

SCHOOL FOOD 101



School Food 101 is planned as a series of briefs describing the operating realities of food service in the nation's largest school districts. This idea emerged from FOCUS stakeholders, who need succinct, straightforward ways to talk about the complexities of their world with an increasingly interested and involved lay audience. These materials will explain school food for a wide spectrum of interest groups, including parents, teachers, legislators, and members of the press. It is being written in collaboration with FOCUS membership—food service professionals and their community partners—and FOCUS national partners.

The first two pieces, [The Cost of School Lunch](#) and [USDA Commodity Foods in School Lunch](#), have been developed in collaboration with the C.S. Mott Group for Sustainable Food Systems at Michigan State University. Future topics will include portion and nutrition standards, institutional kitchens and cooking, regional food systems, wellness policy, and more.

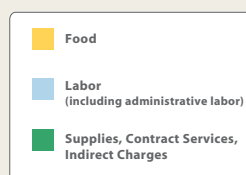
THE COST OF SCHOOL LUNCH

What does school lunch cost? How is the money spent?

There's just a dollar spent on food in the average school lunch. The other costs of running a food service operation—labor, mainly, plus equipment, supplies, maintenance, transportation, utilities, and more—bring the total to somewhere between two and three dollars.

This stark financial reality is central to the life of a school food service director. It's closely followed by [The Federal Government's Food and Nutrition Standards](#), the high expectations of parents and the community and the narrow food preferences of so many children. Budgeting for thousands of wholesome, appetizing, kid-friendly meals on a daily basis is easily compared to a high-wire act. It requires a near-microscopic focus on where every cent goes, and relentless, expert balancing of the nutritional, esthetic, and financial value of every single choice.

Average School Lunch Service Cost Breakdown*



*School Lunch and Breakfast Cost Study-II: Summary of Findings, FNS Office of Research, Nutrition, and Analysis, April 2008

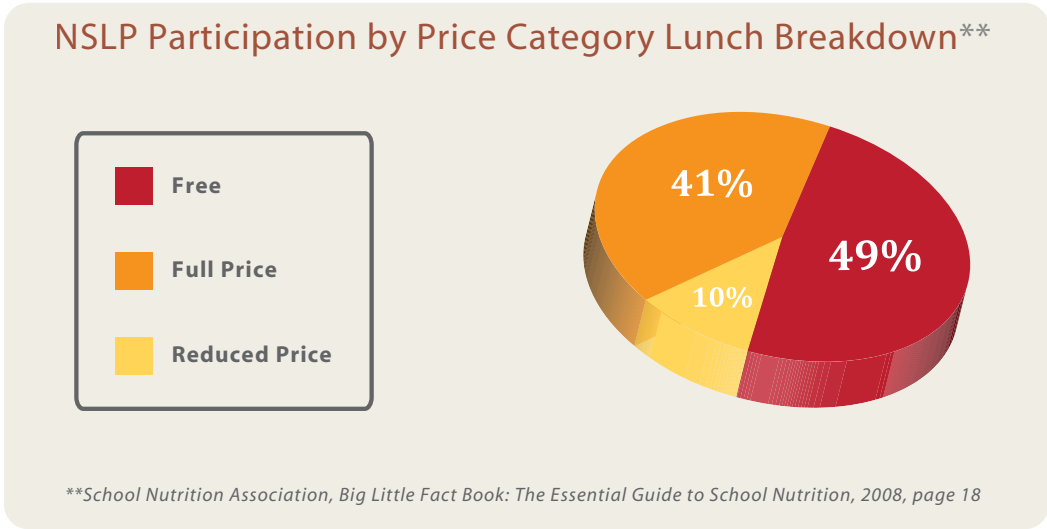
To understand how this is accomplished, let's look at a meal served at Boise Eliot Elementary School, 1 of 85 schools in Portland, Oregon. Menu planning in this large urban district favors [sustainably produced whole foods from regional sources](#). A typical lunch—chicken nuggets, a whole-grain dinner roll, steamed corn, mesclun salad, low fat milk, and a fresh pear—includes Oregon-grown wheat, lettuce, and fruit. But the chicken is a [commodity item](#), mixed with soy-based textured vegetable protein and other fillers by an industrial processor that can deliver a serving for just \$0.30 (commodity foods are free, but schools still pay for the transportation, processing, and storage of donated items). This is a compromise the food service directors needed to make to meet both their slender budget and the federal meal planning standard (as of 2008) that calls for 2 ounces of meat protein or an equivalent as the centerpiece of every lunch.

On this day, here's what their total food costs look like:

CHICKEN NUGGETS:	\$0.30
BREAD ROLL:	\$0.12
CORN:	\$0.10
SALAD:	\$0.12
FRUIT:	\$0.13
MILK:	\$0.20
TOTAL:	\$0.97

The next day, a vegetarian chili may play a starring role. Made with tasty local beans that the children relish, it is a little bit of a splurge at \$0.50 per serving. The shredded commodity cheese on top, needed to complete the dish and to make the government's protein requirement, is a bargain at just \$0.05. Strategic choices like these show up on the plate every day in Portland, with commodity spending usually reserved for meat, poultry, and dairy items that can be prohibitively expensive on the open market. To pay for this lunch, and all the overhead required to prepare and serve it at Boise Eliot, there is significant government support.

The majority of students in this school are eligible for free lunch—a benefit available to all children living at or below 130% of the federal poverty level. Most of this cost, \$2.68 in 2009-10, is covered by cash reimbursement from the USDA. For reduced-price lunches, available to students living between 130% and 185% of the federal poverty level, reimbursement is \$2.28; for full-price lunch it is \$0.25.



These reimbursement rates are the same for every school nationwide. In most districts, some state and local funding helps make up the difference. And yet, there's nearly always a deficit. A daily shortfall of mere pennies per meal can add up to thousands of dollars by the end of the school year. School food service directors, who are expected to run their operations like any other business, must act to correct this. To keep their books balanced, most offer in-school catering for social gatherings such as PTA and staff meetings. More lucrative, however, are a la carte service and vending machine snacks offered to paying students alongside funded school meals. Sales of these and other so-called "competitive foods" have proved problematic in many schools, however, as they can undermine student acceptance of the more nutritionally balanced regular meal.