly.

Figure 1.3: Frequency of Serving Local Foods



Organic Local Foods

Only one respondent served a local food item that was also organic. This school system served locally grown, organic blueberries. The reported value of this purchase was \$4,500.

What Was Served

When asked about the specific intentional local items served, school nutrition directors were given a choice of items to select and also an “other” selection. See Table 1.4 for a summary of the responses. The highest response at 70.8% was for schools that served strawberries. This was followed by cabbage (62.5%), sweet potatoes (62.5%), carrots (58.3%), apples (58.3%), and “other” (58.3%). “Other” answers included: oranges, grapefruit, eggs, whole wheat flour, beets, blueberry juice, plums, nectarines, milk, bread, and jalapenos.

Table 1.4: Local Food Items Served

Commodity	Percent	Count	Commodity	Percent	Count
Strawberries	70.8%	17	Squash	33.3%	8
Cabbage	62.5%	15	Cantaloupe	29.2%	7
Sweet Potatoes	62.5%	15	Onions	29.2%	7
Apples	58.3%	14	Kale	25.0%	6
Carrots	58.3%	14	Green Beans	20.8%	5
Other	58.30%	14	Spinach	20.8%	5
Watermelon	54.2%	13	Turnip Greens	16.7%	4
Collard Greens	50.0%	12	Chicken	12.5%	3
Cucumbers	50.0%	12	Grapes	12.5%	3
Blueberries	45.8%	11	Sweet Corn	12.5%	3
Tomatoes	45.8%	11	Beef	4.2%	1
Bell Peppers	41.7%	10	Blackberries	4.2%	1
Broccoli	41.7%	10	English Peas	4.2%	1
Peaches	41.7%	10	Green Onions	4.2%	1
Lettuce	37.5%	9	Irish Potatoes	4.2%	1

1.2.4 Vendors and Farmers

All school districts indicated that they received their local foods from a vendor or distributor. Nineteen percent also bought local food directly from farmers.

1.2.5 Promoting Local Foods

In the interest of determining information about how these districts promoted their local foods, we found that 87.5% of survey respondents featured a promotional program to highlight the local foods being served in their schools. In detail (See Table 1.5), they indicated that they promoted local foods using classroom education (63.2%), special signage (57.9%), taste tests (42.1%), newsletters (26.3%), farm visits (15.8%) and cooking demos (5.3%). Other promotional programs include: identifying local foods on the menu, identifying local foods in the serving line, listing local foods on website, featuring produce of the month, promoting local foods on Facebook, planning a kickoff for new local products with local radio and tv stations, inviting local government figures and farmers as guests.

Table 1.5: Promotional Activities

Answer Options	Response Percent
Classroom education	63.2%
Special signage	57.9%
Taste tests	42.1%
Newsletters	26.3%
Farmer visits	15.8%
Cooking demos	5.3%

1.2.6 Defining Local Foods

For purposes of our survey we used the definition of local food as that purchased in the state of Georgia and/or those states that touch it. Sixty-three percent of respondents also use this definition when purchasing local foods. Twenty-five percent of respondents define local food as food purchased within the state of Georgia, while 13% of the respondents used a different definition. The differing definitions included: 200 mile radius from their county, 100 mile radius from their county, and a three tiered system in which the first tier is 50 miles from their county, the second is the state of Georgia, and the third includes the states touching Georgia.

1.2.7 Economic Contribution Analysis

The methodology used in this study is economic contribution analysis. Economic contribution is estimated with models³ that separate the economy into various industrial sectors such as agriculture, construction, manufacturing, trade, and services. This approach quantifies the relationships between these sectors. The model assists in calculating how the sectors under analysis affect the economy in terms of output, income, or employment and are expressed in terms of direct, indirect, and induced effects for each sector of the economy. An economic contribution analysis helps to explain the overall role or importance of the local food served in school meals

³For this study, we use IMPLAN economic assessment data and software. See www.implan.com for more details about this resource.

to the Georgia economy during the year of the 5 Million Meals Challenge.

Direct effects represent the initial influence on the economy or actual sales, while the indirect effects reflect sales in the input industries to those sectors. Induced effects reflect the household spending due to earnings and the resultant spending in both the direct and indirect sectors. For example, the employees in these industries spend their incomes on housing, groceries, insurance, and other consumer goods and services. Thus, the total economic contribution is the sum of direct, indirect, and induced effects. The analysis is interpreted in terms of employment (jobs), labor income (employee compensation including benefits and proprietor income), and output (market value of goods and services produced).⁴

Contribution analysis differs from the more common economic impact analysis of an event or project on the economy, which measures marginal impact. Instead, contribution analysis demonstrates the economic attribution of a project, business, or existing industry (i.e., new sales from the agricultural sector to schools). The important difference is that in contribution analysis, direct effects represent all sales by the indicated sector (i.e. production) and indirect effects are all sales in the supply chain plus household spending. Together these figures help to illustrate the magnitude of local food purchases for school meals in Georgia, the industries that supply inputs to them, and the spending from households that draw income from those sectors. This study does not represent net economic benefits, cost-benefit analysis, nor does it measure any of the social benefits that might accrue to the state of Georgia or its citizens as a result of more local food purchased in school systems.

Because the definition of local in the 5 Million Meals Challenge includes not only Georgia, but also contiguous states, we must consider that at least a portion of the total dollar amount given by schools as intentional local purchases *may* have been purchased from farmers outside the state.⁵ Therefore, our analysis of the economic contribution of the Challenge includes both a low and high scenario. The low scenario is based on the portion of districts that indicated their 'local' definition is only purchases from the state of Georgia (25%), so we count only that portion of the reported intentional local purchases as part of the contribution. The high scenario is based on the assumption that all of the purchases that were reported were made from Georgia.

Low and High Scenarios

The low scenario is based on 25% of intentional local purchases of \$2,051,058 as reported by respondents (described above), which is \$512,765. The economic contribution to the Georgia economy for this scenario accounts for a total of \$797 thousand in output, 5 jobs, \$226 thousand in labor income, and \$342 thousand in value added.

Based on the total dollar value of reported intentional local purchases of \$2,051,058 for the high scenario, the upper range estimate of the economic contribution to the Georgia economy accounts for a total of \$3.2 million in output, 20.1 jobs, \$902 thousand in labor income, and \$1.4 million in value added. See the details in Table 1.6

⁴A job in IMPLAN = the annual average of monthly jobs in that industry (this is the same definition used by Quarterly Census of Employment and Wages (QCEW), Bureau of Labor Statistics (BLS), and Bureau of Economic Analysis (BEA) nationally). Thus, 1 job lasting 12 months = 2 jobs lasting 6 months each = 3 jobs lasting 4 months each. A job can be either full-time or part-time. Source: www.implan.com, glossary of terms.

⁵Our survey responses did not reveal precisely which portion of the dollar amount of intentional purchases came only from Georgia.

Table 1.6: Economic Contribution of Intentional Local Food Purchases

Low Scenario - 25% of Intentional Local Purchases from Georgia					
Contribution Type	Employment	Labor Income	Value Added	Output	
Direct Effect	3.2	\$141,447	\$173,670	\$512,765	
Indirect Effect	0.7	\$36,101	\$81,005	\$143,752	
Induced Effect	1.1	\$47,985	\$87,449	\$140,911	
Total Effect	5.0	\$225,532	\$342,124	\$797,427	
High Scenario - 100% of Intentional Local Purchases from Georgia					
Contribution Type	Employment	Labor Income	Value Added	Output	
Direct Effect	12.9	\$565,786	\$694,680	\$2,051,058	
Indirect Effect	2.7	\$144,403	\$324,021	\$575,008	
Induced Effect	4.5	\$191,939	\$349,797	\$563,643	
Total Effect	20.1	\$902,128	\$1,368,498	\$3,189,709	