



WHAT A DIME CAN DO: An Evaluation of the 10 Cents a Meal Pilot

10 Cents a Meal for School Kids & Farms (10 Cents), administered by the Michigan Department of Education, matches what participating schools spend on Michigan-grown fruits, vegetables, and legumes with grants of up to 10 cents per meal. This brief is part of What a Dime Can Do, an evaluation report on two years of the pilot program (2017-18 and 2018-19).

Nearly 200 Farms and Food Businesses Involved in the 10 Cents Food Supply Chain

Overall Spending

Investing in Michigan’s agriculture and local food business economy is one of the stated legislative aims of the 10 Cents pilot. By examining the estimated 1.7 million dollars spent on Michigan-grown fruits, vegetables, and legumes through the 10 Cents pilot in 2017-18 and 2018-19, we can better understand its impact on Michigan food and farm businesses.

10 Cents provided \$493,500 to 57 grantees in 2018-19 and \$315,000 to 32 grantees in 2017-18. **Over these two pilot years, 75% of the 10 Cents grants (plus a matching requirement) were spent on fruits, 24% on vegetables, and less than one percent was spent on legumes.**

10 Cents Spending Summary by Food Category¹

A wide range of Michigan food suppliers - including farmers, farmer cooperatives, food hubs, processors, and distributors - provided Michigan-grown fruits, vegetables, and legumes to participating school districts. As part of the 10 Cents food supply chain, 198 unique vendors supplied products to grantees over the two-year period (133 vendors in 2017-18 and 155 vendors in 2018-19).

	2017-18		2018-19		Overall Total	
Fruits	\$480,414	78%	\$816,918	74%	\$1,297,333	75%
Vegetables	\$134,329	22%	\$279,068	25%	413,397	24%
Legumes	\$1,064	0.2%	\$12,000	1%	\$13,063	1%
	\$615,807		\$1,107,986		\$1,723,792	

198 unique vendors supplied products to grantees over the two-year period.

Farm Impact

Participating school food service directors (FSDs) sourced approximately 10% of total 10 Cents purchases each year directly from individual farms (11% or \$65,983 in 2017-18; 10% or \$109,973 in 2018-19). In 2017-18, 93 individual farms sold products directly to grantees. This increased to 103 farms the next year. **Across both years, 134 individual farms sold food to school food service programs through 10 Cents.**

Some farms supplied food to a handful of grantees in a localized area or region while others’ products reached across the state through other channels. For example, one farm in southwest Michigan supplied broccoli and asparagus to six nearby school food service programs, while another farm in northwest Michigan sold apples, plums, peaches, pears, and raspberries to 37 (65%) grantees in 2018-19. Of the 50 school districts for which we had farm origin data for their purchases, 26 used between 10-31 individual farms and 24 sourced from less than 10 farms.

¹ The amounts in this table are less than the total dollar amount reported by FSDs through 10 Cents. Some data was excluded during analysis due to ineligibility or incompleteness.

Nearly 200 Farms and Food Businesses Involved in the 10 Cents Food Supply Chain (cont.)

Farm Impact (cont.)

While we did not have detailed information on all of the products that farms participating in the program offer, we can see how many different product types they sold through the program. About one-quarter of participating farms supplied more than one product category - fruits, vegetables, and legumes - to schools through 10 Cents each year (28% in 2017-18; 23% in 2018-19). About 40% of the identified participating farms only supplied vegetables over both years (45% in 2017-18; 39% in 2018-19). The percentage of identified farms supplying only fruits to schools increased from 26% in 2017-18 to 38% in 2018-19.

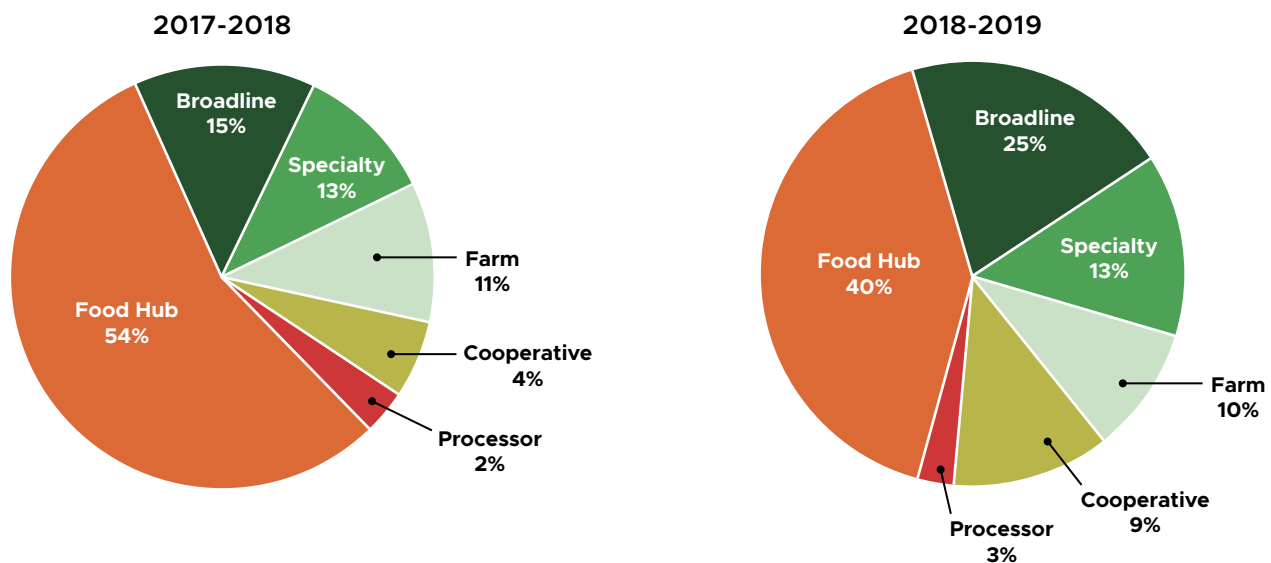
Purchases by Market Channel

Most 10 Cents purchases came through intermediated channels to participating school districts. For this analysis, these food suppliers were categorized as broadline distributors, specialty distributors, processors, food hubs, farmer cooperatives, or grocery stores. **The majority of non-farm direct purchases were from food hubs.** The percentage of purchases from broadline distributors increased from 15% to 25% from 2017-18 to 2018-19. Purchases from farmer cooperatives more than doubled from 4% to 9% over the two years. Purchases from grocery stores were negligible and are not shown here.

Percent of Dollar Value of Total Annual 10 Cents Purchases by Market Channel

Most of the 10 Cents food purchases through broadline distributors were from one large distributor (87% in 2017-18; 93% in 2018-19). Three other broadline distributors each participated to a lesser extent. In 2018-19, six food hubs supplied grantees with Michigan-grown fruits, vegetables, and legumes, though the majority of these purchases were from one food hub (99% in 2017-18; 92% in 2018-19).

Additionally, 11 farmer cooperatives were involved in the 10 Cents food supply chain over both years. Some cooperatives sold products directly to grantees, while others sold to broadline and specialty distributors that in turn supplied 10 Cents grantees. Within the category of farmer cooperatives, apple growers sold the most to grantees. Other cooperatives included cherry and blueberry producers.



Both years, **most participating FSDs sourced 10 Cents products from 2-3 different market channels** (75% in 2017-18; 63% in 2018-19). Approximately 20% of grantees sourced from more than 3 market channels both years (22% in 2017-18; 21% in 2018-19). Only 3% sourced from a single distributor type in 2017-18 which increased to 18% in 2018-19 when more districts participated in the program. Just four grantees (7%) purchased 10 Cents products only from broadline distributors in 2018-19, while none did so in 2017-18.

Nearly 200 Farms and Food Businesses Involved in the 10 Cents Food Supply Chain (cont.)



Conclusion

The impact on farm and food businesses is a key aspect of 10 Cents and is critical for making the case to policymakers and taxpayers to both continue and expand the program. Available data only tell us what was purchased through 10 Cents as reported by FSDs, without the context of the scope and sales of suppliers' overall businesses that would help us better understand the impact, including any increases in sales to schools as a result of the program.

Interviews and/or surveys of farmers and other food suppliers would offer valuable first-hand feedback and supplier perspective. Increased understanding of suppliers may also help to verify eligible purchases and ease some of the reporting burden.

Further evaluation is needed to contextualize the economic impact on Michigan farmers and food suppliers and to better understand the social (qualitative) impact of 10 Cents on strengthening local food networks, such as relationship building between schools, farmers, and suppliers.



Photo Credit: Khalid Ibrahim
Courtesy of MSU Center for Regional Food Systems

foodsystems.msu.edu/what-a-dime-can-do

The Michigan State University Center for Regional Food Systems (CRFS) leads evaluation of 10 Cents. The work presented here is part of What a Dime Can Do: An Evaluation of the 10 Cents a Meal Pilot by Colleen Matts, CRFS; Kathryn Colasanti, School of Social Work, University of Michigan (formerly CRFS); and Elissa Trumbull, consultant, and was funded by the Michigan Health Endowment Fund. To learn more, visit tencentsmichigan.org and canr.msu.edu/10-cents-a-meal.



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