

2. THE PEOPLE & PLACES TOUCHED BY SCHOOL MEALS

All 6.3 million children who attend public school in California may participate in the National School Lunch Program and the School Breakfast Program—if the programs are available at their school. California law requires public schools to provide at least one nutritious meal to needy students. During the 2002-03 school year, 2,863,670 students ate a school lunch on an average day; 953,786 students ate a school breakfast. During the 2003-04 school year, out of the 7,472 public schools in California¹, 6,189 schools participated in breakfast and 7,416 participated in lunch.

School meals are an especially important resource for low-income children and families, since the meals for income-eligible children are provided either free or at a reduced-price—and thus can help ease tight family budgets. According to the 2000 US Census, approximately 31% of California children live in families with incomes less than 130% of the federal poverty line (the cut-off for free meal eligibility) and an additional 15% live in families with incomes between 130% and 185% of the FPL (the cut-off for reduced-price meal eligibility). No family should have to choose between feeding their children nutritious meals and paying for rent, child care, health care or other essentials. The school meal programs are a small but critical component of how our state and nation seek to address this problem.

This section provides an overview of the students who participate in the federal food programs—and those who do not. It also covers the schools that do and do not serve meals. Finally, we provide an overview of the complex world of food service operations from certifying students for free and reduced-price meals to planning, preparing and serving the food to managing the budget.

¹ “Public school” here refers to all California elementary, middle, junior high and high schools, excluding all charter, continuation and community day schools.

2.1. SCHOOL MEAL PARTICIPANTS

The National School Lunch Program (NSLP) and the School Breakfast Program (SBP) operate with the same eligibility guidelines, which are set by Congress.

Free Meals	Reduced-Price Meals
130% FPL (\$23,920 for a family of 4)	185% FPL (\$34,040 for a family of 4)

“FPL” stands for Federal Poverty Level.

In California, the enrollment for 2003-04 was 6,298,413 students in public schools. The following number of students participated in each meal program:

	School Breakfast	School Lunch
Free & Reduced-Price	839,087	2,096,190
Paid	99,501	699,622
TOTAL STUDENTS EATING MEALS	938,588 (14.9% average daily attendance)	2,795,812 (44.3% average daily attendance)

FRAC, State of the States 2005, average daily participation for 2003-04. As of March 2004, 2002-03 data were available from CDE for the number of meals served, not the number of participants.

California law requires public schools (excluding charter schools) to provide at least one nutritious meal to needy students. A significant number of schools do not serve two. The figures below reflect all California elementary, middle, junior high and high schools, excluding all charter, continuation and community day schools.

Public schools	Public schools offering SBP (number not offering)	Public schools offering NSLP (number not offering)
7,472	6,189 (1,283)	7,416 (56)

CFPA analysis of 2003-04 CDE data.

Thus, there are students eligible for free and reduced-price school breakfasts whose school does not offer the program:

Public schools offering NSLP but not SBP	Students eligible for free meals, but whose school doesn't offer SBP	Students eligible for reduced-price meals, but whose school doesn't offer SBP
1,289	103,517	42,139

CFPA analysis of 2003-04 CDE data.

2.2. THE SCHOOLS THAT SERVE SCHOOL MEALS

- School District.....A collection of schools (of any assortment of grades) that operate under one school board and superintendent.
- Child Care or Preschool.....Children who attend a child care center or preschool administered by a public school may participate in the School Breakfast Program and/or the National School Lunch Program.
- Elementary School.....A public school that maintains any grade from kindergarten to grade 6, inclusive, but no grade higher than grade 6.
- Middle/Junior High School.....Any public school that maintains grade 7 or 8, but no grade higher than grade 9.
- High School.....Any public school maintaining any of grades 10 to 12, inclusive.
- Private Schools.....Schools that do not receive funding from the state and therefore do not have to follow the state's Education Code, which requires (among other mandates) that schools serve at least one nutritious meal to needy students each day. Nonprofit private schools (regardless of tuition) may participate in the National School Lunch Program or School Breakfast Program.
- Charter SchoolsA public school for any of grades K-12 that is usually created or organized by a group of teachers, parents and community leaders or a community-based organization. An existing local public school board or county board of education usually sponsors it. A charter school is generally exempt from most laws governing school districts, including the requirement to serve at least one nutritious meal. Charter schools may participate in the National School Lunch Program or School Breakfast Program.
- Religious Schools.....Sectarian schools that do not receive funding from the state and therefore do not have to follow the state's Education Code, which requires (among other mandates) that schools serve at least one nutritious meal to needy students each day. Nonprofit private schools (regardless of tuition) may participate in the National School Lunch Program or School Breakfast Program.

2.3. HOW SCHOOLS RUN THEIR SCHOOL MEAL PROGRAMS

I. Determining Students' Eligibility for Free & Reduced-Price Meals

All students, regardless of household income, may participate in school meal programs. Schools receive reimbursement from the federal and state government; the amount depends on the income level of the student's household. To identify which students are eligible for which reimbursement level, the federal government provides the state, which in turn provides school districts and schools, guidelines based on household size and income eligibility and sample meal application forms.

Parents or guardians may apply to receive free or reduced-price meals at any point in the year. As part of 2004 Child Nutrition Reauthorization, parents now only have to submit an application once a year, regardless of changes in their household income. To apply, most families must complete an application form that asks for information about whether or not the child participates in one of four programs (Food Stamps, CalWORKs, KinGAP or FDPIR)² or is a foster child and the total family income. The forms are usually sent as part of the Back to School packets a few weeks before the start of the school year and/or during the first week of school. Once families submit the completed application form, they usually receive approval or denial within two weeks. A child's eligibility for free or reduced-price meals during the preceding school year is valid for the first 30 days of the new school year in the same district. However, they must fill out a new application to maintain their eligibility for free or reduced-price meals for the current year.

Schools or school districts are also newly required to "directly certify" students for school meals if they are already participating in one of three means-tested programs: CalWORKs, Food Stamps and the Food Distribution Program on Indian Reservations (FDPIR). If the school has a large percentage of students eligible for free or reduced-price meals, they may also choose to participate in Provision 1, 2 or 3, which are alternative methods of claiming meals that reduce paperwork for schools in exchange for schools feeding all students free of charge.

II. Flow of Federal and State Reimbursement

Each month, school districts provide the California Department of Education with the number of free, reduced-price and paid meals served or the amount of milk served through the Special Milk Program. (In general, schools may participate in either the meal programs or the milk program, but not both.) Approximately four to six weeks later, the Department of Education pays federal and state reimbursement to participating school

² KinGAP (Kinship Guardianship Assistance Payment) is an assistance program for grandparents or others raising children. FDPIR, the Food Distribution Program on Indian Reservations, provides commodity foods to low-income households living on Indian reservations and to Native Americans living in designated areas near reservations. Participation in any of these programs confers automatic eligibility for the federal meal programs.

districts. School districts receive payment from the federal government for all meals and from the state government for free and reduced-price meals only.

III. Flow of Other Funds

Schools sell reimbursable paid and reduced-price meals to students. The price for the paid meals is set by the school board for the entire district. USDA limits the price of reduced-price meals to no more than 40 cents for lunch and 30 cents for breakfast.

Schools may also sell a la carte foods (foods not part of the reimbursable school lunch or breakfast) in the cafeteria, cater events, sell food to adults, cater the school meal programs for other districts, provide food for athletic events and other school programs, earn interest and sell used equipment to generate funds. Schools participating in the federal meals programs must establish a non-profit school food service account and all revenue generated by the food service program must be placed in that account and may be used only to operate and improve food services. Schools cannot use funds generated by the program for non-program expenses. School districts have the option of dedicating General Fund dollars for the school food program.

IV. Flow of Food to Schools

Schools may access the ingredients and food they use to prepare meals from three sources:

1. They purchase the majority of food and other supplies using federal and state meal reimbursement funds and other revenue.
2. They receive commodities from the federal government.
3. They receive donated food from local sources or from a school garden.

There are two types of commodity foods:

1. Entitlement commodities are commodities provided by USDA. School districts receive a set value of entitlement commodities, based on the number of school lunches served. (There is currently no commodity program for school breakfast. However, schools may and many do use USDA commodity foods for the breakfast program.) USDA donated commodities provide approximately 18% to 20% of the school meal.
2. USDA often provides bonus commodities above and beyond entitlement commodities, depending on foods determined by USDA to be in surplus.

School districts that obtain commodities through the Department of Education's warehouse commodity distribution system receive a list of commodity "offerings" five times a year. USDA promises to deliver the commodities within a certain timeframe.

California received approximately \$87,669,500 in USDA donated commodities in 2002-03. Districts pay \$2.70 per case to cover part of the Department of Education's shipping and handling costs.

Although school districts may select commodities, they are limited as to how much of any one commodity they may receive. In response, about half of California school districts have formed commodity cooperatives. Through the cooperative, a district may exchange some commodity products with other participating districts. Some cooperatives also help schools manage the flow of USDA commodity foods by contracting with a distributor that stores the commodities and ships them to districts in smaller quantities at more frequent intervals, thereby saving districts the cost of onsite storage.

In 1995, USDA and other federal agencies developed recommendations to improve the nutritional quality of commodities by, for example, reducing sodium and sugar levels. Many of these recommendations have been put into practice and USDA has a system in place to receive and evaluate suggestions for further ways to improve the commodity program.

School districts may choose to use some of their entitlement commodity funding (as well as their federal cash reimbursement) to a fresh fruit and vegetable purchasing program run through the Department of Defense (DOD). The program was created to take advantage of DOD's large-scale buying power and existing infrastructure. Just over 670 school districts in California participate in this program and \$6.8 million will be spent in the 2003-04 school year on fresh produce through this system. (The federal government caps the total amount nationwide that may be spent on the DOD Program; in 2003, the cap was \$50 million.) The DOD Fresh program is a subset of the DOD program, and in California focuses on linking small farmers directly to schools.

V. Preparing Meals and Meal Components

School meals are prepared through a variety of means:

1. Purchase Ready-Made Meals/Meal Components; Reheat On Site

Some school districts have contracts with vendors to provide some or all components of school meals that schools only have to reheat prior to serving. In some cases, the meals may come from a well-known brand, such as Taco Bell; in other cases, districts create their own "brands" (named, for example, after the mascot) or the food is non-branded.

2. Commodity Processing

School districts may choose to use a vendor that has an approved processor agreement allowing the vendor to process USDA commodity food. Through this formal arrangement, vendors process commodity foods into finished products that are served as a component of a school meal. For example, schools may receive frozen chicken from

USDA and contract with a vendor to process the chicken into nuggets or patties. Schools pay vendors processing fees for this service.

3. Prepare Meals/Meal Components in District Kitchens; Reheat/Finish On Site

School districts may prepare meals ahead of time in a centralized kitchen and then transport meals, meal components or cooked ingredients to schools for finishing and/or reheating. Some school districts contract with other districts to provide meals for their students.

4. Prepare Meals/Meal Components On Site

A few schools have on-site kitchens, which allow them to do “scratch” cooking for students. These schools may receive a certain amount of the district’s commodity foods (along with other food purchased by the district) to prepare meals.

VI. *Serving Meals*

The process of serving meals varies from district to district and school to school. One common challenge is the need to move students quickly through the lunch line, given the short amount of time most students have for lunch and the reality that many school cafeterias were not built for current student enrollment levels. Some schools also offer kiosks at which “grab-and-go” meals can be served quickly; Universal Classroom Breakfast,³ for which all students are served for free in the classroom, is another meal option which may save students time.

The same menu is usually in place in district-wide, with secondary schools frequently offering more choices than elementary schools. Students may have a choice of meal; some schools provide as many as a dozen choices each day. All high school students must be granted an option known as “offer versus serve,” in which they may decline a specific number of menu items and the school still receives full federal reimbursement for this meal. The specific number of items that a student may decline under offer versus serve depends on the menu planning option being used (see Section 3.4). School districts may choose to implement offer versus serve for middle and elementary school students as well.

It is against federal law to operate a program that “overtly identifies” students who receive free or reduced-price meals. To fulfill this requirement, schools must establish a system for counting the meals served (and making sure the meals contain all the components needed for reimbursement) without publicly revealing students’ free or reduced-price meal eligibility. All districts must establish a meal count system and provide a written description of their process to the Department of Education.

³ For more information on Universal Classroom Breakfast, please see www.cfpa.net.

Schools incorporate protection of student meal eligibility into their point-of-service (POS) meal count systems in a variety of ways. Some schools use checklists or paper tickets to count the number of free, reduced-price or full-pay student meals they serve. Other schools use credit-card-like systems with swipe cards or PINs. Parents generally pay for meals ahead of time and accounts are credited with free or reduced-price “points,” which means that students are not aware of who is paying or how much they are paying per meal.

VII. *Nutrition Education*

The very meals schools serve to students are a form of nutrition education: just as students learn the value of good literature from their English classes, they learn the lifelong health benefits of good nutrition from what they see in the cafeteria each day.

USDA does not require any nutrition education curricular activities along with the National School Lunch Program or the School Breakfast Program. The Nutrition Education and Training Program (NET), which funded foodservice training, SHAPE California (a school meals improvement initiative) and a number of other system improvements, have not received an appropriation from Congress since 1998. (Some districts still operate under SHAPE guidelines.) Instead, Congress has opted to fund Team Nutrition, a competitive grants program that provides cash awards and materials. In 2003, California Department of Education received \$200,000 in competitive Team Nutrition grants for specific nutrition education and related activities. State NET funding has also decreased significantly, from about \$700,000 in General Fund dollars a few years ago to just \$70,000 in 2004.

In addition, CDE received funding from the California Department of Food and Agriculture through the Specialty Crop Block Grant/Buy California Initiative to fund schools participating in the LEAF pilot project. LEAF, which stands for Linking Education, Activity and Food, was legislatively mandated by a 2001 California state law (SB19), which established pilot nutrition standards for foods outside of the reimbursable meal program. (See Section 3.1 for more information about SB19.) CDE and the Department of Health Services also have an interagency agreement through which the Nutrition Network supports about 40 low-resource school districts and 11 county offices of education in providing nutrition education with the school meal programs.