

Recess from the Recession

How school meals can do more to help struggling families

Executive Summary

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Every day in schools across the country, millions of low-income children rely on a federally-subsidized school lunch and breakfast for a significant portion of their daily nutritional needs. On any given school day in 2007, nationally, over 30 million students from families with an income below 185 percent of the Federal Poverty Line ate a free or reduced price school lunch. In California, this figure is over 2.2 million. For struggling families in California, school meals provide a significant nutrition safety net for their children while also offering economic benefits by stretching the household food budget.

As students return to school this fall, the economic outlook for millions of struggling Americans is grim. Unfortunately, California is not immune from these economic woes; in fact, many economic indicators demonstrate that Californians are facing worse conditions than average Americans. In California, unemployment rates, fuel prices, and food costs in some regions are higher than the national average and certain areas of the state have been hit particularly hard by the housing downturn.

As the economy worsens, more families will face food insecurity and stretched household food budgets. In fact, the federal food assistance programs are already seeing rising demand with food stamps enrollments approaching record levels and WIC caseloads rising; food banks, food pantries, and the emergency food system are also seeing an increased demand for their services. In California, participation in the school meals programs has been steadily rising and school food service departments are expecting that trend to accelerate in the new school year.

Given the current economic situation and the growing demand for the school meals programs, the time is ripe for policymakers to strengthen and expand the nutrition safety net in schools. In 2009, Congress will reauthorize all the child nutrition programs, including the school meals programs. Child Nutrition Reauthorization presents a significant opportunity for Congress and USDA to make much needed changes. However, this report also highlights the unique and necessary role policymakers at the state and local levels can play in improving school meals.

Although there are many improvements that can be made to school meals, this report will focus on three major changes: (1) enrolling more low-income children into the school meals programs, (2) ensuring that the reimbursement rate is adequate for providing nutritious meals, and (3) growing the School Breakfast Program.

The key findings in *Recess from the Recession* lead to the key areas of policy recommendations. For greater details on each policy area, please reference the full report.

Increasing Enrollments of Low-Income Children

With rising demand for school meals, efforts should be taken to ease the process of enrolling in these programs while also ensuring full participation by needy students. Many of the strategies mentioned below not only help more families enroll, they also offer administrative cost savings and help the state bring in more federal dollars.

- **School districts and school boards should ensure that their school districts are using the automated state matching system to automatically enroll kids from families that are receiving benefits from eligible programs.**
- **The Governor should sign AB 2300 to expand the state's automated system of direct certification and verification to include Medi-Cal.**
- **Congress should make it clear that states are authorized to test the use of Medicaid for direct certification and verification and, building upon these steps, should make this option permanent, should it prove successful.**
- **Congress and USDA should explore innovative methods of determining eligibility for free and reduced price school meals by either minimizing or eliminating the use of paper applications.**
- **Congress should study the effect of eliminating reduced price co-payments on participation, program quality, and nutritional and academic outcomes.**
- **Congress should also establish demonstration projects that examine the effects of various methods of eliminating the reduced price co-payments.**
- **Congress should explore the effects of raising eligibility to 200 percent of the Federal Poverty Line in order to bring more needy children into the program.**
- **As enrollments *increase*, state lawmakers should ensure that the amount of state meal reimbursement is not decreased.**

Ensuring Adequate Reimbursement Rates for Nutritious School Meals

Rising food prices creates two pressures on school meals; not only are more students participating in the school meals programs due to stretched household budgets, but school food service departments are also finding it difficult to spend within their tight budgets given the increased cost of food, particularly healthy food.

- **Congress and USDA should increase reimbursement rates and tie these increases to specific nutrition improvements, such as additional servings of fresh fruits and vegetables and whole grains.**
- **Congress should explore which metric is best to measure the annual rise in costs to produce a meal, including labor, fuel, and other costs, and use that metric to calculate the annual reimbursement rate adjustment.**

- **State legislators and the Governor should include funding for the successful California Fresh Start program to ensure that school breakfast be a permanent source of healthy produce for needy children across California.**

Strengthening the School Breakfast Program

Over 500 schools with significant low-income student populations do not offer school breakfast. Too many more schools have breakfast programs with poor participation rates. California should ensure that all children are able to start their day off right with a nutritious breakfast, particularly during times when more low-income families may not be able to afford to provide one themselves. In addition to taking action on the above recommendations which will also improve the School Breakfast Program, policymakers can also act on several breakfast specific recommendations:

- **Congress should invest in strategies for increasing servings of fresh fruit and vegetables by giving school districts in the School Breakfast Program.**
- **Congress should establish funding for demonstration projects that allow schools to pilot new methods of increasing participation in school breakfast.**
- **The California Legislature and the Governor must ensure that all low-income children are able to eat a breakfast in school.**
- **Legislators and the Governor should re-fund the California Fresh Start Program and ensure that funding is adequate for the provision of an extra serving of fruits and vegetables.**
- **School district officials, principals, administrators, and school board members should ensure that a breakfast program exists in all their schools, starting with those with the greatest numbers of low-income students.**
- **Schools should apply for start-up and expansion grants for school breakfast available through the California Department of Education.**
- **Local education leaders should implement innovative breakfast service options, such as classroom breakfast or second chance breakfast.**