



Vermont Sustainable Jobs Fund

Accelerating Sustainable Economic Development

2.15.21

MEMO to House Agriculture & Forestry Committee

FROM: Ellen Kahler, Executive Director, VSJF

RE: Questions that arose in Committee on 2/12/21 re: VSJF/Farm to Plate Annual Budget

I understand that Representative O'Brien had some questions re: the Farm to Plate annual budget, the relationship between the Vermont Sustainable Jobs Fund and the VAAF, budget approval processes, etc. This memo is an attempt to answer these questions and to generally address the relationship between the VSJF and the State of Vermont.

The VSJF was created in 1995 by an act of the Vermont Legislature. VSJF's statute is here: 10 V.S.A. § 326 – 330 (<https://legislature.vermont.gov/statutes/fullchapter/10/015A>). However, since our founding, VSJF was set up as an independent 501c3 non-profit organization. While the organization was authorized to come into existence in 1995, and VEDA was authorized to capitalize the Fund with \$1 million, VEDA never did (a case of "may" vs. "shall" in the statute). VSJF has an 11 member board of directors which includes (by statute) 8 independent members, the Secretary of ACCD (or designee), the Secretary of VAAF (or designee) and 1 member appointed by the Governor. The organization is no longer considered a component unit of the State of Vermont (whereas VHCB is).¹ However, because the organization was created originally by the Legislature and has members of the Administration who serve on its board, it enjoys a unique connection to the State. It can be flexible and nimble in ways that state agencies often cannot, yet enjoys some amount of state funding support each year.

In 2009, the Vermont Legislature tasked the VSJF with administering the Farm to Plate Investment Program and added § 330 to the VSJF's statute - 10 V.S.A. § 330 (<https://legislature.vermont.gov/statutes/section/10/015A/00330>). The statute was subsequently re-authorized in 2019 for another 10 years (2019, No. 131 (Adj. Sess.), § 12).

Statutory language indicates that unless the State of Vermont provides \$100,000 annually, the VSJF is not obligated to administer the program. Thus, state funding each year for VT Farm to Plate is not guaranteed and must be requested in September each year (at the time when VAAF is assembling

¹ The reason the VSJF has an 828- phone number is because from 1995-2001 VSJF was physically located at VEDA. Once VSJF got its own office space and took over its own bookkeeping, etc. in 2001, it was allowed to keep its phone numbers, because at that time, it was considered component unit of the state. VSJF's statute was updated in 2011 to reflect a needed change in board composition, and thus in 2015 the Office of Budget & Finance determined the VSJF was no longer a component unit of the state.

their budget recommend to the Governor). However, each year since FY10, the VAAFM has been able to provide \$100,000 for VT Farm to Plate.² In FY20, VAAFM was able to provide an extra \$75,000 to provide additional support for VSJF developing the Vermont Agriculture & Food System Strategic Plan 2021-2030. An extra \$18,500 in FY21 was provided to ensure the Plan had sufficient funding to be completed.

Thus, each year the VSJF requests funding support from the VAAFM. If the budget passed by the Vermont Legislature includes the funds requested on our behalf, then VAAFM initiates a grant agreement with VSJF that includes a work plan for how the funds will be spent. To date, the VSJF has been able to determine its own annual work plan, given that it is an independent organization. As part of the grant agreement, funds are dispersed in 3 tranches, and requires an interim report and a final report to be submitted.

The VSJF has always had a strong working relationship and partnership with the staff of the VAAFM and the Secretary of the VAAFM sits on the VSJF Board of Directors. Thus, when Act 83 was passed in 2019 requesting that the VAAFM in collaboration with the VSJF develop a Vermont Agriculture & Food System Strategic Plan, it was straightforward to begin working on the Plan together. And, through the re-authorization process for VT Farm to Plate that same year, VSJF was getting ready to begin work on a new Strategic Plan anyways (i.e., even if Act 83 had not been passed).

For the past several years, the VT Farm to Plate annual program budget has been between \$750-\$850k, depending on what projects are being undertaken. VSJF also is fortunate to receive an annual general fund appropriation through the ACCD (again via a grant agreement for funds requested each year), which helps to support general operations for VSJF. Some of these funds are used to support the annual VT Farm to Plate budget as well – helping to cover some of its basic operations and overhead. Other funding to support the program is raised from private foundations, federal grants, corporate sponsorships, and event registrations. VSJF has a total annual budget of between \$1.5million - \$1.7million each year, of which VT Farm to Plate typically represents 45-50% of total program spending.

Unfortunately, a number of private foundations that had been supporting VT Farm to Plate will not be doing so in FY22 and beyond. This is because they are either a 'spend down foundation' (thus, going out of business altogether) or they only agreed to support the organization for a certain number of years. Thus, new funding sources will need to be identified and secured in order to sustain the same level of effort, VT Farm to Plate has been functioning at over the past 10 years.

Below is the FY20 financial report for VT Farm to Plate. Please let us know if you have any additional questions.

² Since FY11, the VSJF has also received \$35,000 annually from VAAFM to support its [business coaching](#) program.

Farm to Plate Investment Program Financial Report
Actual Revenue and Expenses July 1, 2019 - June 30, 2020 (FY20)

Revenue

Private Foundations	\$398,605.12	53%
State of Vermont	\$234,177.89	31%
Federal Funds (USDA, SBA/PPP)	\$74,438.12	10%
F2P Gathering Registration	\$34,104.50	5%
Contributions & Sponsorships	\$11,900.00	2%

Total Revenue **\$753,225.63**

Expenses

F2P General Operations **\$156,136.77** **21%**

F2P Personnel **\$251,809.86** **34%**

F2P Projects

Farm to Plate Network Meetings / Gathering	\$75,564.95	10%
Farm to Plate Leadership Stipends	\$59,715.00	8%
Rooted in Vermont Consumer Campaign	\$103,811.98	14%
Independent Grocers Project	\$81,164.48	11%
F2P Misc Grants (grass-fed beef research, food grade grains research)	\$9,230.99	1%

F2P Projects **\$329,487.40** **45%**

Total Expenses **\$737,434.03**