

**Testimony of
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Subcommittee on Early Childhood, Elementary, and Secondary Education
Committee on Education and the Workforce
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"School Meal Regulations: Discussing the Costs and Consequences for Schools and Students"

Mr. Chairman, Members of the Committee, I am Sandra Ford, SNS, Director of Food and Nutrition Services for Manatee County School District in Bradenton, Florida. I am also President of the School Nutrition Association, but today I will be speaking on behalf of Manatee County School District.

I want to thank you for this opportunity to appear before the Subcommittee today and share my insights on the challenges related to implementing the new nutrition standards, or meal pattern, for school meals.

I know I speak for my colleagues across the country when I say that as a school nutrition professional, my first priority is to ensure every student has access to well-balanced, healthy school meals. School nutrition professionals are constantly working to improve the quality of the meals we serve and to teach children to make a lifetime of healthy choices. In fact, I am proud to report we have children in Manatee County who tried their very first peach or were first introduced to kale in our school cafeterias.

I joined my fellow members of the School Nutrition Association in calling for updated nutrition standards to bring the meal pattern in line with the Dietary Guidelines for Americans. We support offering a wide variety of fruits, vegetables and whole grains for students and ensuring school meals meet reasonable limits on sodium, unhealthy fat and calories.

But as we all know, complex regulations sometimes lead to unintended consequences.

School meal programs operate on extremely tight budgets. We receive just \$2.86 in federal reimbursement to prepare a lunch that includes fruits, vegetables, whole grains, milk and a protein, not to mention covering supply, labor, equipment, electricity and indirect and other costs. Even a slight increase in costs or drop in the number of students participating in our program can mean the difference between a year-end profit or deficit.

The new meal pattern requirements have significantly increased the expense of preparing school meals, at a time when food costs were already on the rise. New meal pattern costs have far exceeded the additional 6 cent reimbursement provided under the Healthy, Hunger-Free Kids Act.

USDA estimated that initially, new meal pattern requirements would increase the average cost of producing and serving a school lunch by 5 cents. By Fiscal Year 2015, when all of the requirements are implemented, USDA estimated the cost per lunch would be 10 cents higher and the cost per breakfast would be 27 cents higher.

However, in Manatee County School District, food costs alone have already increased by 5%, which is more than FNS projected. Our food costs went from 37% of our revenue to 43% of our revenue. These expenses will only rise as the school breakfast standards go into effect, requiring cafeterias to double

the amount of fruit or vegetables offered. And given our experience with lunch, we expect the breakfast increase will surpass USDA's projections.

Retraining our staff members significantly added to the expense of meeting the new standards. Our training programs cost over \$43,000 last year. We had to teach our cooks and servers to follow new recipes and portion sizes and retrain them on what students must have on their tray for a reimbursable meal. A similar training program is required as the new breakfast standards go into effect.

At the same time, certain requirements under the new regulations have contributed to declining participation in the meal program, resulting in decreased revenue.

For instance, the weekly limits on grains and proteins served with school meals restricted some very healthy school menu items that happened to be student favorites. Under the new standards, schools could no longer offer daily sandwich choices because serving two slices of whole grain bread each day exceeds weekly grain limits. Meanwhile, salads topped with grilled chicken and low fat cheese exceeded weekly protein limits.

These menu choices were commonly offered in schools as a daily alternative to the nutritious hot entrée choice of the day. Students always felt comfortable knowing that if they didn't like the hot entrée, they could choose from a deli sandwich, a peanut butter and jelly or chef salad.

Under the grain and protein maximums, our cafeterias faced the choice of either eliminating these daily alternatives or offering them only four days a week, leaving students confused and upset on Fridays. On the first day of school, one of my elementary school students burst into tears in the cafeteria because he couldn't get his peanut butter and jelly sandwich.

Meanwhile, we haven't been able to find whole grain sandwich wraps that meet the weekly grain limits, so we've had to cut our wraps in half. How would you feel if suddenly your favorite sandwich was served on just half a wrap?

These menu changes have driven children out of our program. Even in Manatee County, where 60% of students receive free or reduced price meals, our lunch participation has declined from 71% to 68%. We anticipate at year-end our total revenue will be down about \$500,000. If not for the additional 6 cent reimbursement, which we have been receiving since November, our revenue would be down even more. Nationally, USDA reports a 3.2% decrease in average daily participation this year.

USDA has acknowledged problems with the grain and protein maximums - they temporarily lifted the maximums once, then extended the delay through the 2013-2014 School Year. But a temporary reprieve only leaves school cafeterias in limbo. We brought back our daily sandwich choices to the menu to maintain participation, but how will students respond if we are forced to take away their sandwiches again next year?

A temporary reprieve does nothing to help industry partners develop new products for school cafeterias to meet the new standards. Every roll and wrap goes through extensive testing before it is served in a school cafeteria. Our industry partners do months of R&D to identify recipes that meet the whole grain standards and food safety requirements, but still have the look and taste our students expect.

Temporary regulations leave our industry partners guessing. Do they phase out their old product line and invest in developing products to meet new standards? Or will USDA issue another reprieve so that schools will be clamoring for their old product line?

Congress should pass legislation to permanently lift these grain and protein maximums. Calorie limits and whole grain requirements under the new standards will protect the nutritional integrity of the standards, but eliminating weekly maximums on grains and proteins will give school cafeterias the flexibility they need to plan healthy menus that still appeal to students.

Congress should also address Section 205 of the Healthy, Hunger Free Kids Act. Also called the paid meal equity provision, Section 205 has forced many schools to increase their lunch prices, regardless of the cost of preparing the meals. These mandated price increases have contributed to declining participation in Manatee County and in districts across the country.

School meal prices, just like restaurant prices, differ greatly from one community to the next, and they should. When setting school meal prices, school boards must take into account not only local food and labor costs, but also the local economic conditions and what families are able and willing to pay.

At the end of last school year, my program was fortunate enough to have a surplus, but paid meal equity requirements mandated that I raise my lunch prices this year by \$.05 cents. Manatee County School District has not provided a salary increase for employees in five years. Families in our community are struggling and cannot afford this lunch price increase.

Congress can strike a reasonable balance by amending Section 205 to ensure that well-managed school meal programs that are financially solvent will be allowed to set their own meal prices.

As I assess the current state of Manatee County's school meal program, I have to consider what is on the horizon. I have mentioned the upcoming school breakfast requirements which present additional challenges. We also anticipate the release of USDA's new nutrition standards for competitive foods – those items sold in a la carte lines, snack bars and vending machines.

Today, if I were to eliminate all of the a la carte choices currently offered in Manatee County Schools that do not meet the proposed competitive food regulations, our school meal program would project an annual loss of \$975,000. Also of concern is the way the proposed rules fail to mirror the nutrition standards for school meals. If the proposed regulations are unchanged, schools will have to evaluate food choices based on two completely different set of standards.

As Congress and USDA evaluate changes to the National School Lunch Program, I hope they will remember that school lunch is so much more than just a meal. In my 27 years working in school cafeterias, I have witnessed how school lunch brings students from every walk of life together. I've seen how school meals are teaching students about healthy choices.

The National School Lunch Program was designed to serve *all* children, not just *poor* children, and that is one of the program's greatest strengths. These new regulations, although well intended, are threatening this critical mission by gradually driving paying students out of the program.

I hope the members of this committee will support legislation to remedy several of the challenges posed by the new meal pattern, and will continue to seek the input of school nutrition professionals as Congress considers changes to school meal programs.

Mr. Chairman, Members of the Committee, thank you again for this opportunity to testify. I would be pleased to answer any questions you may have.