# PROTECT SCHOOL MEALS!

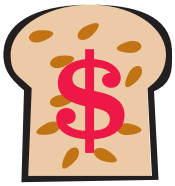
## Relax regulations so schools can prepare healthy meals that students will eat.

**School nutrition professionals are serving healthy, well-balanced meals that help America's students succeed. But since new nutrition standards for school meals took effect in 2012, school cafeterias have struggled with rising costs, red tape and plate waste, threatening the long-term sustainability of school meal programs.**


Since new standards took effect

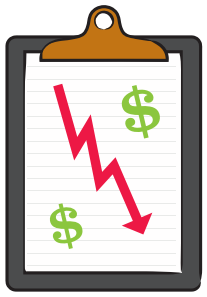
**1 MILLION FEWER STUDENTS**

choose school lunches each day[1].

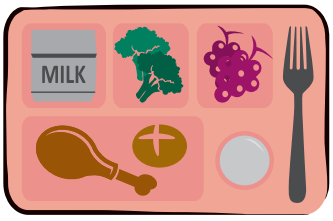


**MORE THAN 9 OF 10**

school meal programs reported **FOOD COSTS WERE UP** in the 2012-13 school year[2].



**47%** of school meal programs report **revenue declined** in the 2012-13 school year[2].




On average, **after labor and expenses,** schools have just over

**$1 PER LUNCH**

to spend on the entire meal, including milk.

**Strict new standards** for competitive foods, which **ACCOUNT FOR 15.8%** of school meal program **revenues,** add to schools' **financial worries** for the 2014-15 school year[3].

**Relax regulations, so school nutrition professionals can plan menus that get kids excited about healthy choices. Learn how to protect school meals at www.schoolnutrition.org/PositionPaper.**

[1] USDA NSLP Participation data
[2] SNA's 2013 Back to School Trends Report
[3] USDA's School Lunch and Breakfast Cost Study–II, April 2008

SCHOOL NUTRITION ASSOCIATION

**301-686-3100**
***Ask for the Child Nutrition & Policy Center***

# PROTECT SCHOOL MEAL PROGRAMS:
## *Relax regulations so schools can prepare healthy meals that students will eat!*

The School Nutrition Association (SNA) represents 55,000 school nutrition professionals nationwide who know firsthand how USDA's new school meal regulations have impacted school menus, student acceptance of school meals and meal program budgets.

SNA members support the majority of the new standards and are not asking to "gut" the regulations. We are just seeking additional flexibility to help students adjust to healthy changes in their school cafeterias, to increase the number of children who benefit from healthy school meals, and to keep meal programs financially stable.

Since the new standards were implemented in 2012, **more than one million fewer students choose school lunch each day,** diminishing the intent of HHFKA to promote healthier diets for students**.**

This decrease in participation significantly reduces revenue for school meal programs already struggling with the higher cost of preparing meals that meet the new standards. According to the SNA's *2013 Back to School Trends Report*, **47% of school meal programs report that overall revenue declined** in the 2012-13 school year while **more than 9 of 10 programs reported food costs were up**.

SNA members urge Congress to provide school nutrition professionals more flexibility to plan menus that meet HHFKA's goal of increasing student consumption of healthy choices while limiting waste. **SNA members are calling on Congress to support the House Fiscal Year 2015 Agriculture Appropriation Bill**, which gives school meal programs, operating at a net loss for six months or more, the chance to apply for a temporary, one-year waiver as they work to meet the meal pattern requirements.

**SNA is also asking Congress to:**

1. **Retain the current requirement that 50% of grains offered for lunch and breakfast program be whole grain rich rather than further increasing the requirement to 100%.**

   Since July 2012, half of all grains offered with school meals must be whole grain rich, but starting July 2014, *all* grains offered with school meals must be whole grain rich.

   Many students have adjusted to whole grain rich breads; however, schools nationwide have struggled to find acceptable specialty whole grain rich items, such as tortillas and biscuits. Challenges include limited availability of whole grain rich products in rural areas and strong regional preferences for refined grains such as white rice or tortillas.

   Schools have experienced increased plate waste, increased costs, and declines in student participation due to student rejection of specific whole grain products. Retaining the current requirement that 50% of grains

offered are whole grain rich will ensure students continue to receive a variety of whole grain items, while limiting waste.

While the *2010 Dietary Guidelines for Americans* encourages whole grains, guidance allows for consumption of refined grains.

2. **Retain the July 1, 2014 Target 1 sodium levels, and suspend implementation of further sodium levels unless and until scientific research supports such reductions for children.**

Schools are already making significant reductions in the sodium levels on school menus to meet the first sodium reduction target, which goes into effect in July 2014.

The Institute of Medicine states that before advancing to Target 2, "it would be appropriate to assess progress and effects of the actions on student participation rates, food cost, safety and food service operations to determine a reasonable target for the next period. The committee recognizes that reducing the sodium content of school meals as specified and in a way that is well accepted by students will present major challenges and may not be possible." *(School Meals: Building Blocks for Healthy Children)*

Naturally occurring sodium present in milk, meats and other foods, make the later sodium targets extremely difficult to achieve. Popular and healthy choices such as low-fat, whole grain cheese pizza, macaroni and cheese and deli sandwiches could be stripped from school menus if manufacturers are unable to develop cheeses that meet these extreme standards.

Many schools have already experienced increased plate waste, increased costs, and declines in student participation as they have transitioned to lower-sodium foods. Before school meal programs are forced to make additional costly changes, more scientific research should be done into the efficacy of further reducing children's sodium intake.

3. **Eliminate the requirement that students must take a fruit or vegetable as part of a reimbursable breakfast and/or lunch**.

Under the new standards, school meal programs *must offer* larger servings and a wider variety of fruits and vegetables with school meals. In addition, students are *required to take* a fruit or vegetable with each reimbursable meal.

Through nutrition education programs, student taste tests and other cafeteria initiatives, schools are encouraging students to choose the produce available with school meals. However, some students simply do not want to take a fruit or vegetable with every single meal. Forcing students to take a food they don't want on their tray has led to increased program costs, plate waste, and a decline in student participation.

A recent study in *Public Health and Nutrition* found that this mandate to serve results in a nearly 100% increase in wasted fruits and vegetables or $3.8 million thrown into the trash each day.[1] That adds up to **$684 million in wasted produce each school year.**

[1] David Just and Joseph Price (2013). Default options, incentives and food choices: evidence from elementary-school children. Public Health Nutrition, 16, pp 2281-2288. doi:10.1017/S1368980013001468.

$684 million is enough to serve complete reimbursable school lunches to more than 228 million students or three times the total budget of the Fresh Fruit and Vegetable Program, designed to introduce and promote produce to low income students.

The fruit and vegetable meal pattern requirements ensure that students will continue to be exposed to a wide variety of healthy foods in the cafeteria. Eliminating the requirement that students *must* take these choices with every meal will ensure students aren't forced to take food they won't eat.

**4. <u>Require USDA to allow any food item permitted to be served as part of a reimbursable meal to be sold at any time as a competitive food.</u>**

HHFKA required USDA to establish standards for "competitive" foods and beverages sold a la carte, in vending machines and in snack bars during the school day. The *Smart Snacks in School* (competitive food) rule, which goes into effect July 2014, will further weaken school meal programs by excessively limiting competitive food sales, a critical source of revenue for school meal programs.

The updated school meal standards require meals to meet strict limits on saturated and trans fats, calories and, starting this fall, limits on sodium too. These standards ensure that foods served as part of reimbursable school meals are nutritious for students.

However, the new *Smart Snacks in School* rule will prohibit schools from offering these healthy school meal options as daily competitive food choices. Competitive foods will be required to meet a different set of complex nutrition standards.

**A food that is nutritious enough to meet strict school meal standards is nutritious enough to be sold as a competitive food.**

Many students are not hungry enough to eat a complete school meal, while others rely on competitive food choices to supplement food brought from home. Excessively limiting the healthy foods available for sale in the school cafeteria will frustrate students, and could drive many students to seek unhealthy options from fast food or convenience stores.

By allowing foods that meet nutrition standards for school meals to be sold as daily competitive food choices, USDA can help preserve the financial stability of school meal programs, reduce administrative burdens for meal program operators, and ensure students can choose from a variety of healthy choices in the cafeteria.

# Myth vs. Fact on Healthy, Hunger-Free Kids Act School Meals Implementation

The School Nutrition Association (SNA), representing 55,000 school nutrition professionals working in cafeterias nationwide, is calling on Congress to provide reasonable flexibility to help schools plan healthy meals that students will eat.

Some critics of providing relief to struggling school meal programs have released misleading information about the challenges schools have faced under the new regulations:

**MYTH:** *"Over 90 percent of schools report that they are successfully meeting the updated nutrition standards."*
**FACT:** The US Department of Agriculture (USDA) has no data to show that 90% of schools are "successfully" meeting standards. Schools were not asked to report on how new standards have impacted student participation, costs, revenues and food waste.

USDA only evaluated one week of school menus to determine if schools are "compliant" with the standards, and does not require schools to report on whether menu adjustments are sustainable and accepted by students.

Additionally, not a single school has been certified as meeting sodium limits, the requirement that 100% of grains be whole grain rich, or the mandate to serve a full cup of fruit at breakfast. These requirements go into effect on July 1, 2014, and school cafeteria professionals nationwide have relayed to Congress that they are unprepared to meet them.

While there have been many successes, such as offering a wider variety of vegetables and exposing students to more whole grains, the significant challenges and unintended negative consequences of meeting the standards are a reality for schools across the country.

**MYTH:** *"School lunch revenue is up."*
**FACT:** School meal programs are not required to report revenues and expenditures to USDA. There has not been any USDA data released indicating adjustments to federal reimbursements have compensated for the significant increased costs associated with meeting the new nutrition standards, as well as escalating food prices.

USDA acknowledged in the final regulations that under the new standards "estimated increases in food and labor costs are equivalent to about 10 cents for each reimbursable school lunch and about 27 cents for each reimbursable breakfast in FY 2015." While no support is provided for breakfast, these rough estimates far exceed the 6 cents per lunch that schools have been provided to meet the new standards.

SNA's *2013 Back to School Trends Survey* found that in the 2012-2013 school year 47% of school meal programs reported revenue declined while more than nine of ten reported food costs were up. In addition, 54.3% of school nutrition district directors anticipated that reimbursement rates would be insufficient to cover the costs of producing school lunches this school year, with another 23.6% reporting they were "not sure" reimbursements would cover costs.

Here are specific examples of school meal program budgetary challenges under the new standards:

- Since the new standards took effect, Mead School District (**Washington**) student lunch participation is down by 4.5% while produce costs have increased over $30,000. This year the program budget will be in the red for the first time in 5 years, forcing the program to reduce labor.
- This year, Shawnee Public Schools (**Oklahoma**) has experienced an 80% increase in costs of their produce and grain purchases.
- In an effort to combat student plate waste, Alexandria Public Schools (**Virginia**) switched from serving whole apples to sliced apples. The change cost the meal program $10,000 per year.
- One **Connecticut** school district with an enrollment of 9,800 students and 17 percent free/reduced price meal eligibility is losing money for the first time in decades. Last month, the program operated at a $98,000 loss, down from a surplus of $198,000 in 2011.
- Spring Independent School District's (**Texas**) annual produce bill has increased $290,400 since last year. At the same time, their annual paid lunch participation has declined by 14,672 meals.
- During the 2012-13 school year, Seattle Public Schools (**Washington**) experienced a $117,839 annual increase in produce costs, which contributed to an end of the year loss of $257,668. In school year 2011-12, before the new standards took effect, the district enjoyed a $83,531 surplus.

**MYTH:** "*Participation is increasing substantially in many areas of the country.*"
**FACT:** USDA's national and state level participation data highlight the challenges school meal programs have faced under the new regulations. After thirty years of steady growth in the National School Lunch Program (NSLP), student participation is abruptly down in 49 states. Under the new standards more than one million fewer students choose school lunch each day even though student enrollment in NSLP schools has increased by 1.2 million students just in the last year.

**MYTH:** "*Healthy food standards have not increased food waste.*"
**FACT:** Researchers from Cornell and Brigham Young Universities published a study in *Public Health and Nutrition*[1] showing that the mandate to serve a fruit or vegetable with each school meal results in a nearly 100% increase in waste with about $3.8 million worth of produce being thrown the trash each day, or $684 million in food waste per year.

$684 million is enough to serve complete reimbursable school lunches to more than 228 million students or three times the total budget of the Fresh Fruit and Vegetable Program, designed to introduce and promote produce to low income students.

[1] David Just and Joseph Price (2013). Default options, incentives and food choices: evidence from elementary-school children. Public Health Nutrition, 16, pp 2281-2288. doi:10.1017/S1368980013001468.

School cafeteria staff have been offering a wide variety of produce and encouraging students to eat it, but forcing students to take food that they don't want is a recipe for failure.

A recent Harvard School of Public Health study revealed a slight increase in student consumption of fruits and vegetables under the new standards, but the study's limited sample, taken from four school cafeterias on two school days, does not indicate a wide-spread trend.

This same study also revealed that "students discarded roughly 60 to 75% of the vegetables and 40% of the fruits on their trays," further supporting the widespread plate waste issue reported by the Government Accountability Office. It its February 2014 report, the GAO shows most states reported that their school meal programs faced challenges with plate waste and food costs under the new standards.

**MYTH:** *School meal programs just need technical assistance, training and guidance to successfully implement the new standards.*
**FACT:** The new nutrition standards for school meals are so complex that since October 2010, USDA has released approximately 200 policy memos to clarify the regulations. The Q&A document on the Final Rule on the "Nutrition Standards in the National School Lunch and School Breakfast Programs" is in its 7th iteration and is 62 pages long. This is just one of several Q&A documents pertaining to the new regulations.

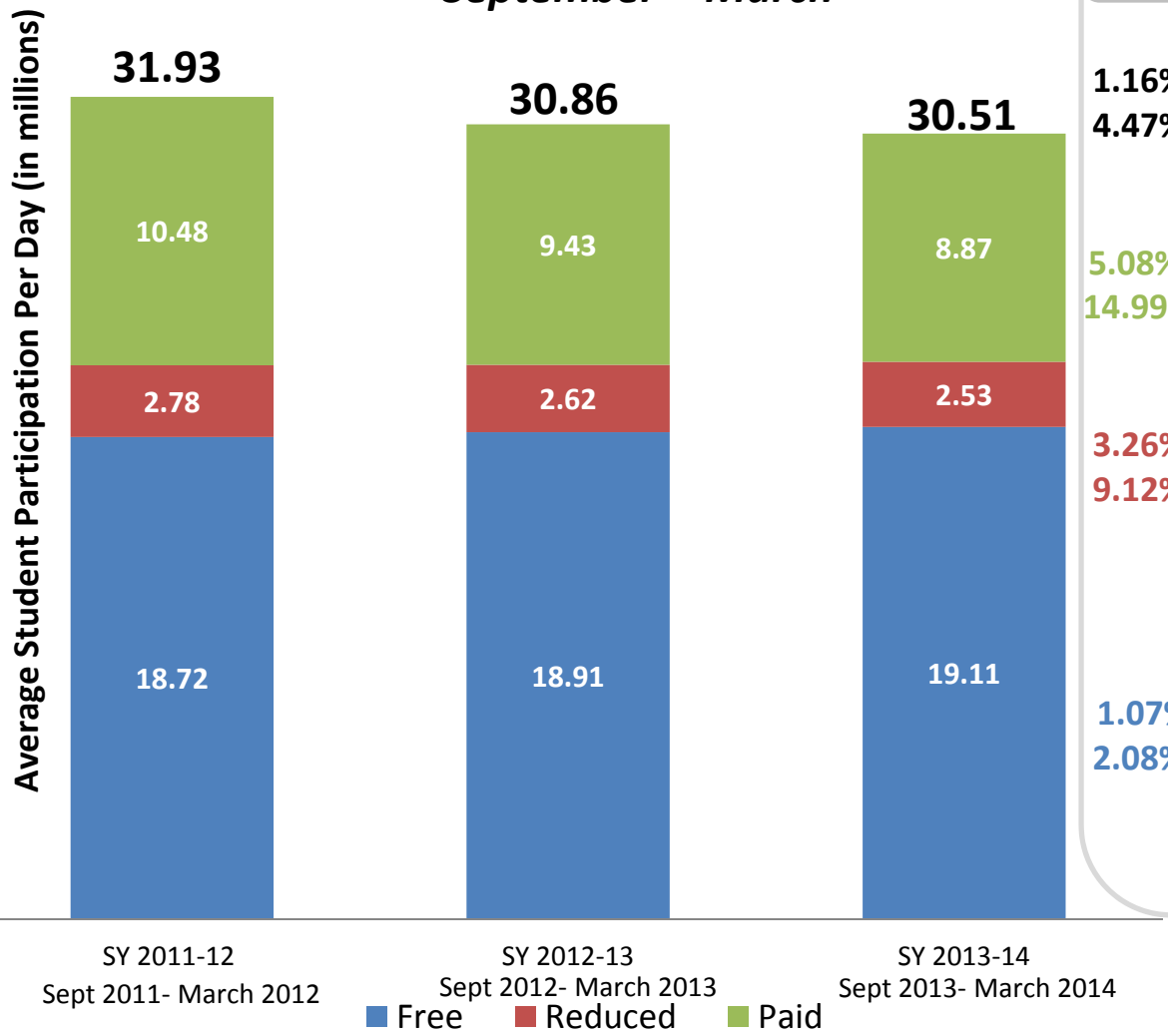
SNA has also provided school meal programs with extensive assistance and resources to help them understand and implement the new standards, share ideas, recipes and successes. Since the Healthy, Hunger-Free Kids Act was passed, SNA has hosted hundreds of education sessions at numerous conferences, culinary demonstrations, webinars and web pages featuring toolkits and resources detailing all aspects of the new standards. SNA has promoted all USDA resources to members and has worked closely with USDA throughout implementation to share feedback and insight from school meal program operators on challenges with implementation.

Unfortunately, no amount of technical assistance, training or guidance will solve the financial and operational problems facing meal programs.

***About School Nutrition Association:***
*The School Nutrition Association (SNA) is a national, non-profit professional organization representing 55,000 school nutrition professionals across the country. Founded in 1946, SNA and its members are dedicated to making healthy school meals and nutrition education available to all students. To find out more about today's school meals, visit* www.TrayTalk.org.

# National School Lunch Program

## Average Student Participation
### *September - March*




**Participation Changes**

**Overall**
**1.16% decrease since SY 2012-13**
**4.47% decrease since SY 2011-12**

**Paid**
**5.08% decrease since SY 2012-13**
**14.99% decrease since SY 2011-12**

**Reduced-Price**
**3.26% decrease since SY 2012-13**
**9.12% decrease since SY 2011-12**

**Free**
**1.07% increase since SY 2012-13**
**2.08% increase since SY 2011-12**

Data Source: USDA FNS Key Program Data Report, May 2014 & USDA FNS Key Program Data Report, November 2012
1. Totals are averaged. Computations are based on monthly data from September-March 2011, 2012, 2013, 2014.

SCHOOL NUTRITION ASSOCIATION

| NATIONAL SCHOOL LUNCH PROGRAM: TOTAL PARTICIPATION | | | | | | Data as of June 6, 2014 | |
|---|---|---|---|---|---|---|---|
| State | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | Change From FY2009 to FY2012 | Change Since FY 2012 |
| Alabama | 579,880 | 579,209 | 571,291 | 562,959 | 539,664 | -2.92% | -4.14% |
| Alaska | 53,554 | 54,723 | 54,410 | 53,920 | 52,589 | 0.68% | -2.47% |
| Arizona | 655,498 | 669,300 | 661,437 | 662,564 | 646,932 | 1.08% | -2.36% |
| Arkansas | 351,950 | 353,464 | 352,818 | 348,909 | 332,497 | -0.86% | -4.70% |
| California | 3,175,063 | 3,239,902 | 3,281,698 | 3,333,409 | 3,285,779 | 4.99% | -1.43% |
| Colorado | 390,868 | 400,180 | 399,393 | 389,955 | 375,023 | -0.23% | -3.83% |
| Connecticut | 302,997 | 303,639 | 301,545 | 296,699 | 280,253 | -2.08% | -5.54% |
| Delaware | 90,073 | 91,998 | 94,722 | 96,040 | 94,571 | 6.62% | -1.53% |
| District of Columbia | 44,579 | 46,367 | 46,699 | 47,735 | 50,502 | 7.08% | 5.80% |
| Florida | 1,560,392 | 1,609,051 | 1,648,792 | 1,653,685 | 1,638,775 | 5.98% | -0.90% |
| Georgia | 1,290,996 | 1,303,198 | 1,301,069 | 1,287,033 | 1,245,368 | -0.31% | -3.24% |
| Guam | 18,449 | 17,611 | 17,131 | 17,364 | 16,575 | -5.88% | -4.55% |
| Hawaii | 103,807 | 117,353 | 115,694 | 113,618 | 113,609 | 9.45% | -0.01% |
| Idaho | 170,003 | 170,081 | 170,852 | 170,127 | 160,198 | 0.07% | -5.84% |
| Illinois | 1,148,891 | 1,167,580 | 1,162,998 | 1,142,443 | 1,124,196 | -0.56% | -1.60% |
| Indiana | 788,167 | 807,786 | 807,689 | 801,376 | 781,172 | 1.68% | -2.52% |
| Iowa | 394,391 | 397,648 | 396,894 | 395,600 | 384,219 | 0.31% | -2.88% |
| Kansas | 356,495 | 360,637 | 362,152 | 361,686 | 348,152 | 1.46% | -3.74% |
| Kentucky | 570,755 | 556,256 | 553,819 | 549,534 | 532,791 | -3.72% | -3.05% |
| Louisiana | 586,936 | 596,034 | 595,046 | 588,506 | 565,263 | 0.27% | -3.95% |
| Maine | 107,734 | 110,669 | 109,302 | 107,179 | 100,839 | -0.51% | -5.92% |
| Maryland | 432,643 | 433,597 | 435,111 | 434,140 | 422,721 | 0.35% | -2.63% |
| Massachusetts | 547,582 | 544,130 | 542,347 | 534,456 | 514,426 | -2.40% | -3.75% |
| Michigan | 911,466 | 920,107 | 910,341 | 907,684 | 874,098 | -0.41% | -3.70% |
| Minnesota | 615,043 | 630,764 | 631,230 | 627,280 | 608,867 | 1.99% | -2.94% |
| Mississippi | 405,716 | 405,577 | 400,490 | 398,654 | 391,574 | -1.74% | -1.78% |
| Missouri | 645,262 | 649,539 | 646,161 | 638,943 | 610,364 | -0.98% | -4.47% |
| Montana | 86,652 | 87,476 | 87,622 | 86,705 | 84,069 | 0.06% | -3.04% |
| Nebraska | 243,466 | 246,266 | 250,190 | 251,186 | 243,120 | 3.17% | -3.21% |
| Nevada | 183,808 | 188,017 | 212,555 | 218,552 | 215,821 | 18.90% | -1.25% |
| New Hampshire | 110,811 | 109,991 | 107,790 | 104,546 | 97,396 | -5.65% | -6.84% |
| New Jersey | 705,558 | 721,726 | 727,544 | 729,099 | 694,018 | 3.34% | -4.81% |
| New Mexico | 221,822 | 227,526 | 230,861 | 227,863 | 220,187 | 2.72% | -3.37% |
| New York | 1,812,488 | 1,826,027 | 1,823,476 | 1,796,235 | 1,723,748 | -0.90% | -4.04% |
| North Carolina | 961,612 | 955,800 | 948,653 | 942,745 | 906,350 | -1.96% | -3.86% |
| North Dakota | 80,924 | 82,443 | 83,484 | 85,078 | 87,065 | 5.13% | 2.34% |
| Ohio | 1,120,056 | 1,136,482 | 1,133,772 | 1,114,371 | 1,063,869 | -0.51% | -4.53% |
| Oklahoma | 437,660 | 449,171 | 452,426 | 446,144 | 438,112 | 1.94% | -1.80% |
| Oregon | 310,817 | 315,223 | 312,828 | 307,110 | 293,394 | -1.19% | -4.47% |
| Pennsylvania | 1,150,819 | 1,159,844 | 1,153,645 | 1,127,444 | 1,065,977 | -2.03% | -5.45% |
| Puerto Rico | 373,353 | 352,447 | 340,469 | 339,557 | 339,679 | -9.05% | 0.04% |
| Rhode Island | 79,017 | 78,531 | 79,006 | 79,747 | 77,353 | 0.92% | -3.00% |
| South Carolina | 500,742 | 501,965 | 497,669 | 493,488 | 478,132 | -1.45% | -3.11% |
| South Dakota | 106,266 | 108,050 | 108,289 | 107,367 | 106,252 | 1.04% | -1.04% |
| Tennessee | 692,008 | 699,875 | 697,665 | 687,452 | 656,847 | -0.66% | -4.45% |
| Texas | 3,254,249 | 3,352,757 | 3,401,746 | 3,374,154 | 3,313,702 | 3.68% | -1.79% |
| Utah | 337,710 | 345,867 | 350,494 | 348,886 | 331,693 | 3.31% | -4.93% |
| Vermont | 54,859 | 55,144 | 54,919 | 54,209 | 51,537 | -1.19% | -4.93% |
| Virgin Islands | 13,948 | 14,176 | 14,340 | 15,235 | 14,546 | 9.23% | -4.21% |
| Virginia | 752,709 | 757,862 | 756,503 | 749,115 | 717,614 | -0.48% | -4.52% |
| Washington | 532,526 | 543,930 | 545,986 | 539,859 | 519,615 | 1.38% | -3.75% |
| West Virginia | 207,758 | 212,390 | 205,872 | 201,333 | 194,032 | -3.09% | -3.63% |
| Wisconsin | 594,850 | 602,515 | 606,117 | 596,222 | 561,177 | 0.23% | -5.88% |
| Wyoming | 56,424 | 56,540 | 57,420 | 56,578 | 53,764 | 0.27% | -4.97% |
| **TOTAL** | 31,282,103 | 31,724,442 | 31,812,472 | 31,601,780 | 30,640,084 | | |