

MINNESOTA FOOD FUNDERS NETWORK

Funding Landscape Assessment 2015 – 2017

Produced for the Minnesota Food Funders Network by:

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– EXECUTIVE SUMMARY –

Introduction

Typically, the food system is defined as all the components of the system—from farm to table and beyond—that are a part of providing food to people. From policy to economics to production practices to aggregation and distribution systems to food waste management, our food system is complex and includes many elements.

In the case of Minnesota, which is the fifth largest agricultural economy in the United States,¹ it is helpful to describe our system in a more precise way: a food and agricultural system. We propose this approach because the vast majority of crop production (and therefore, a substantial part of our agricultural economy) is dedicated to plant materials dedicated to animal feed and energy sources rather than food.

The Minnesota Food Funders Network (MFFN), in partnership with many actors and organizations, seeks to advance the development of a next generation food and agricultural system for the state. The shared vision driving this effort is based on some common priorities, including:

- ✓ Improving reliable access to safe, affordable, healthy food
- ✓ Developing economic opportunity via local food and farm enterprise and infrastructure development
- ✓ Enhancing healthy food skills, so residents have the lifelong capacity to choose and prepare healthy foods

These priorities have emerged across a broad spectrum of sectors and stakeholders, due to an increase in obesity and diet-related diseases; a commitment to end hunger; a desire to exercise greater control over the design and ownership of our food and agricultural system; and the need to address pressing environmental issues associated with climate change and agricultural production practices.

For the past several years, funders from numerous agencies and organizations (within and beyond MFFN) have played instrumental roles in advancing this emergent food system at various scales and across various sectors—from incubating new models to providing sustained support for ongoing needs to investing in knowledge production to fostering new partnerships.

MFFN, hosted by the Minnesota Council on Foundations, is composed of foundations, academic institutions, government agencies, and healthcare entities that share a common commitment to ensuring access to healthy food, fostering local enterprise development focused on food and agriculture, and advancing environmentally sustainable agricultural practices. There are also numerous funders engaged in food systems funding in Minnesota that are not involved with this network.

MFFN has commissioned a study to determine patterns, trends, opportunities, and gaps in food systems funding in Minnesota to guide its members in making strategic funding decisions that ensure the health, prosperity, and resilience of Minnesota’s food system, and to inform other funders that invest in the food

¹ https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=MINNESOTA

systems arena about the current status, opportunities, gaps, and needs required to create a resilient food system..

This is the second such study for MFFN; the first was undertaken eleven years ago with additional updates conducted nine years ago, ultimately leading to the formation of MFFN.

This Executive Summary offers a brief overview of the purpose, approach, and findings of this three-part study.

Study Context, Purpose, and Approach

Guided by an Advisory Committee composed of MFFN members, the study included three components, with distinct methodologies:

Policy Scan – The scan comprised a cross-cutting search in journalism, peer-reviewed academic journals, and federal policy and agency documents, accompanied by key informant interviews of individuals at relevant state and federal agencies positioned to provide insight into the Administration’s developing approach to food and agricultural policy.

Aligned Funding Models Scan – Based on MFFN priorities, researchers conducted online research and interviews to develop a series of brief vignettes describing the purpose, approach, history, and impact of funder networks that undertake aligned funding.

Food Systems Funding Patterns – This component of the study integrated, coded, and analyzed data from numerous datasets to determine trends, gaps, opportunities, and sources of funding and the associated impacts on Minnesota’s food system.

The study was conducted by quantitative and qualitative research experts, with extensive experience in food systems development and long-time affiliation with MFFN. The research team also engaged federal agricultural policy experts and experienced philanthropists to complete several deliverables associated with the study. The study is intended to provide useful information to any funder providing resources to food systems-related work across the state, whether or not they are an active member of the Network.

Findings: Policy Scan

The Minnesota Food Funders Network wished to have a clear, full understanding of how the new federal administration’s priorities –and resulting policies–would impact food systems development work in Minnesota. This policy scan included interviews and background research to surface emerging trends and concerns that funders should attend to.

The Trump administration and Congressional majority policy and budgetary priorities include shrinking government, reducing regulation, promoting trade, and reducing immigration. There is substantial change afoot when it comes to federal funding streams and priorities, including policies proposed or already enacted that will have mixed effects on American agriculture, the food industry, and rural economies. There remains significant flux in focus and uncertainty about ultimate impacts, but sources suggest:

- ✓ **Big policy changes are underway; extent and timing of impacts are uncertain** - Substantial shifts in federal policy and funding for food systems work may be on the horizon—such as ending federal support for work on climate change and agriculture or ending independent scientific advisory committees by appointing industry scientists to them—but specifics remain unclear.
- ✓ **Federal cuts loom** – There will likely be reductions in federal funding streams currently emphasizing initiatives designed to foster a healthy, sustainable, and equitable food system.
- ✓ **Priorities are shifting, with variable impacts** – Changes in federal policies, budgets, and staffing designed to shrink government, reduce food and agriculture regulation, and promote agricultural and food exports are coming. These actions will likely have mixed impacts on agriculture and rural communities and have many concerned.
- ✓ **A few bright spots and new opportunities exist** - In a landscape of cuts and change, a handful of key funding streams appear to be protected, and several new opportunities may emerge.
- ✓ **State and local governments lead the way** - State, city, and local governments across the country continue to lead with bold food policy efforts.

These changes reflect actual and proposed reduced federal support for a range of current food systems work, especially in the areas of public health, agricultural research, poverty alleviation, community and rural development, and local and organic foods. Moreover, emerging priorities on trade, immigration, food labeling and certification, and a wide-range of funding cuts may present new challenges for American agriculture and rural communities.

For example, Congress is considering the elimination of many rural development and infrastructure programsⁱ that target economically depressed rural communities, which will ultimately impact rural economic development, rural prosperity, and rural food insecurity.ⁱⁱ Such federal policy and budgetary changes will likely create ‘downstream’ pressure on other food systems funders to make difficult grant-making and program decisions, and wrestle with how best to carry forward rurally-focused initiatives that address hunger and agriculturally-focused rural economic development efforts.

Because the bulk of food raised for local markets in Minnesota is produced in rural regions, it will be important for Minnesota funders to be forward-thinking and strategic about how to replace, align, and leverage investments that continue to strengthen rural agricultural infrastructure and market development for local products, while proactively monitoring and providing resources for food security and healthy food access for rural residents across the state.

Findings: Aligned Funding Model Scan

The Minnesota Food Funders Network enjoys an exemplary and longstanding track record of strategically aligning investments across multiple funders to advance capacity building, food systems development, and statewide networking priorities. As MFFN considers future collaborative opportunities to strengthen food skills, create healthier food environments, and build a vibrant food infrastructure, it is useful to understand how funders across the United States have undertaken various approaches to working together to advance a shared agenda. Other funders beyond those engaged in MFFN may also

find these aligned funding models valuable, as they consider future approaches to coordinating and distributing their resources.

A comprehensive review of aligned funding models surfaced several key recommendations worth considering by MFFN and other funders:

- ✓ *Ensure an Appropriate Home Base and Adequate Staffing* – Funder collaboratives are most successful with the right home and adequate staff support. The extent to which staff is necessary is likely dictated by the scope of the work. This insight should be of no surprise to MFFN, since it has succeeded at both since its inception
- ✓ *Create Logic Models and Measurement Processes* – Establishing a clear and collaboratively supported theory of change, accompanied by indicators and investment in evaluation, are crucial for measuring impact, telling the story, and leveraging additional outside investment in the work
- ✓ *Aggregating Resources Generates Results* – A pooled funding strategy can effect systems change; multiple examples exist that demonstrate its potential
- ✓ *Collective Influence Can Leverage Change* – Strategic deployment of a collaborative’s collective influence can produce hoped for change

Accompanying interviews surfaced important guidance:

Define the issue. Increasing healthy food access can occur by supporting economic development and environmental stewardship within the food system, in keeping with MFFN’s strategic emphasis on local foods entrepreneurship.

Pool the money. Pooled funding strategies can have measurable impact. This should include a dedicated pool of funding for key partners that work to build strong local food systems, such as the University of Minnesota and similar institutions.

Provide comprehensive support and match funding. Make grants for general operating, programming, and technical assistance. Make sure program grants provided funders include support for overhead and administrative expenses. Larger, multi-year grants (*e.g. minimum \$50,000*) will help provide stability to the grantee organizations. Provide matching grants for state funded food systems work to make more dollars available to grantees.

Be patient. Systems don’t change quickly; the time trajectory is in the seven to ten-year timeframe.

Findings: Food Systems Funding Patterns

Snapshot - Between 2015 and 2017, over 350 public, private, philanthropic, and other funders invested roughly \$170M across 200 grantees to move forward food systems change focused on a wide range of communities, geographic areas, strategies, and issues. Federal funding dominates this food system funding landscape. Government agencies (including tribal nations) and universities receive the vast majority of this funding available for food systems work; nearly 90% of those resources represent federal funds dedicated to purchasing and distributing food to food insecure people via multiple programs administered by the state, public institutions, and tribal nations.

Another 10% of available dollars are comprised primarily of other state and federal funding sources. The remaining 2% of funding comes from community, private and corporate foundations, as well as private entities such as the Center for Prevention at Blue Cross and Blue Shield of Minnesota.

Other data points of interest include:

- ✓ *Most grant dollars go to purchase and distribute food* - Eleven state and tribal agencies are the recipients of \$1.65B in federal funding used to purchase or distribute food in Minnesota.
- ✓ *Our land grant university drives the vast majority of food and agricultural systems development, far beyond any other organization in the state* - The University of Minnesota—our state’s land grant institution—accounts for over two thirds (\$114M) of remaining, available funding, much of which is dedicated to food, health, and agricultural research, education, and programming
- ✓ *State government uses federal funding to advance a diversity of important initiatives, including health, food safety, hunger, nutrition, and agricultural development* - State agencies receive approximately \$22.3M in federal funding for food and agricultural systems purposes, in addition to federal resources for purchasing and distributing food
- ✓ *There is a modest, consistent availability of funding for hundreds of nonprofit organizations undertaking food systems work.* Approximately 200 grantees received the remaining \$31M available in funding between 2015 -2017. Given the amount of resources available, these organizations are best positioned to move the dial on organizational and community-scaled initiatives, as well as incubation of new models that can be replicated or expanded at a more significant scale in time.
- ✓ *Ambitious plans to change the food system mean MFFN member funders should consider strategic coordination and deployment of their own resources, combined with deliberate relationship-building with better resourced institutions and funding agencies.* – If food systems funders hope to play an instrumental role in food systems development for the state, building off of a proven model of strategic collaboration and coordination of resources by aligning agendas and activities with generously resourced partners, such as the University of Minnesota or the Department of Agriculture, can help fulfill that goal.

Recommendations

Based on findings across the three components of this study, researchers offer the following recommendations:

- ✓ MFFN as a network should consider building strategic, influencer relationships with the University of Minnesota and the Minnesota Department of Agriculture to ensure that there is adequate investment and thought leadership in regional food systems development. Other funders may want to consider this approach as well.
- ✓ Obesity and diet-related disease continue to rise, but fewer funds will be available from multiple sources to effectively address the healthy eating-related aspects of this issue.

- ✓ Some funders will play a less significant role in terms of resources and influence in coming years, while other major funders are stepping up to undertake innovative, collaborative initiatives that strengthen geographically specific food systems.
- ✓ Regional food systems development, including food production for nearby markets and the associated infrastructure required to sustain it, is a long-term aim that food systems funders should attend to.
- ✓ Funders can also play a critical role in Minnesota's food systems arena by supporting initiatives led by and serving diverse cultural populations.
- ✓ Funders interested in supporting food systems development in Minnesota should seek to have a shared understanding of needs and current initiatives associated with regional food systems development across the state, and an accompanying mutual strategy for how to contribute to cultivating it.
- ✓ MFFN should consider that their collective influence may be their greatest asset.

A more in depth discussion of these findings is contained at the close of this report.



ALIGNED FUNDING MODELS

– Section I –

Introduction

Typically, the food system is defined as all the components of the system—from farm to table and beyond—that are a part of providing food to people. From policy to economics to production practices to aggregation and distribution systems to food waste management, our food system is complex and includes many elements.

In the case of Minnesota, which has the fifth largest agricultural economy in the United States,² it is helpful to describe our system in a more precise way: a food and agricultural system. We propose this approach because the vast majority of crop production (and therefore, a substantial part of our agricultural economy) is dedicated to plant materials dedicated to animal feed and energy sources rather than food.

The Minnesota Food Funders Network, in partnership with many actors and organizations, seeks to advance the development of a next generation food and agricultural system for the state. The shared vision driving this effort is based on some common priorities, including:

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These priorities have emerged across a broad spectrum of sectors and stakeholders, due to an increase in obesity and diet-related diseases; a commitment to end hunger; a desire to exercise greater control over the design and ownership of our food and agricultural system; and the need to address pressing environmental issues associated with climate change and agricultural production practices.

For the past several years, funders from numerous agencies and organizations have played instrumental roles in advancing this emergent food system at various scales and across various sectors—from incubating new models to providing sustained support for ongoing needs to investing in knowledge production to fostering new partnerships.

Philanthropy and Public Sector Investment and Roles in Changing the Food System

For over two decades, one major foundation with a global reach has played a leading role in defining food systems development and engaging funders to understand how their shared and individual influence and resources can be leveraged to advance food systems change. The W.K. Kellogg Foundation has invested massive resources in the generation of new agricultural paradigms and practices, spanning education, leadership development, sustainable agriculture innovation and adoption, research, community food systems pilot projects, resource development, policy initiatives at local, regional, state, and federal levels, impact investing, public relations, and more. As a lead incubator and funder of the Sustainable Agriculture and Food Systems Funders Network (SAFSF), the Kellogg Foundation has also helped foster useful,

² https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=MINNESOTA

effective partnerships among funders of all scales by building the awareness, capacity, interest, and networks within the philanthropic sector.

SAFSF is just one such funder network focused on the intersection of food, health, and agriculture. Funders committed to public health and hunger also support national networks to move common agendas for change.

These national networks have inspired the development of more geographically focused funder collaborations, such as MFFN. This partnership of diverse funders has spanned several years, shifting in priorities and membership as food systems work and funder commitments evolve. At various times, MFFN has provided mutual learning opportunities and networking for its members; fostered opportunities for funders to strategically leverage and/or combine resources to move food systems development work in Minnesota forward; and supported ambitious cross-sector food systems change initiatives such as the Minnesota Food Charter. In the immediate future, MFFN will focus its efforts on shared learning and networking.

MFFN is a well-established, knowledgeable, and experienced collaborative preparing for a next chapter of work, with particular interest in understanding how other collaboratives align their influence and grant making to create change. To inform this process, MFFN has commissioned a multi-part landscape assessment to understand patterns, gaps, potential, and collaborative models that can maximize impact in keeping with their shared goals. One component of this study included background research on models of aligned funding from within and beyond a food systems focus, with the aim of understanding options and approaches that can inform MFFN's future work, as well as other funders investing in the development of Minnesota's food system.

Regardless of the scale of reach, aligned funding models (or funder collaboratives as they are frequently called), have long been a means for public, private, and corporate funders to come together around shared values to pool social capital, influence, and even grant making to effect positive outcomes around a specific issue or priority.

This memo describes the methodology, guiding questions, aligned funding models, implications, and recommendations resulting from this research, and is accompanied by a series of other findings memos summarizing other components of this landscape assessment. All of these findings memos are synthesized in a final summary report and slide presentation.

Research Questions

MFFN wished to understand some general findings around aligned funding models as well as gain deeper perspective through the review of aligned funding case studies. To generate these findings, a series of research questions guided the background research:

- ✓ What are models and definitions of funder collaboratives?
- ✓ What kind of aligned funding models are used by funder collaboratives inside and beyond the food systems-focused efforts?

- ✓ What are purposes, structures, and membership approaches of these collaboratives?
- ✓ How do these collaboratives undertake their work, and what kind of impact do they have?
- ✓ How do they measure progress and impact?
- ✓ What are important insights and recommendations that can inform MFFN’s approach to aligned funding and collaboration?

Methodology

The methodology for the aligned funding models research transpired in multiple stages, including:

- ✓ Initial, comprehensive online review of numerous funder collaboratives, including annual reports, learning papers, and videos published by collaboratives and available online
- ✓ Preparation of descriptive paragraphs of numerous model collaboratives featuring different structures, purposes, and foci
- ✓ Review by MFFN evaluation committee of descriptive paragraphs to provide further clarity on research questions, information needs, and types of collaboratives of greatest interest to MFFN
- ✓ Thorough online review of four funder collaborative models identified by researcher based on their ability to impact change through pooled grantmaking or collective influence
- ✓ Analysis of models, guided by research questions
- ✓ Preparation of findings memo

The four funder collaboratives highlighted in this study focus respectively on food systems; immigration reform and civic engagement; cradle to career pathways; and workforce development. Three of these collaboratives undertake pooled funding as part of their grant making strategy to effect change. All four of the examples work in ways that resonate with suggested and recommended approaches identified by key informants interviewed for another component of the overall study.

The research team made significant effort to speak directly with staff or leadership of these collaboratives, whose contact information was provided on the collaborative website. Unfortunately, these efforts were minimally successful; the researcher was able to speak with one staff member of one collaborative.

Definitions

Aligned funding models—also known as funder collaboratives—can take many forms, ranging from very loose and informal to very structured. Examples include:

Information Exchange – Provides a physical or virtual form where funders can exchange information and discuss common interests.

Co-Learning – Funders agree to explore together a particular issue or problem.

Informal Strategic Alignment – Funders work together to explore a common challenge; they may eventually decide to align some of their grantmaking through shared or complementary strategies.

Formal Strategic Alignment – Funders agree to align their grantmaking and create structures to work together.

Targeted Co-Funding – Funders retain individual grantmaking control, but they also coordinate their investments in a specific project or initiative.

Pooled Funding – Funders contribute to a collective pool of money that is usually administered by a lead funder or a third party. Each contributor has a voice in the grantmaking decisions and funding is provided from the pool.

Hybrid Networks – Offer funders a range of options for involvement. For example, some members of a hybrid network may decide to participate in a pooled funding venture, while others choose to limit their participation to shared learning opportunities.

Case Studies

Fresh Taste³

Purpose and Structure - Fresh Taste is a collaborative of Chicago-area foundations partnering to promote and strengthen the local food system in and around Chicago. Working in the space between funders and grantees, it serves as a catalyst for collaborative efforts that advance this mission. It is a membership organization with dues based on the amount of a funder's assets and a paid staff. They have a total of ten members, including the Chicago Community Trust and several family foundations. The Chicago Department of Planning and Development is also a key partner in the work, but is not a member of Fresh Taste.

Staffing – After operating without staff for a time, Fresh Taste hired a director who subsequently helped membership to develop its collaborative approach, which is defined geographically and by the role the it has in the work. Fresh Taste now also employs a full-time program/office manager.

Approach - Currently the majority of its effort focuses within a 250-mile radius of Chicago (its defined foodshed); however, it does not adhere strictly to that geography. Fresh Taste does not make grants, instead serving as a connector between funders and organizations and functioning in a similar way to an operating foundation. It plays a catalytic role, initiating and nurturing initiatives that strengthen local food systems until a permanent home for the effort is identified. In determining which projects to initiate, Fresh Taste takes a broad approach to their food systems portfolio, focusing on a range of food systems issues.

³ For more information on Fresh Taste: www.Freshtaste.org

Measurement and Impact – Fresh Taste’s director explains that over the course of its ten-year history, there hasn’t been any formal effort to measure impact, but “We know what we are doing works and is having an impact.” Examples of its impact include:

- ✓ Bringing additional investment to food system organizations working outside the city of Chicago by individual members
- ✓ Partnering with Public Good, a fundraising organization that solicits and distributes donations from local givers to local organizations, which helps individuals fund food system organizations resulting in growing individual contributions to these organizations
- ✓ Doubling the value of SNAP benefits at Illinois farmers markets, helping increase sales of locally grown and produced food
- ✓ Developing a comprehensive technical assistance program for local food system businesses receiving loans that helped increase their sales and revenues

This body of work and impact has positioned Fresh Taste as a national leader on food systems funding, strategy, and innovation at the regional level.

[Four Freedoms Fund⁴](#)

Purpose and Structure - Established in 2003, Four Freedoms Fund (FFF) works to ensure full integration of immigrants as active participants in our democracy. They “...build and support a robust local, state and national infrastructure of immigrants’ rights organizations and leaders.” FFF provides funders, most of whom are large private and corporate foundations which work nationally, with a “vehicle” for investing directly in state and local immigrant rights and grassroots organizations that push change and policy reform at all levels of government.

NeoPhilanthropy, an intermediary that focuses on social justice movements nationally, administers FFF. Currently, twelve members participate in a pooled funding strategy, including the Ford and Open Society Foundations,

Staffing – FFF has six full time staff.

Approach - FFF makes general operating and program grants. In 2015, FFF made grants to 95 organizations in 28 states and the District of Columbia. FFF also builds the capacity of its grantees by providing them with training and coaching to increase operational effectiveness, sustainability, advocacy, and communication skills.

Measurement and Impact – FFF embeds ongoing evaluation to help measure impact and guide adjustments to their strategy. Examples of FFF impact include:

- ✓ Increasing immigrant voter registration and voter turnout in local, state, and national elections (such as Arizona, Georgia and North Carolina)

⁴ For more information on Four Freedoms Fund: www.NEOPhilanthropy.org

- ✓ Growing the number of Latinos running for and being elected to state and local political offices
- ✓ Defeating anti-immigration legislation at state and local level in Arizona
- ✓ Reducing ICE raids in North Carolina, Georgia, and Arizona

[Baltimore Workforce Funders Collaborative⁵](#)

Purpose and Structure - The Baltimore Workforce Funders Collaborative (BWFC) aligns investments to create and sustain successful workforce initiatives. BWFC consists of eleven members including public, private, and corporate funders and is housed within the Association of Baltimore Area Grantmakers— a membership organization similar to the Minnesota Council on Foundations.

Staffing – BWFC has one full-time employee.

Approach – This partnership of diverse funders facilitates collaboration, coordination, and learning among members, with activities that include:

- ✓ Conducting measurement and evaluation
- ✓ Supporting workforce providers with access to capacity building and funding
- ✓ Advocating for designated revenue and sustained funding for partnerships
- ✓ Strengthening relationships across sectors
- ✓ Facilitating strategic alignment and collaboration with local and regional workforce initiatives

BWFC’s Industry-Sector Workforce Partnerships is an initiative that provides long-term funding to ten organizations to deliver specific job training, wrap-around support and job-placement services in one of eight professional fields to low-income Baltimore residents.

Measurement and Impact - Jacob France Institute at the University of Baltimore leads this initiative’s evaluation via a contract with BWFC. Early analysis shows that thousands of low-income Baltimore residents have moved into positions that pay a living wage putting them on a path to financial security.

Impacts like these have established a national reputation for BWFC, resulting in \$12 million from a mix of state, federal and national funders for workforce development.

[Rapid Resource Fund Partners⁶](#)

Purpose and Structure - The Road Map Project (RMP) is a community-wide initiative to drive dramatic improvement in student achievement from cradle to college and career in South King County and South Seattle. Part of RMP, Rapid Resource Fund Partners (RRFP) is an eight-member funder collaborative, a subset of a larger funders collaborative involved in RMP.

⁵ For more information on Baltimore Workforce Funders Collaborative:

<http://www.abagrantmakers.org/?page=bwfc>

⁶ For more information on Rapid Resource Fund Partners: www.roadmapproject.org/collective-action/project-hub/aligned-funders

RRFP invests in short-term opportunities with the potential to spark or contribute toward system-level change in service of RMP's goals.

Staffing - A Philanthropy Northwest staff member support RRFP as part of job responsibilities.

Approach – RRFP's eight-member funders sponsor a total of 8 – 10 grants of six grant rounds, the last of which will be completed in July 2018. Grantees must support RMP's efforts and use funding to leverage community-wide impact.

Measurement and Impact – RMP's website includes a data center that describes its theory of change and approach to measuring progress. The data center offers RMP evaluation reports; other reports based on defined indicators and analysis; and annually published summative reports describing overall impact for the year. 2016 impacts among targeted students include:

- ✓ Increasing enrollment and completion of college-prep courses
- ✓ Increasing number of college scholarships
- ✓ Improving on-time high-school graduation rates

Insights and Recommendations

The comprehensive review of aligned funding models and detailed review of the above case studies have surfaced several key insights worth mentioning:

- ✓ *Ensure an Appropriate Home Base and Adequate Staffing* – Funder collaboratives are most successful with the right home and adequate staff support. The extent to which staff is necessary is likely dictated by the scope of the work. This insight should be of no surprise to MFFN, since it has succeeded at both since its inception
- ✓ *Create Logic Models and Measurement Processes* - Establishing a clear and collaboratively supported theory of change, accompanied by indicators and investment in evaluation are crucial for measuring impact, telling the story, and leveraging additional outside investment in the work
- ✓ *Aggregating Resources Generates Results* - A pooled funding strategy can effect systems change; multiple examples exist that demonstrate its potential
- ✓ *Collective Influence Can Leverage Change* – Strategic deployment of a collaborative's collective influence can produce hoped for change

Recommendations

An important component this overall landscape assessment involved key informant interviews with strategically positioned stakeholders in the public sector. In combination with the findings described in this memo from online research on funder collaboratives, several recommendations have emerged that merit mention:

Define the issue. Some interviewees recommended that funder collaboratives should focus on increasing healthy food access by supporting economic development and environmental stewardship within the food system. This approach mirrors that of some case studies described in this memo.

Pool the money. Pooled funding strategies can have measurable impact. This should include a dedicated pool of funding for key partners that work to build strong local food systems, such as the University of Minnesota and similar institutions.

Provide comprehensive support and match funding - Make grants for general operating, programming, and technical assistance. Make sure program grants include support for overhead and administrative expenses. Larger, multi-year grants (*e.g. minimum \$50,000*) will help provide stability to the grantee organizations. Provide matching grants for state funded food systems work to make more dollars available to grantees.

Be patient. Systems don't change quickly; the time trajectory is in the seven to ten-year timeframe.

Conclusion

As MFFN—and other funders of Minnesota's food system—considers the direction, focus, and approach of its work in coming years, it should carefully consider developing a pooled funding approach with an open mind and strategic viewpoint. While not many funder collaboratives make grants, those that do can point to real and significant impacts, results, and systems changes from these investments. MFFN can build on its legacy of aligned and strategically coordinated funding to consider where and how a pooled funding strategy can augment past and current work to leverage hoped for impacts on Minnesota's food system.



POLICY SCAN

– Section II –

Introduction

This funding landscape assessment is designed to deepen understanding of the current state of food systems funding in Minnesota, identify effective models for coordinated funding, and guide MFFN's and other funders' strategic decision-making moving forward. To understand the broader federal policy and funding context, one component of the assessment focused on online research of emerging policy and funding changes at multiple levels. This section describes the findings from the online policy scan component of the overall assessment.

Below is a discussion of key findings, changes on the horizon, and a discussion of the implications for Minnesota in the realm of food, health, nutrition, and agriculture, as well as detailed citations and an appendix listing additional resources of interest. The scan comprised a cross-cutting search in journalism, peer-reviewed academic journals, and federal policy and agency documents. Dr. Steve Suppan, agriculture and trade policy expert at the Institute for Agriculture and Trade Policy, reviewed the findings to ensure accuracy and depth in findings and analysis.

Findings Snapshot

The Trump administration and Congressional majority policy and budgetary priorities include shrinking government, reducing regulation, promoting trade, and reducing immigration. There is substantial change afoot when it comes to federal funding streams and priorities, including policies proposed or already enacted that will have mixed effects on American agriculture, the food industry, and rural economies. There remains significant flux in focus and uncertainty about ultimate impacts, but sources suggest:

- ✓ **Big policy changes underway; extent and timing of impacts are uncertain** - Substantial shifts in federal policy and funding for food systems work may be on the horizon—such as ending federal support for work on climate change and agriculture or ending independent scientific advisory committees by appointing industry scientists to them—but specifics remain unclear.
- ✓ **Federal cuts looming** – There will likely be reductions in federal funding streams currently emphasizing initiatives designed to foster a healthy, sustainable, and equitable food system.
- ✓ **Shifting priorities, with mixed impacts** – Changes in federal policies, budgets, and staffing designed to shrink government, reduce food and agriculture regulation, and promote agricultural and food exports are coming. These actions will likely have mixed impacts on agriculture and rural communities and have many concerned.
- ✓ **A few bright spots and new opportunities** - In a landscape of cuts and change, a handful of key funding streams appear to be protected, and several new opportunities may emerge.
- ✓ **State and local governments lead the way** - State, city, and local governments across the country continue to lead with bold food policy efforts.

These changes signal reduced federal support for a range of current food systems work, especially in the areas of public health, agricultural research, poverty alleviation, community and rural development, and local and organic foods. Moreover, emerging priorities on trade, immigration, and a wide-range of funding cuts may present new challenges for American agriculture and rural communities.

For example, Congress is considering the elimination of many rural development and infrastructure programsⁱⁱⁱ that target economically depressed rural communities.^{iv} USDA estimates that about 15 percent of the U.S. food insecure live in rural areas;^v in 2015, there were an estimated 540,820 food insecure Minnesotans, about ten percent of the population.^{vi} Such federal policy and budgetary changes will likely create ‘downstream’ pressure on other food systems funders to make difficult grant-making and program decisions, and wrestle with how best to carry forward food systems development efforts.

Food for Thought

If Congress approves a large share of the proposed elimination of rural development and infrastructure programs to already economically devastated rural communities, how will MFFN funders respond to the likely increase in rural food insecurity?

Big Change Ahead, Uncertain Specifics

The stage for change is set by aligned Republican control of Congress and the Executive Branch; the appointment of anti-regulation Secretaries to head USDA and EPA; a reorganization of USDA in 2017; and a Farm Bill slated for reauthorization in 2018.^{vii, viii} The Executive Branch has begun advancing its agenda to shrink the size of food and agriculture agencies, while withdrawing or moving to renegotiate key international trade accords (such as the Trans Pacific Partnership and the North American Free Trade Agreement), the policy-making process ultimately lies with Congress, which did not receive the proposed budget cuts to USDA well.^{ix} It is still too early to tell which of the proposed changes could come to fruition, but a wide range of issues are now on the table. As the process unfolds, food policy advocates are scrambling to learn more, state their policy positions, and prepare for 2018 and beyond.

Federal Cuts Looming

The President’s budget and 2018 federal agency budget requests provide the most concrete indication of potential specific funding changes. The FY2018 budget requests for CDC, USDA, and HHS demonstrate that a number of programs currently used to support food systems work are targeted for cuts or elimination. Issues that could be affected include:

- ✓ **Public health approaches to food systems, especially chronic diet-related disease and obesity prevention** – A substantial amount of this funding would be replaced with the proposed \$500M *America’s Health Block Grant Program* which would support states to carry this work forward with more flexibility, and likely with less funding and resources.^x
- ✓ **Continued implementation and compliance delays for the 2011 Food Safety Modernization Act (FSMA).**^{xi} – Food safety is a critical part of food security. About one out of every six Americans experiences foodborne illness annually, according to the Centers for Disease Control. The FSMA would strengthen cooperation between states and the federal government to reduce foodborne

illness resulting from the consumption of FDA regulated products, such as seafood, fruits and vegetables and processed foods.^{xii} However, Trump administration proposed budget cuts will preclude much of the required federal and state cooperation to reduce foodborne illness and enhance food security.^{xiii} The White House assumes its proposed 31 percent cut to FDA food safety programs will be offset by regulatory service fees that agribusiness, the food processing industry and the Republican majority in Congress have long opposed.^{xiv} As food imports and interstate commerce in food increases, how will states work with the federal government to reduce the incidence of multi-state foodborne illness and increase the efficiency of FDA recalls of contaminated food?

- ✓ **USDA local foods promotion, “specialty crop” (fruits and vegetables) production, agricultural research, and conservation** – On the programmatic chopping block include proposed elimination of the USDA’s Farmers Market Nutrition Program, Specialty Crop Block Grant Program, Farmers Market and Local Foods Promotion Program, Value-Added Producer Grants (VAPG), and cuts to agricultural research and conservation programs.^{xv}
- ✓ **Poverty alleviation, food insecurity, and rural and community development programs** – Most notably, significant cuts and reforms have been proposed to SNAP that could result in billions of reduced funding in 2018 and hundreds of billions less over the coming decade.^{xvi} USDA’s rural development work could see significant cuts, and HHS’s Community Economic Development grants are also proposed to be eliminated, which support the Healthy Food Financing Initiative.^{xvii}

In public health and poverty alleviation, the goal appears to be reduced federal funding and shifting responsibility to the States. In addition to the aforementioned *America’s Health Block Grant Program*, several of the proposed reforms to SNAP include a phased-in state match and a number of reforms to increase flexibility.^{xviii} Advocates and non-partisan entities worry about the end result—reduced funding—which could result in increased food insecurity, as well as a loss of oversight, program integrity, and use of best practices.^{xix, xx} Since SNAP-Ed is tied to SNAP benefits, another concern is that cuts to SNAP program would result in reduced nutrition education for millions of low-income Americans.

Shifting Focus, Mixed Impacts

The Trump administration and Congressional majority policy and budgetary priorities include shrinking government, reducing regulation, promoting trade, and reducing immigration. Changes proposed or already enacted in these areas will have mixed effects on American agriculture, the food industry, and rural economies.

A sharp reduction in federal spending is an overarching priority in the President’s budget, and agriculture and rural communities were not spared. Proposed changes in a number of areas include:

- ✓ **Farm Programs** – Billions in savings are proposed by limiting federal crop insurance subsidy payments to \$40,000 per operation per year and limiting commodity program price support eligibility to farmers making less than \$500,000 per year.^{xxi}

- ✓ **Rural Development** – USDA’s rural development work was targeted with a 26% overall cut, including the elimination of the Rural Business Development Grants (RBDG) program, Rural Cooperative Development Grants (RCDG), Value-Added Producer Grants (VAPG), and others.^{xxii}
- ✓ **Research** – A 25% cut to the Agricultural Research Service, a 30% cut to the Sustainable Agriculture and Research and Education (SARE) program, and unspecified reductions for the National Agriculture Statistics Service (NASS) and Economic Research Service (ERS).^{xxiii,xxiv}
- ✓ **Conservation** – Programs floated for the chopping block include the Conservation Reserve Program, Environmental Quality Incentives Program, and more.^{xxv}
- ✓ **Climate Change** – Part of the Trump administration’s general commitment to substantially reduce or eliminate all programs designed to reduce greenhouse gas emissions and adapt to climate change undermines state and federal cooperation for agriculture and rural communities to adapt to climate change.^{xxvi} To the extent that Minnesota food security depends on Minnesota agricultural production, including crops not eligible for crop insurance, failure to adapt agricultural practices designed to build soil health and retain soil and water, may leave Minnesota’s agricultural product systems (and food security by extension) more vulnerable to climate change’s negative impacts.

As the federal and state revenue consequences of the \$1.5 trillion tax cut just signed by President Trump become apparent, the Congressional leadership will give the House and Senate agriculture committee chairs their overall budget number and require them to cut programs to say within that number.”

“Trump budget takes aim at SNAP, crop insurance,” *Politico* (May 23, 2017), accessed 12/17 at <https://tinyurl.com/ya6rrspc>.

A 2017 Executive Order to repeal the *Waters of the United States* rule was welcomed by farmers and industry generally.^{xxvii} USDA’s recent rollback of GIPSA’s Farmer Fair Practices Rules, which were designed to protect small farmers from large meat-packing companies, was met with strong criticism by small producers, and a lawsuit.^{xxviii, xxix} After twice delaying their implementation, the USDA abolished the Organic Livestock and Poultry Practices (OLPP), a set of standards championed by the organic industry and over a decade in the making. The Organic Trade Association heavily criticized the move, saying it will further weaken the organic label.^{xxx}

Regarding trade, the Executive Order withdrawing the U.S. from the Trans-Pacific Partnership (TPP) and move to renegotiate NAFTA are expected to have negative effects on American agriculture and rural economies.^{xxxi} While often cited as a bad deal for American manufacturing, NAFTA facilitated a tripling and quintupling of agricultural exports to Canada and Mexico, respectively,^{xxxii} fostered cross-border business development, and aligned sanitary regulations.^{xxxiii} Renegotiating the deal runs the risk of reversing this progress, or the deal falling apart altogether.^{xxxiv} The withdrawal from TPP will reduce U.S. access to export markets covered by the multi-lateral trade deal, which account for 40% of the world’s population, and other countries are actively moving to fill the void left by the U.S. These moves come when American farmers were expecting strong continued exports to Mexico and Canada and improved access to new markets through TPP to help them cope with several years of declining total net farm revenue, which in 2017 was roughly \$63B— about half it’s a record high of \$120B in 2013.^{xxxv} Declining

revenue and land values, and higher input costs and operating expenses have resulted in a debt to asset ratio that is increasing, though not to the level of the 1980's farm mortgage crisis.^{xxxvi}

Finally, the increased federal focus on illegal immigration and border security has shaken agriculture, which relies heavily on a workforce of undocumented immigrants.^{xxxvii} There are widespread concerns of exacerbated labor shortages, which could drive up labor costs and decrease profits.^{xxxviii} These concerns have the largest farm operations looking to increase automation to reduce labor costs and the uncertainty of farmworker labor supply.^{xxxix} Across the board, from funding cuts to trade to immigration, farmers and rural communities have much to worry about in addition to the weather.

Bright Spots, New Opportunities

Amidst this difficult landscape, a number of programs appear to have achieved a bi-partisan consensus or otherwise escaped the chopping block. Programs proposed to be maintained or slightly increased include USDA's Farm to School funding, the Beginning Farmer and Rancher Development Program (BFRDP), Community Food Projects, EFNEP, NIFA Agriculture and Food Research Initiative, Senior Farmers Market Nutrition Program, and Food Distribution Program on Indian Reservations (FDPIR).^{xl} Despite early, vocal signals from USDA Secretary Perdue and a minor rollback of the Healthy, Hunger-Free Kids Act (HHFKA), most school food stakeholders have already adapted and support HHFKA changes in practice,^{xli} and Child Nutrition Program funding (which supports K-12 school meals across the country) is proposed to stay constant.^{xlii} A few programs, such as the Food Insecurity Nutrition Incentives (FINI), are proposed to increase in size and budget.^{xliii} As priorities shift, there could also be a few new opportunities to advance food systems change efforts. For example, USDA's 2018 budget request includes a new \$162M rural infrastructure program, and increased focus on supporting new/young farmers through mentorship and some proposed funding increases.^{xliv, xlv}

State and Local Government Leadership

Despite the relatively unsettling news at the federal level for food, health, nutrition, and agriculture-related investments, policies, and programs, state, city, and local governments are pressing forward with bold food policy efforts. At the municipal level, soda taxes, designed to reduce consumption of sugar-sweetened beverages, have now been passed in Berkeley, Oakland, San Francisco, and Albany, CA, Boulder, CO, Philadelphia, PA, and Seattle, WA. Initial evidence indicates they are working as intended, and more local governments are looking to pass similar measures.^{xlvi, xlvi} State-level healthy food financing initiatives are now common, as are local food policy councils. Farm-to-school and farm-to-institution efforts are thriving across the country, such as the Institute for Agriculture and Trade Policy's Farm to Institution program, based in Minneapolis.^{xlviii} Some of America's largest cities and school districts have adopted the Good Food Purchasing Program (GFPP) and many others, including those in Minneapolis and Saint Paul, are working toward GFPP.

In Minnesota at the state legislative level, the creation of the legislatively funded Good Food Access Program was step forward for healthy food financing; the program is poised for modest expansion in the next biennium.^{xlix} Minnesota also passed the New Farmer Tax Credit in 2017, the first of its kind in the country.^l Many of these efforts, in Minnesota and elsewhere, are geared toward addressing a wide range

of issues related to the food system, from obesity to economic development to supporting the next generation of farmers, and much more. They signal a continued groundswell of efforts across the country to foster a more healthy, sustainable, and equitable food system.

Notably, these local successes are beginning to bubble up to federal policy efforts. For example, Congressman Blumenauer (D-OR) recently introduced the Food and Farm Act, a complete rethinking of the Farm Bill.^{li} Congresswoman Chellie Penigree (D-ME) has also emerged as a champion, recently introducing the Food Recovery Act^{lii} and Organic Agriculture Research Act.^{liii} Nascent national food systems advocacy efforts such as Plate of the Union are also underway, which mobilize celebrity chefs and thousands of citizens to advocate for a better food system over the long-run, and undertake policy advocacy in the short-term, such as defending key federal programs like SNAP.^{liv, lv} These efforts face steep challenges, but they signal the emergence of national champions with much-needed concrete policy proposals.

Implications

These findings indicate an overall climate of uncertainty, change, and reduced support from the federal government to advance food systems change efforts. Moreover, federal priorities on trade, immigration, and funding cuts all signal tumultuous times ahead for American agriculture and rural communities. Additional food systems stakeholder groups likely to feel negative impacts include low-income families, small farmers, and local and organic producers. It increasingly appears it will be up to state and local governments, philanthropic funders, cross-sectoral partnerships, and local communities to take the lead on funding food systems work for the next several years, and there may be a number of new needs to meet, such as the increasing number of debt burdened, food insecure college students.^{lvi}

The coming changes may unfold slowly or could occur with little warning, and funders need to be prepared to handle uncertainty and new challenges as they arise. Major changes (i.e. cuts to SNAP) could result in noticeable worsening of health and well-being (i.e. food insecurity) and increased pressure on grantees and stakeholders (i.e. hunger relief systems). It is strongly advisable that funders prepare to be pressured by current grantees and stakeholders, even more so than usual, to continue or increase existing funding and fill gaps. Funders should have a plan in place for how best to respond to these requests without losing their grasp on their individual and collective giving strategies.

Unfortunately, food systems funders will inevitably need to make difficult decisions in the coming several years about where to put their time, money, resources, and leverage. Questions food systems funders should consider for their individual and collaborative giving include:

- ✓ *To what degree is it feasible and necessary for philanthropic funders to fill gaps created by reduced federal funding?*
- ✓ *Which of the many food systems efforts being supported by resources slated for reduction/elimination are most important to carry forward, and which can be delayed or, if necessary, let go?*
- ✓ *How can food systems funders strategically and creatively develop new, collaborative, cross-sectoral partnerships to leverage collective resources and maximize impact?*

- ✓ *What new roles can state and local governments play in advancing food systems work, and how can philanthropic and private funders effectively partner with these entities?*
- ✓ *What steps can food systems funders take to continue to identify and advance innovative strategies in an environment that strongly pressures them into a defensive giving approach?*
- ✓ *What can food systems funders do in addition to grant-making to protect food systems funding and programs at the state and federal level?*
- ✓ *To what extent should food system funders do grantmaking and policy analysis towards longer term food system planning, irrespective of the political party in power and the near-term budget outlook?*

In 2018 and beyond, there will no shortage of need for food funders to support. Indeed, the demands placed on philanthropic funders are only likely to increase as federal support declines. Food systems funders in Minnesota and elsewhere will need to think creatively, strategically, and collaboratively about how to meet new needs while also advancing the long-term efforts to create a more healthy, sustainable, and just food system.

Appendix: Selected Sources

Below sources provide deeper insight into changes underway at the federal level, as well as some state and local trends. A wide range of sources were reviewed as part of this online policy scan (i.e. numerous advocacy groups including FRAC, American Heart Association, CA Food Policy Advocates, Land Stewardship Project, etc.), however, not all were cited. The below sources may be informative to MFFN as members determine future direction.

News Sources

Ag Daily
AgriNews
Bloomberg
Civil Eats
High Plains/Midwest Ag Journal
New York Times
NPR
Politico
Reuters
The Economist
The Salt
The Washington Post
Vox

U.S. Federal Agencies

Centers for Disease Control and Prevention (CDC)
United States Department of Agriculture (USDA)

Food Policy Advocates and Practitioners

Food Policy Action
Food Research and Action Council (FRAC)
National Sustainable Agriculture Coalition (NSAC)
Northeast Sustainable Agriculture Working Group
Plate of the Union
ReFED
Voices for Healthy Kids

Non-Partisan Research Groups

Center on Budget and Policy Priorities (CBPP)
Center for the Study of Social Policy

Academic Journals

Plos Medicine



FOOD SYSTEMS FUNDING PATTERNS – Section III –

Determining the extent, nature, and impact of available funding to advance food systems development can provide MFFN and other funders who provide resources for the development of Minnesota's food system with a clear, concrete sense of needs, gaps, opportunities, and potential roles for the Network and for participating funders. This segment of the funding landscape scan focused on the development and analysis of a customized dataset focused on public sector food systems investments, made by federal, state, regional, and municipal agencies; private, community, and public funders; and other relevant organizations.

The purpose of this component of the study was to generate insights and recommendations to assist Network members in future funding efforts—individually and collaboratively.

Methodology

Data Sources - Researchers sought data from numerous sources, including:

- 2015 funding data from Minnesota Council on Foundations database
- The Foundation Center searchable database
- Grant information provided through request for public records for Minnesota Departments of Health; Human Services; and Agriculture
- Federal data sources provided via Grants.gov
- Customized datasets provided by the University of Minnesota's Office on Sponsored Programs
- Online confirmation and email correspondence for additional funding sources, including the University of Minnesota, and individual foundation and grantee annual reports

Design of Data Coding Instrument - Researchers, in collaboration with an *ad hoc* Advisory Committee for this study, composed of MFFN members, developed a comprehensive taxonomy for analysis of this data, which was further developed into a data coding spreadsheet. Data obtained from the above sources were formatted consistently and migrated into the data coding spreadsheet.

Data Coding - Data collected from these sources were coded into categories, subcategories, and tertiary categories across the following eight key domains: funder type, grantee, grant information, target audience, geography, food systems strategy, food systems issue, and Minnesota Food Charter domain. The result is a unique dataset consisting of over 1400 observations with over 20 variables per observation, with a total of nearly 200 categorical identifiers. Given the size and scope of this dataset, the analysis presented is comprised primarily of descriptive statistics. The research team has elected to include the most relevant, selected results—mostly at the category level, and occasionally sub-category and tertiary category levels. Further refined analysis within or across domains is available upon request.

Data Considerations - This dataset should be considered a *sample* of a larger population of public and private sources of food systems funding. There are several known gaps in the dataset, including data from food systems funders such as Greater Twin Cities United Way and a subset of data from the Minnesota Departments of Health and Agriculture. A number of observations from USDA were also excluded, due to lack of sufficient information for coding and analysis (e.g. 'cooperative grants' or 'regional economic development grants' that did not offer detailed information on purpose and uses of funding). It should

also be noted that while Foundation Center Online provides the most exhaustive source of funding information available, there are also gaps in their existing dataset.

Note that in the domains of target audience, strategy, and food systems issue, options were provided to code observations *across* categories where appropriate. This allowed for the research to account for the nuanced, interconnected, and multi-dimensional nature of food systems funding. It also helps account for types of strategies that are often not the primary use of funds but an important secondary or tertiary use (i.e. evaluation, capital, capacity building, etc.). Where unstated, the figures present a combined total for these options across category, subcategory, and tertiary category options.

It should also be noted that numerous grants were eliminated from the dataset that were food systems-related, but beyond the scope and mission of MFFN. These included:

- ✓ Grants to conservation organizations for habitat restoration that may be beneficial to pollinators such as monarch butterflies or sage grouse (which are hunted for food)
- ✓ Grants to individual farmers to maintain farmland in reserve and out of agricultural production (Conservation Reserve Program)
- ✓ Crop subsidies and crop insurance, which are federal agricultural programs for commodity crops

Other sources of data were unavailable for a variety of reasons, including lack of response despite multiple requests from research team; internal organizational policies preventing publication of data; and efforts (such as the Minnesota Food Charter Network and related contracted consulting services) that are not technically considered grants but advance food systems-related efforts.

University of Minnesota Data Discussion

Late in the analysis a new set of data from the University of Minnesota was made available to the research team. Relevant grants were incorporated into the analysis, including 183 additional grants, totaling \$52M in newly identified food systems funding. These grants were coded by issue category; future analysis could benefit from a more detailed coding. Numerous grants awarded internally at the University with institutional resources are not included in this dataset, despite their food systems focus. While researchers were able to identify the faculty recipient and topic of the grant, no information was available regarding the amount of these grants.

Select Federal Funding Discussion

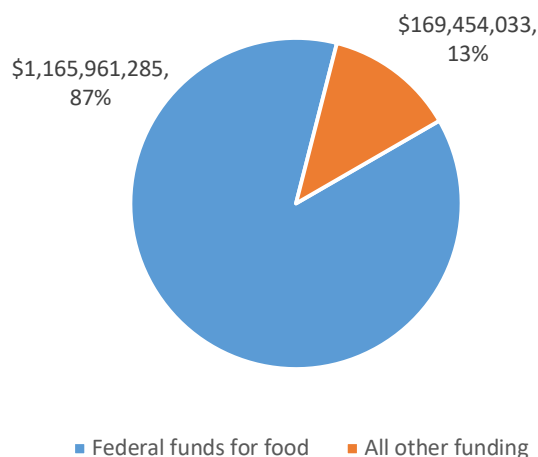
Following an initial inspection, the data were separated into two main groups. The first includes the vast majority of funding in the dataset (87%), which consists of funding from several federal agencies to a select group of Minnesota state agencies and tribal governments. Observations were grouped into this category if they consisted of allocations of federal funds used to purchase or distribute food or support cash food purchases. This includes funding covering SNAP, WIC, school food programs, the Fresh Fruit and Vegetable Program, Commodity Supplemental Food Program, FDPIR, and WIC and Senior's Farmers Market Nutrition Programs. This dataset includes 231 observations, three (3) funders, and 11 grantees (all state and tribal governments), totaling \$1,165,961,285.

Despite accounting for most of the funding in the dataset, this funding will not be the main focus of the memo for two reasons. First, these funds are at a different level of analysis (i.e. mandated federal funding), different in nature (i.e. used for direct food purchasing/distribution versus food systems development), and beyond the scope of MFFN member activities. Second, and perhaps more importantly, the dataset is incomplete with respect to similar federal funding across other areas of the food system (i.e. crop insurance and subsidies, etc.) such that its inclusion in the analysis would present a skewed picture of funding for Minnesota’s food system.

Data Analysis Discussion

The second set of observations account for the majority of observations but a minority of total funding – roughly 10%. This set includes all other funding from federal and state agencies, universities, philanthropic, and private funders. This includes 1,202 observations, 370 funders, and 205 grantees, totaling \$169,454,033. Figure 1 summarizes the balance between these two groups of funding. First, a brief analysis of the first set of government funding is presented, followed by more extensive analysis of the second set of public, philanthropic, private, and other funding.

Figure 1: Two groups of food systems funding



Analysis: Federal funding for food purchases

The \$1.166B of federal funding used to support the purchasing or distribution of food covers the Commodity Supplemental Food Program, Food Distribution Program on Indian Reservations (FDPIR), school food programs, WIC, SNAP, the Emergency Food Assistance Program, and the Senior and WIC farmers market nutrition programs. Several other characteristics are as follows:

- ✓ **Funders:** This \$1.166B is entirely attributable to the three aforementioned federal agencies of HHS, FNS, and the Administration of Aging

- ✓ **Grantees:** These funds were transferred to 11 grantees, all of which are state agencies or tribal governments. State agencies include Minnesota Departments of Education, Health, Human Services, Aging, and Agriculture. Tribal governments include the White Earth Reservation Tribal Council, the Red Lake Band of Chippewa Indians, Fond du Lac Reservation, Leech Lake Band of Ojibwe Indians, Mille Lacs Band of Ojibwe Indians, and the Grand Portage Band of Lake Superior Chippewa.
- ✓ **Grant type:** Virtually all this funding (99.97%) is classified as programming, with all items (100%) having a secondary categorization of direct services.
- ✓ **Target audience:** A majority of funding is directed toward youth (\$739M, 63%), slightly more than a third focused on limited-resource people (\$423M, 36%), and the remaining less than 1% focused on specific racial/ethnic groups, in this case entirely Native Americans (\$3.6M, 0.3%). The high proportion of funding for youth is mostly attributable to school meal programs.
- ✓ **Geography and scale:** 99.97% of this \$1.16B is state-level funding, with only 0.3% targeted at specific regions (FDPIR funding for tribal governments)

Analysis: All other funding

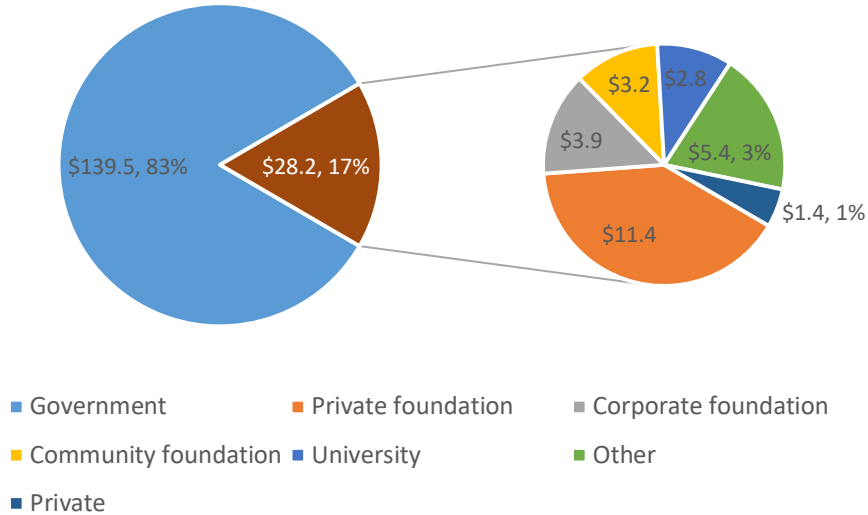
The remaining \$169M includes all other identified food systems funding. While a minority of total funding, this space is much more dynamic, with 370 funders and 204 grantees. This set of funding will be the focus for the remainder of the analysis unless otherwise noted—often referred to as ‘all funding.’

Table 1 and Figure 2 show that the majority of this funding (\$139.5M, 83%) is also from government sources. The remaining 17%, with a total value of \$28.2M, accounts for all philanthropic funding from private, corporate, and community foundations, as well as university, private, and other sources. ‘Other’ was included for groups like trade associations (i.e. dairy, soy, doctors) that conduct research, education, and advocacy, as well as other non-traditional funders (i.e. other nonprofits).

Funder Type	Number of grants	Funding	% number of grants	% of total funding	% of non-gov funding
Government	313	\$139,458,175.55	31%	83%	N/A
Private foundation	370	\$11,384,044.00	37%	7%	43%
Corporate foundation	207	\$3,888,940.00	21%	2%	20%
Community foundation	67	\$3,218,334.00	7%	2%	15%
University	47	\$2,843,950.31	5%	2%	12%
Other	131	\$5,374,684.24	13%	3%	11%
Private	18	\$1,443,079.01	2%	1%	11%

Table 1: Total funding by Funder type

Figure 2: Total food systems funding (in millions), by funder type



When considering only non-government funding, the largest share comes from private foundations (43%), followed by corporate foundations (20%), community foundations (15%), universities (12%), other sources (11%), and private funders (also 11%).

With over 350 food systems funders, it is impractical to list them all here, though a full listing is available upon request. Table 2 lists the number of grants and total funding of the top 10 food systems funders. Since most of these are federal and state government entities, Table 3 is included summarizing the top three funders of each funder type.

Funder Name	Number of grants	Total Funding (\$)
United States Department of Health and Human Services	68	\$39,198,229.00
United States National Institute of Food and Agriculture	59	\$35,213,580.00
Minnesota Department of Human Services	5	\$30,551,010.00
United States Department of Homeland Security	7	\$9,654,878.15
United States Food Safety and Inspection Service	5	\$4,268,882.00
United States Animal and Plant Health Inspection Service	18	\$3,486,792.00
The McKnight Foundation	28	\$2,920,000.00
United States Environmental Protection Agency	10	\$1,886,172.00
Otto Bremer Trust	35	\$1,705,500.00
United States Agricultural Marketing Service	5	\$1,593,471.00

Table 2: Top 10 Minnesota food systems funders

Funder Name	Number of grants	Total Funding (\$)
Community foundation		
The Minneapolis Foundation	24	\$1,237,326.00
Shakopee Mdewakanton Sioux (Dakota) Community Contributions Program	1	\$1,000,000.00
The Saint Paul Foundation	12	\$463,277.00
Corporate foundation		
Target Foundation	14	\$1,040,000.00
The Cargill Foundation	4	\$535,000.00
Medtronic Communities Foundation	18	\$423,328.00
Government		
United States Department of Health and Human Services	68	\$39,198,229.00
United States National Institute of Food and Agriculture	59	\$35,213,580.00
Minnesota Department of Human Services	5	\$30,551,010.00
Other		
Otto Bremer Trust	28	\$1,415,500.00
Midwest Dairy Assn	2	\$510,000.00
Dairy Research Institute	17	\$408,412.00
Private		
Center for Prevention, BlueCross BlueShield	20	\$919,545.00
Pepsico, Inc.	4	\$685,896.75
Puretein Bioscience, LLC	1	\$170,000.00
Private foundation		
The McKnight Foundation	28	\$2,920,000.00
Bush Foundation	7	\$1,437,406.00
Northwest Area Foundation	7	\$1,362,000.00
University		
Duke University	7	\$784,804.00
University of Maryland	4	\$694,218.00
UMN Healthy Foods Healthy Lives Institute	16	\$594,774.31

Table 3: Top three Minnesota food systems funders in each funder category

Grantee and grant information

The dataset includes 204 grantees. The University of Minnesota is far and away the largest recipient of funding in the sample, whose \$114.4M received accounts for 68% of all remaining funding – more than 10 times higher than the next largest recipient. The next three highest funded entities are all state government agencies: MDA (\$10.6M), MDH (\$8.2M), and DHS (\$3.5M). Together these three agencies account for another 15% of all funding. Table 4 summarizes the top 30 highest funded entities.

Grantee	Number of grants	Total Funding (\$)	% number of all grants	% of all funding
University of Minnesota	304	\$114,441,473.80	25%	68%
Minnesota Department of Agriculture	36	\$10,608,647.00	3%	6.3%
Minnesota Department of Health	4	\$8,182,107.00	0%	4.8%
Minnesota Department of Human Services	1	\$3,520,000.00	0%	2.1%
Second Harvest Heartland	129	\$3,391,009.00	11%	2.0%
Land Stewardship Project	44	\$2,891,263.00	4%	1.7%
Hmong American Farmers Association	15	\$2,179,925.00	1.25%	1.3%
White Earth Reservation Tribal Council	3	2089930	0.25%	1.2%
Appetite for Change	20	\$1,662,208.00	1.66%	1.0%
Main Street Project	5	\$660,000.00	0.42%	0.39%
Loaves and Fishes Too	45	\$634,205.00	3.74%	0.37%
Store to Door	48	\$621,243.00	3.99%	0.37%
Hmong American Partnership	1	\$603,790.00	0.08%	0.36%
Youthprise	2	\$603,000.00	0.17%	0.36%
Region Five Development Commission	2	\$590,000.00	0.17%	0.35%
Minnesota State Colleges and Universities	3	\$563,670.00	0.25%	0.33%
Farmers Legal Action Group	10	\$516,710.00	0.83%	0.30%
The Good Acre	5	\$505,226.00	0.42%	0.30%
White Earth Tribal and Community College	4	\$501,738.00	0.33%	0.30%
Minnesota Food Association	13	\$484,910.00	1.08%	0.29%
Latino Economic Development Center	2	\$475,000.00	0.17%	0.28%
Open Arms of Minnesota	43	\$457,623.00	3.58%	0.27%
White Earth Land Recovery Project	4	\$407,909.00	0.33%	0.24%
Minnesota Center for Environmental Advocacy	1	\$400,000.00	0.08%	0.24%
Minnesota Public Radio American Public Media	3	\$395,000.00	0.25%	0.23%
Frogtown Farm	6	\$386,425.00	0.50%	0.23%
Food Group Minnesota Inc.	1	\$349,221.00	0.08%	0.21%
Renewing the Countryside II	7	\$335,549.00	0.58%	0.20%
Second Harvest North Central Food Bank	13	\$326,303.00	1.08%	0.19%
Minnesota State Board on Aging	1	\$323,417.00	0.08%	0.19%

Table 4: Top 30 grantees, by total funding received

The largest nonprofit recipients were Second Harvest Heartland (2.0%) followed closely by Land Stewardship Project (1.7%). Other top 10 recipients include Twin Cities-based nonprofits Appetite for Change and Hmong American Farmers Association. Three White Earth Reservation-related entities (the Tribal Council, Community College, and White Earth Land Recovery Project) are the only tribal entities in

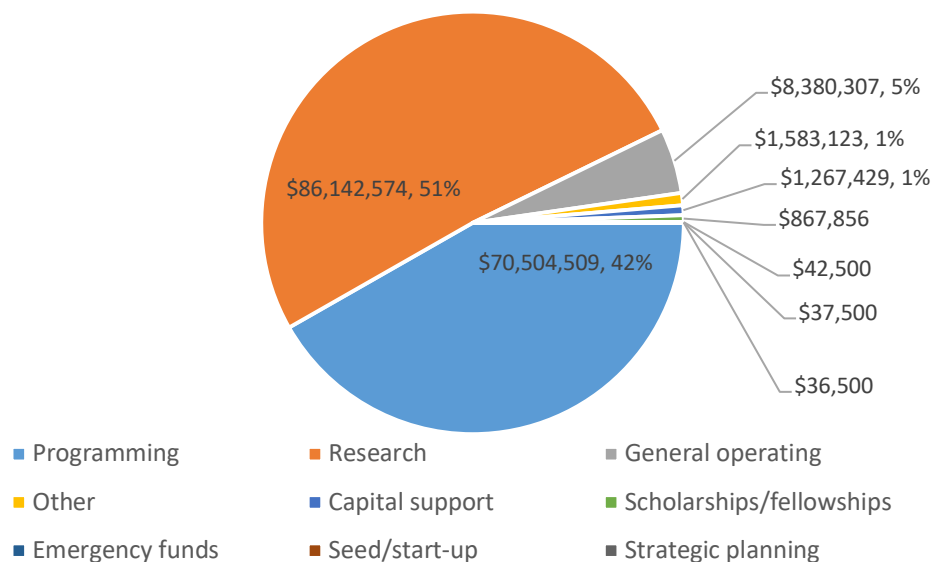
the top 25 grantees. Notable non-metro area grantees in the top 25 include Main Street Project, Region Five Development Commission, and Minnesota Food Association.

Notably, the top 30 appears to include at least two distinct cohorts (other than government agencies), hunger relief organizations and social enterprises or social enterprise-supporting organizations. The hunger cohort includes Second Harvest Heartland, Loaves and Fishes Too, Store to Door, and the Food Group, Inc. Social enterprises or social enterprise-supporting organizations include Hmong American Farmers Association, Appetite for Change, Main Street Project, Region Five Development Commission, and The Good Acre. These two cohorts in the top 30 signal the funder community’s interests in meeting immediate need with also supporting innovative and sustainable models for long-term food systems change.

Grant type

This variable categorizes funding into the most common grant types as understood by philanthropic funders. Figure 3 demonstrates that just over half of all funding went to research (51%) and 42% to programming. These two grant types make up over 90% of all funding. Most of the remaining 7% was for general operating (5%), and the remaining 2% is split between seed/start-up, capital support, strategic planning, scholarships, emergency funds, and other.

Figure 3: Grant type (in millions)



Grant size

Figure 4 is a histogram showing the total number of grants by size, demonstrating that most food systems grants are relatively small, and there is a steady decline in number of grants as grant size increases. Despite most grants being relatively small, Figure 5 demonstrates that the sheer size of larger grants result in most food systems funding being accounted for by a handful of small grants. These few larger

grants, almost all of which are federal, state, and some university funding, determine the broad brushstrokes of the food systems landscape.

Figure 4: Grant size histogram

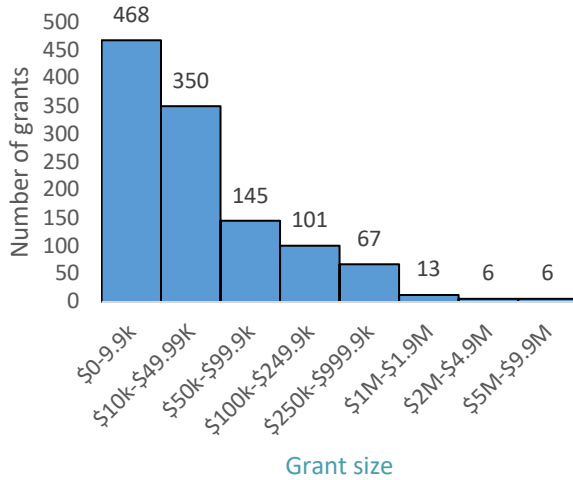
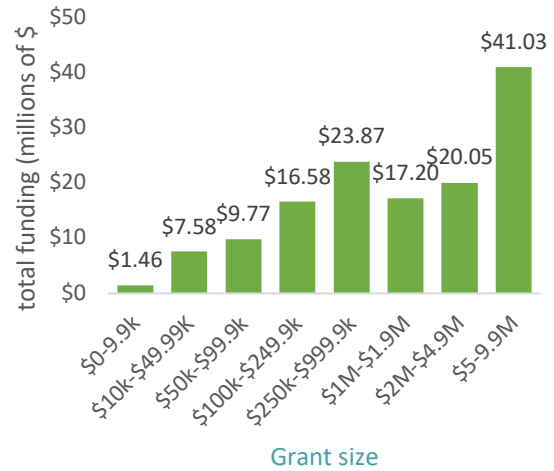


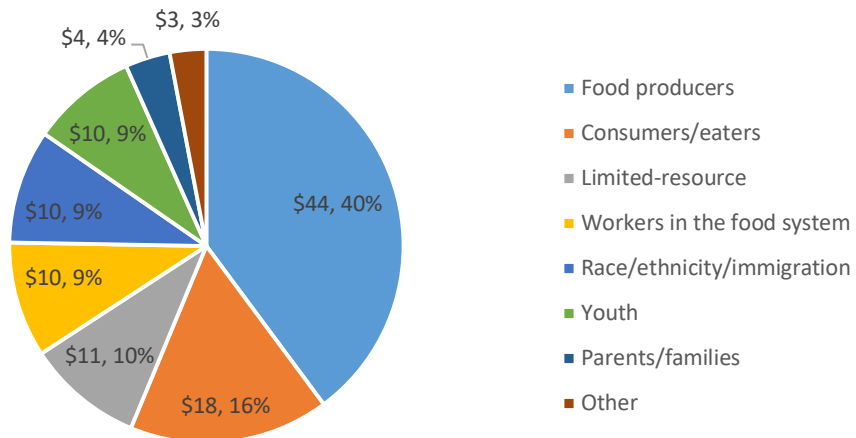
Figure 5: Total funding (millions of \$)



Target audience

Between a third and a half of all funding (40%) was targeted at food producers. The next largest share was aimed at consumers/eaters (16%). Limited-resource, workers in the food systems, specific racial and ethnic groups, and youth each account for about a tenth of all funding. Parent/families and ‘other’ account for less than 5% of total funding each.

Figure 6: Target audience (in millions)



Selected sub-category analysis of race/ethnicity/immigration subcategories

Given the prevalence of Minnesota’s glaring racial/ethnic inequality and increasing attention on racial equity within the funding community, this section presents a more detailed analysis of funding targeted at specific racial, ethnic, or immigrant populations. The table below indicates that:

- ✓ 61% of all funding targeted at specific racial, ethnic, and immigrant subgroups was focused on Native Americans
- ✓ Most of the remaining funding (31%) went to new immigrants and refugees
- ✓ 7% was focused on Asian-Pacific Islander communities
- ✓ Less than 1% was focused on Latino communities
- ✓ Two grants were identified as specifically focusing on African-American populations, but even those did not have identified amounts, meaning that there was zero identified food systems funding targeted at African-Americans in the dataset. There are a few important caveats to keep in mind, given this information. Greater Twin Cities United Way’s Full Lives grant program, which has dedicated \$1M in grants and targeted technical assistance to Minneapolis’s Northside substantially increases the overall dollar amount dedicated to African American-led food systems initiatives. Frogtown Farm serves the Frogtown neighborhood, which includes substantial engagement by and with the African American community. Furthermore, additional grants are provided to organizations such as Urban Ventures and NEON that also serve African American stakeholders, but there was no detail available about the extent to which these resources targeted food systems-focused efforts. Further research outside the scope of this study would need to be dedicated to obtain a fine-grained picture of African American-focused food systems grantmaking.

Racial, ethnic, and immigration subgroups	Number of grants	Total funding	% number all grants	% of total funding
Native/indigenous people	29	\$6,291,023.00	49%	61%
New immigrant/Refugees	22	\$3,227,515.00	37%	31%
Asian-Pacific Islander	3	\$726,580.90	5%	7%
Latino	3	\$20,000.00	5%	0.19%
African-American	2		3%	

Table 5: Total funding among race, ethnicity, and immigration sub-categories

Geography

Several geographic trends in the data include:

- ✓ **Geographic Location** – Where identifiable, 59% of funding was targeted at rural areas, 24% at urban areas, 15% tribal, and 2% suburban. *Note – a significant amount of rural funding is federal grants for agricultural production and research purposes.*
- ✓ **Scale** – Over two-thirds of funding at a statewide or multi-state scale. 10% focused on regions, 10% on cities, 7% at county levels, and 4% at hyper-local scales. *Note – Many statewide grants focus on agricultural research that impacts or is located across the state.*
- ✓ **Region** – Only \$21M could be identified as targeting a particular geographic region, and of that 62% was focused on the Twin Cities, 15% on the Northwest Minnesota, 9% on the Northeast, and

6% in Southern Minnesota. The remaining regions (Central, Southwest, and West Central) all received 5% or less of total funding

While geographic location and region figures appear to tell contradictory stories, recall that the region figure only includes funding targeted at specific regions. This suggests that, where a specific region is being targeted, this region is most often the Twin Cities, but in general most food systems funding is happening at a statewide or larger scale and/or more often than not targeting rural Minnesota communities. These geographic trends are summarized in figures 7-9.

Fig. 7: Geographic location (in millions)

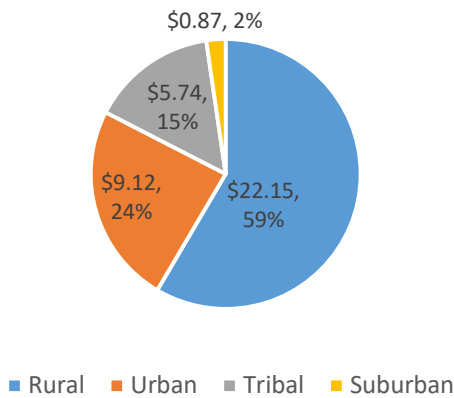


Fig. 8: Scale (in millions)

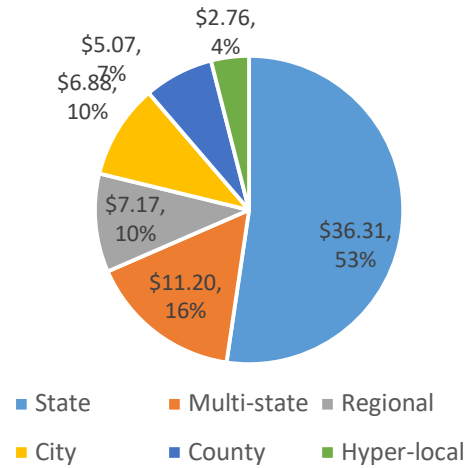
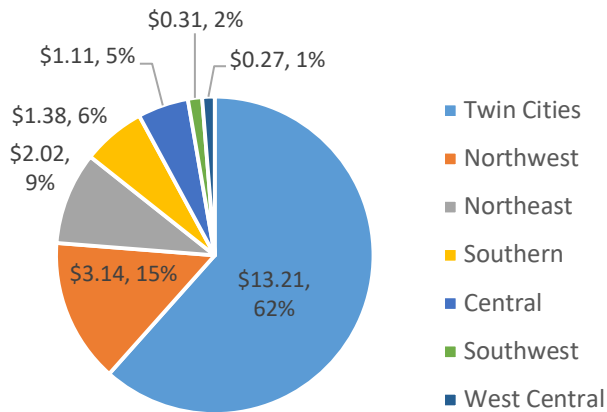


Fig. 9: Region (in millions)

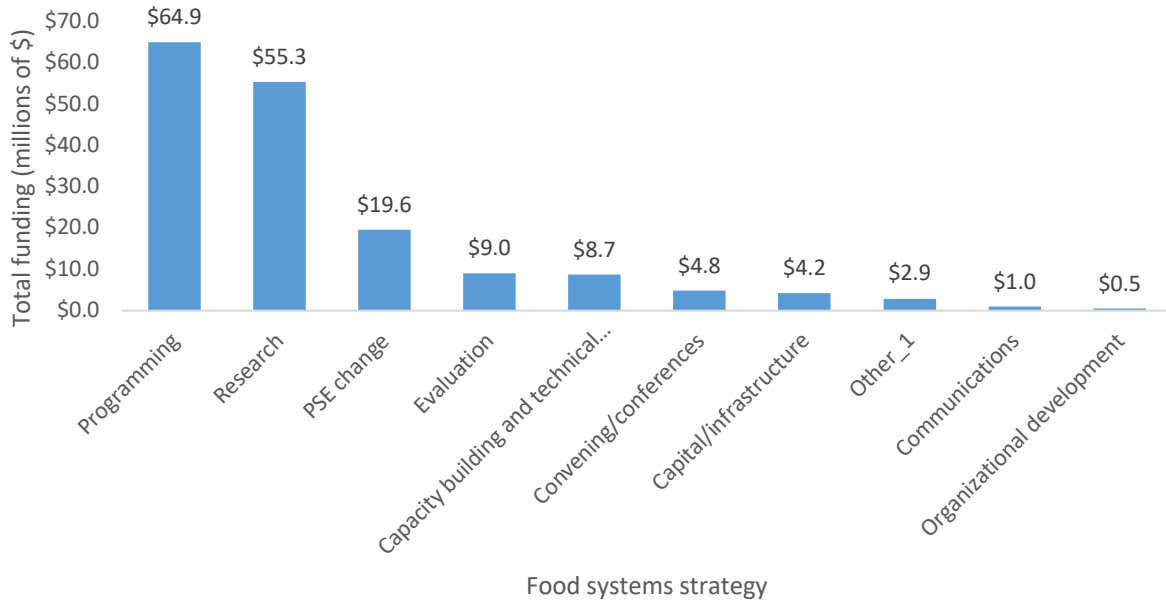


Food Systems Strategy

This domain categorizes funding by the types of food system change strategies used by grantees. Programming accounted for \$64.9M of all funding (38%), followed by research \$55M (32%). Policy,

systems, and environmental change was third highest at \$19.6M (11%). All other strategies each received 5% or less of total funding.

Fig. 10: Food systems strategy (in millions)



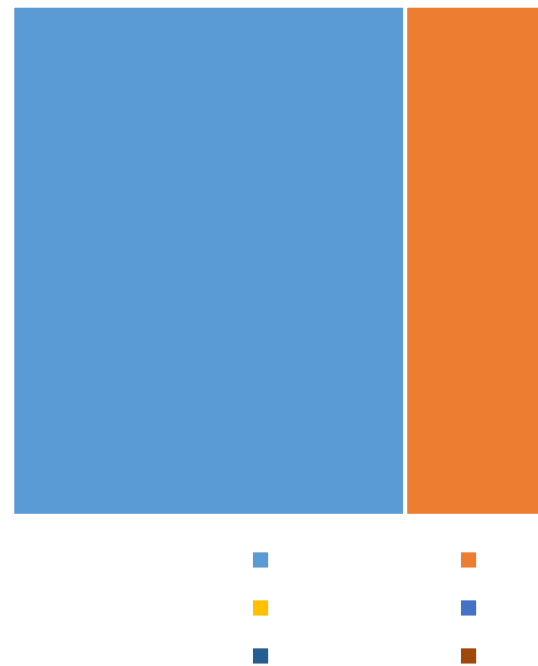
Food Systems Issues

Among issue categories, health accounted for over a third (37%) of all funding, followed by agriculture (24%) and hunger (23%). These three issues account for 84% of all funding. The remaining categories of environment, economy, social/culture/art, local food, and justice each account for 5% or less of total funding. A breakdown of total funding by issue category is detailed in Table 6. Figure 11 visually demonstrates the prominence of health, agriculture, and hunger in the food systems funding landscape.

Food systems issue	Number of grants	Funding	% number all grants	% of total funding
Health	331	\$60,651,890	28%	37%
Agriculture	264	\$40,382,677	22%	24%
Hunger	390	\$38,747,847	33%	23%
Environment	69	\$7,729,077	6%	5%
Unsure	17	\$6,368,676	1%	4%
Economy	39	\$5,739,872	3%	3%
Social/Culture/Art	26	\$2,526,069	2%	2%
Local	25	\$1,966,873	2%	1%
Justice	23	\$1,622,208	2%	1%

Table 6: Total funding by food systems issue

Figure 11: Food systems



Selected detailed analysis on hunger, health, and agriculture domains

Given that health, agriculture, and hunger account for 84% of total funding, presented below at the sub-category level for each issue.

Health

Of the \$60M in health funding, \$54.5M was identified as fitting into a health

- 41.1% (22.2M) was focused on chronic diet-related disease prevention
- About a third (32%, \$17.5M) was focused on food safety
- Improving healthy food access accounted for about 12% (\$6.6M)
- The remaining categories of antibiotic resistance, food skills education and health promotion, and nutrition (scientific discipline) received about 5% or less each

Health sub-categories	Number of grants	Funding	Number of grants (%)	Funding (%)
Chronic diet related disease prevention	33	\$22,216,445.00	13%	40.8%
Food safety	23	\$17,515,071.00	9%	32.2%
Improving healthy food access	161	\$6,604,146.00	62%	12.1%
Antibiotic resistance	4	\$2,899,000.00	2%	5.3%
Food skills education and health promotion	30	\$2,842,121.00	12%	5.2%
Nutrition (scientific discipline)	7	\$2,376,875.00	3%	4.4%

Table 6a: Total funding for health sub-category issues

These results suggest that the most common health goal among funders and grantees in this sample is chronic disease prevention. Food safety also continues to be a major focus in the funding landscape.

Improving healthy food access, though now a common frame among many funders, receives just about 10% of all health-focused funding in this sample. Recall, however, that federal funding for purchasing or distributing food has been exempted from this portion of the analysis. In the larger batch of \$1.65B in federal funding, improving healthy food access is a major focus.

Agriculture

Of the \$40.4M dedicated to agriculture, \$27.6M was identified in a sub-category.

- ✓ Agroecology/regenerative agriculture accounted for nearly half (46%)
- ✓ The next largest subcategories are animal husbandry (12%), farmer training (10%), crop-specific (9%), greenhouses/hydroponics/aquaponics (7%), and farm profitability/business management (5%)
- ✓ All other subcategories each received less than 5% of total agriculture funding
- ✓ Several sub-categories with zero grants in this sample (ag in the middle and biofuels) are included to demonstrate what are either gaps in the funding landscape, or gaps in this sample

Agriculture sub-categories	Number of grants	Total Funding (\$)	% number all grants	% of total funding
Agroecology/regenerative ag	40	\$12,806,562	26%	46%
Animal husbandry	12	\$3,391,419	8%	12%
Farmer training	13	\$2,726,266	8%	10%
Crop-specific	14	\$2,522,026	9%	9%
Greenhouses/hydroponics/ aquaponics	7	\$1,852,205	4%	7%
Farm profitability/business management	9	\$1,244,290	6%	5%
Basic research	8	\$1,046,633	5%	4%
Urban agriculture	42	\$1,030,042	27%	4%
Conventional, ' large-scale ag	3	\$589,000	2%	2%
Seeds	3	\$367,909	2%	1%
Small farms	1	\$25,000	1%	0%
Land access	4	\$24,000	3%	0%
Other_1	0	\$0	0%	0%
"Ag in the Middle"	0	\$0	0%	0%
Biofuels, fibers, and natural products	0	\$0	0%	0%

Table 6b: Total funding for agriculture sub-category issues

Hunger

Of the \$38.M focused on hunger, \$8.1M was identified as the sub-category level.

- ✓ Nearly all (6.8M, 84%) was focused on hunger relief
- ✓ 11% was focused on food security
- ✓ 5% was focused on community food security

The inclusion of Greater Twin Cities United Way’s Full Lives funding would boost these latter figures some, but overall the vast majority of public, private, and philanthropic funding focused on hunger is directed toward direct hunger relief, whereas a very small amount is focused on food security or community food security.

Hunger sub-categories	Number of grants	Funding	% number all grants	% of total funding
Hunger relief	370	\$6,841,773	98%	84%
Food security	4	\$890,000	1%	11%
Community food security	4	\$399,221	1%	5%
Other	1	\$53,970	0.3%	0.7%

Table 6c: Total funding for hunger sub-category issues

Minnesota Food Charter Domains

The Minnesota Food Charter contains 99 proven policy and systems change strategies designed to create reliable access to affordable, healthy food for all the state’s residents. There are five domains of Food Charter strategies, including Food Skills, Food Affordability, Food Availability, Food Accessibility, and Food Infrastructure. The table below demonstrates that among Food Charter domains, over half of \$117.8M with an identifiable Food Charter domain was categorized as focused on building food infrastructure. The second largest domain was food skills (23%). Fewer grants were focused on food skills but they were, on average, much larger. The remaining Food Charter domains of food availability and accessibility each received less than 10%, and food affordability received just 1%. Federal food programs, such as SNAP/EBT, WIC, SFMNP, and FNDIP, are major programs that address food affordability; therefore, the overall amount of resources in Minnesota dedicated to food affordability is considerable.

Food systems issue	Number of grants	Funding	% number all grants	% of total funding
Food infrastructure: Growing, processing, and distributing safe, healthy food	349	\$71,434,575.4	35%	61%
Food skills: Foundation of healthy eating	93	\$27,206,312.9	9%	23%
Food Availability: Enough healthy food for all	372	\$10,610,426.0	37%	9%
Food accessibility: Healthy food is easy to get	190	\$7,082,641.0	19%	6%
Food affordability: Enough money for enough healthy food	6	\$1,446,342.0	1%	1%

Table 7: Total funding by Minnesota Food Charter domains

Final Discussion

This dataset of food systems funding reveals that federal funding for purchasing and distributing food dwarfs all other food systems change activities. In this sample, about seven times as much money is spent on the former compared to the latter.

Government sources dominate the food systems funding landscape. If all food systems funding amounted to \$1.00, \$0.87 would be spent by the federal government on purchasing or distributing food. Within the remaining \$0.13, another \$0.11 would be spent by government agencies, with government then accounting for a total of \$0.98 of the food system investment dollar. Community, private, and corporate foundations account for about a penny and a half combined. University and private/other funders account for less than a penny combined. With this picture in mind, it becomes increasingly clear that grant-funded nonprofits are unlikely to move the dial on complex, interconnected challenges in the food systems with less than two cents of the food systems investment dollar. Instead, perhaps the best thing these organizations can do with philanthropic resources is 1) meet immediate need not addressed by government and universities, and 2) develop ‘proof of concept’ models that can later be scaled up through policy change and other government investments.

In terms of recipients, the landscape has many players but similarly a few grantees dominate. Eleven state and tribal agencies are the recipients of the \$1.65B in federal funding used to purchase or distribute food. Within the remaining 13% (\$169M), the University of Minnesota accounts for over two thirds (\$114M) and other state agencies account for (\$22.3M). This leaves just \$31M for all other roughly 200 grantees. While this highlights just how little community organizations have to work with in the bigger picture, it also highlights a strong concentration of food systems funding at the University of Minnesota.

The role of Minnesota’s land grant university in all facets of the food system cannot be understated. The massive amount and diversity of grants and funding that supports a broad research, education, and Extension agenda across the food system, as well as numerous Extension and educational programs reveals the University to be the major public sector driver and agent of our food and agricultural system.

Focusing on the philanthropic funding landscape this unique dataset provides valuable insight into the additional \$169M invested in Minnesota’s food systems change efforts. Between 2015 and 2017, over 350 public, private, philanthropic, and other funders invested roughly \$170M in over 200 grantees to move forward food systems change focused on a wide range of communities, geographic areas, strategies, and issues. The broadest brushstrokes in each domain include the following:

- ✓ Health stands out as the most prevalently funded issue, with agriculture and hunger representing the other largest funded issues (beyond federal funding used for food purchasing and distribution)
- ✓ Research and programming account for over 90% of all grant types
- ✓ Programming and research strategies account for almost three quarters of all funding, with policy, systems, and environmental change somewhat of a distant third place at 11%

- ✓ Among all target audiences, nearly two-thirds of all funding is targeted at food producers and eaters/consumers
- ✓ State and multi-state scale work accounts for two-thirds of all funding
- ✓ Within the funding identified as targeting a specific geographic context, 59% was focused on rural communities and only 24% on urban
- ✓ Among Minnesota Food Charter domains, food infrastructure accounts for over half of all funding and food skills for about a quarter

More detailed analysis of this dataset is possible at the subcategory and tertiary category levels, as well between different domains and through different methods (i.e. network mapping). Further analysis could provide relevant results for stakeholders in different niches in the food system and is available upon request.



**IMPLICATIONS,
RECOMMENDATIONS, AND
CONCLUSION
– Section IV –**

Study Features Impacting Findings

This second funding landscape scan, conducted for MFFN, differed from its predecessors in a few key ways by:

- ✓ Integrating grants disbursed to academic institutions, as well as grants disbursed by academic institutions internally and externally
- ✓ Including all relevant federal grants in the domains of food, health, and agriculture
- ✓ Incorporating a review of aligned funding models and emerging, relevant changes to federal policies and programs
- ✓ Focusing on the last three years of funding

It is also important to reiterate that this funding scan identified multiple limitations to the data analysis, including inability to obtain or include some data due to lack of response by the funder or internal organizational policies; omission of agricultural research funding related to non-food crop commodity crop production (such as corn and soybeans); and any data that was unable to be linked explicitly to food systems work (e.g. an organization that may undertake food systems efforts and received a grant where it was unclear what—if any—resources were allocated to these efforts).

Implications and Recommendations

There are several strategic questions that guided the analysis and conclusions from this study:

- ✓ What can MFFN and other funders who support the development of Minnesota’s food system learn from other aligned funding models to inform the approach, philosophy, and hoped for impact from its work?
- ✓ How do funders—as individual entities and as collaborators—make sense of the federal policy landscape to fill gaps, respond to emerging and unmet needs, and offer crucial leadership for food systems development in the state?
- ✓ What does the recent history of food systems-related grants in the state tell us about opportunities, needs, and gaps?
- ✓ Across these questions, what’s coming clear?

Discussion

This study revealed that a relatively small portion of grant funding is available in any given year to up to 350 non-profit organizations seeking grants to support food systems work. Given this reality, funders should consider a few key points:

1. The past track record of consistent alignment of funding and strategic leveraging of organizational and sector influence among a subset of MFFN partners offers its members an outsize opportunity to flex its collective muscle to instigate food systems change at a scale beyond the scope of its collective resources.

2. The most significant influencer of Minnesota’s food and agricultural system is the land grant university, which receives very large amounts of funding for research, education, and Extension programming, most of which is geared toward large-scale agriculture and nutrition research.
3. Hunger relief reflects the largest shared priority of funders by far, as reflected by the massive amount of federal funds and grant funding provide for the purchase and distribution of food to those in need.
4. The actual amount of money from funders in Minnesota to undertake work targeting healthy food access, community and local food systems development, food skills acquisition, and sustainable agricultural practices is a relatively minor portion of funding available. Despite the outsized visibility of the Minnesota Food Charter as a public agenda for food systems change, the overall amount of resources that reflect efforts to implement Food Charter strategies is minimal.
5. There is substantial agricultural funding focused on large-scale infrastructure issues, much of which is unrelated to local or regional food systems development.
6. Urban food systems contribute a minimal amount to Minnesota’s overall food supply but enjoy a substantial investment by funders. This investment is critical, given that much federal funding is designed to support a larger scale agricultural system which is always located in rural settings.

Conclusions

Given that the overall amount of funding available for community, local, and regionally scaled food systems work is relatively small for the state, it is important for funders to consider how best to add strategic value to the investments its members make individually and collectively. Below are key insights the study authors would like to share to guide funder discussions about what the data have revealed:

- ✓ Federal programs for sustainable agriculture, community food systems, and prevention-oriented policy/systems/environmental change public health initiatives, are going to be dramatically reduced, with the exception of farm-to-school. While the amount of available non-federal grant sources cannot compensate for these reductions, **MFFN as a network, and other food systems funders, should consider building strategic, influencer relationships with the University of Minnesota and the Minnesota Department of Agriculture to ensure that there is adequate investment and thought leadership** in these areas.
- ✓ Obesity and diet-related disease continue to rise, but **fewer funds will be available from multiple sources (federally and Minnesota-based funders) to effectively and systemically address the healthy eating-related aspects of this issue.** This will be a challenging gap with serious consequences—one with no easy solution.
- ✓ Within Minnesota’s funding landscape, **some funders will play a less significant role in terms of resources and influence in coming years, while other major funders are stepping up** to undertake innovative, collaborative initiatives that strengthen geographically specific food systems. This shift in leadership and influence can present some interesting opportunities at a time of change at the federal level and within Minnesota’s funding community vis à vis food systems.

- ✓ **Regional food systems development, including food production for nearby markets and the associated infrastructure required to sustain it, is a long-term aim that MFFN should attend to.** Rural economic development agencies and funders (such as the Southern Minnesota Initiative Foundation and Region Five Economic Development) are providing significant leadership in this area. These types of entities have a unique vantage point and knowledge base to guide other funders less familiar with food and farm enterprise and infrastructure development on how best to invest in these initiatives and the ultimate aims and benefits to the state for doing so.
- ✓ **A critical role funders can also play in Minnesota’s food systems arena is the support of initiatives led by and serving diverse cultural populations.** These culturally specific programs and organizations are often grant dependent and need the support of area funders to ensure their ongoing success and sustainability.
- ✓ **Funders should seek to have a shared understanding of needs and current initiatives associated with regional food systems development across the state,** and an accompanying mutual strategy for how to contribute to cultivating it. Without coordination and a common strategy, progress toward robust regional food systems capable producing healthy food at a population scale will be inconsistent, and perhaps ultimately unsuccessful.
- ✓ Finally, given the relatively small overall amount of resources Minnesota’s funding community contributes to the state’s agricultural and food systems, **funders should consider that their collective influence may be their greatest asset.** For example, should a coalition mobilize to generate significant policy investments at the state level to institute a ‘next generation’ agricultural and food system, MFFN’s visibility and credibility may be one of its greatest assets.

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ⁱⁱ Paul Overberg, “The Divide Between America’s Prosperous Cities and Struggling Small Towns in 20 Charts,” *Wall Street Journal*, December 29, 2017. <https://www.wsj.com/articles/the-divide-between-americas-prosperous-cities-and-struggling-small-towns-in-20-charts-1514543401>

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