

Child Nutrition Services vs. School Food Service

The following is from *Eat Smart: Recommended Standards For All Foods Available in School*

The *Eat Smart School Standards* are consistent with reports from the National Academy of Sciences, Healthy People 2010, the CDC, the US Department of Agriculture (USDA), and other state and national organizations, which state that providing healthy food choices and wholesome meals for students should not be compromised by lack of funds, for-profit practices or fundraising. There are, however, significant barriers to implementation. An examination of local and state policies and a debate about priorities are needed. The Child Nutrition Program is an important part of the instructional day, providing a wholesome breakfast, lunch and after school snack for many of North Carolina's more than 1.3 million students.

However, many Child Nutrition Programs are expected to be financially self-supporting and operate as a separate business within the school system. Child Nutrition Programs must generate revenue to cover the cost of food, supplies and equipment needed to prepare and serve meals, the cost of salaries and benefits for personnel, and any other costs needed to operate a non-profit program. In the last two decades, many districts have begun requiring the Child Nutrition Program to pay a proportion of the district's overhead expenses in indirect costs, totaling more than \$18 million annually statewide. The primary source of funds that support local Child Nutrition Programs is reimbursement provided by the USDA through the school's participation in the School Breakfast Program (SBP), National School Lunch Program (NSLP) and the After School Snack Program (ASSP). These federal funds provide approximately half the revenues needed to operate local programs in North Carolina. Students and adults who pay for school meals provide another source of revenue.

In North Carolina, there are no permanent state or local mandated funds to support the Child Nutrition Program on a per meal basis, and the combination of federal funds and meal sales is not sufficient for program operations. To generate additional revenues, most programs make supplemental items, often called "a la carte," available for students and adults on the cafeteria line and in vending machines.

All of North Carolina's public schools sell "a la carte" foods, which provide a significant portion of the child nutrition budget—approximately \$54 million annually statewide—to support program operations. In addition, some snack food and beverage companies provide free menu boards, signage and other materials. Without these sales and incentives, additional revenues from state or local sources, grant funding, or increased student meal prices, Child Nutrition Programs could not operate.

Federal law prohibits the sale of foods of minimal nutritional value in the cafeteria during meal times. Foods of minimal nutritional value include soft drinks, hard candy, water ices and chewing gum. Beyond this limited number of regulated foods and beverages, the myriad of a la carte foods available to students is not federally regulated, and state regulations are inadequate. As a result, students' preferences, time available to eat and profit margins determine which a la carte foods will be sold. This shift to a la carte foods and beverages affects nutrient and calorie intakes, and increases costs for students and their families. The price of a school lunch that meets NSLP standards ranges from \$1.15 to \$2.00.¹⁵ On the other hand, it is not uncommon for a high school student to choose to spend \$4 for an a la carte lunch of a chicken filet sandwich, French fries and a 16-ounce sugar sweetened juice drink in the cafeteria, or \$3 to \$4 for a candy bar, chips and a 20 oz. soft drink from vending machines outside the cafeteria.