



Limited Resources, Limited Choices: How Can Schools Squeeze in Whole Grains?

Cathy Schuchart

Vice President of Child Nutrition and Policy
School Nutrition Association

School Nutrition Association



Mission: To Advance Good Nutrition For All Children

- 55,000 members nationwide
- 52 state affiliate associations
- Represents school nutrition directors, managers, employees, state agency staff, educators and companies.
- Industry membership program and long history of collaboration between industry and operators

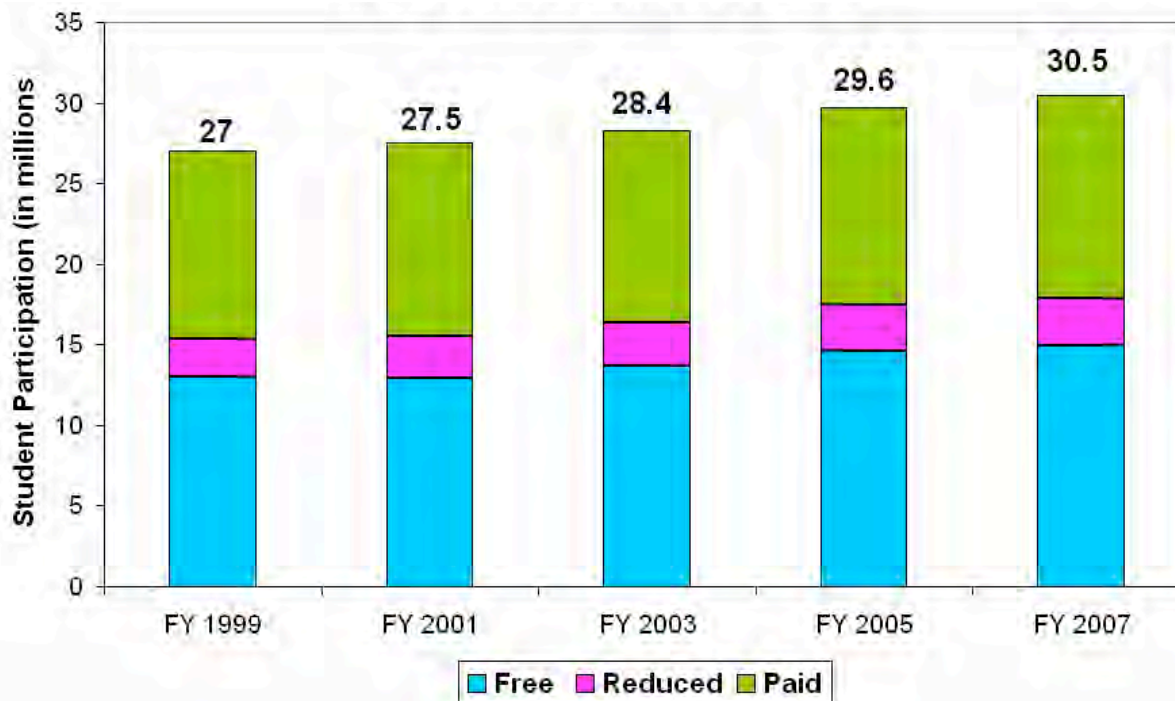


School Lunch Participation



13% Increase since 1999

- 16% increase in Free/Reduced
- 8.6% increase in Paid



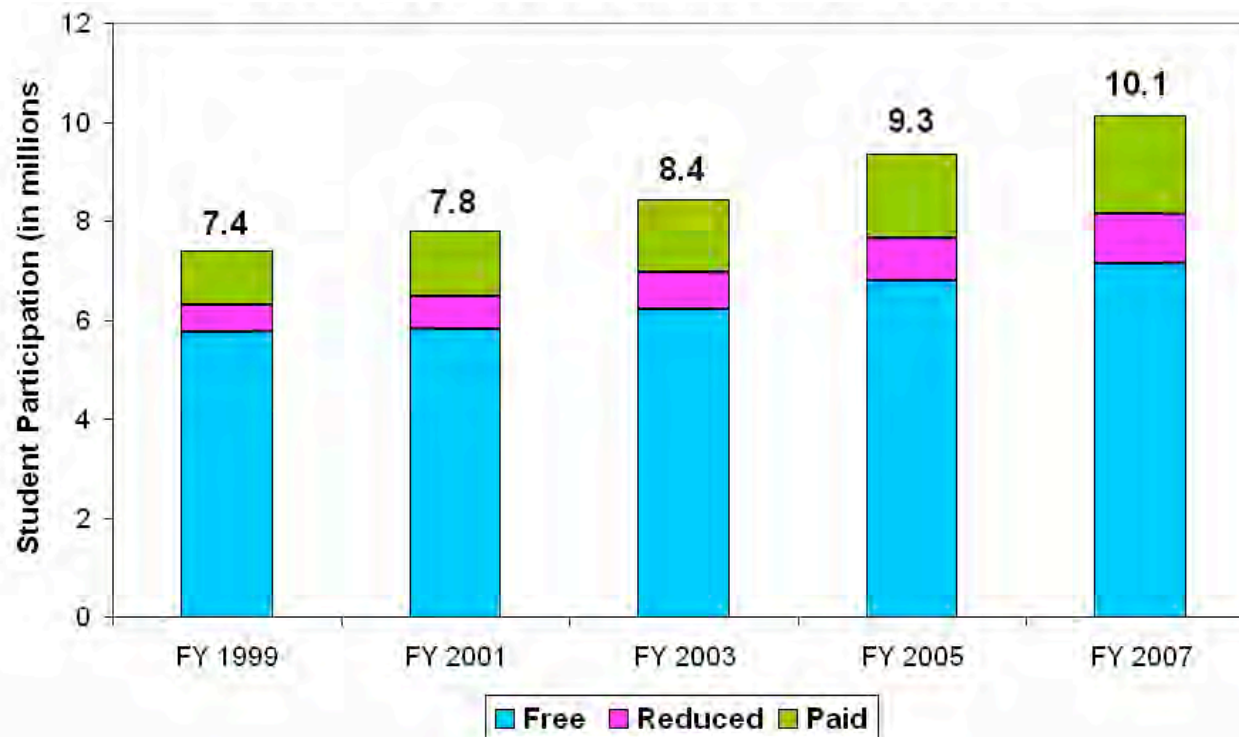
Source: USDA

School Breakfast Participation



36% Increase since 1999

- 29% increase in Free/Reduced
- 83% increase in Paid



Source: USDA

School Nutrition Challenges



- Increased operating costs
- Increased cost of food
- Decreasing program revenues
- Student meal charges on the rise
- Patchwork of nutritional guidelines
- Wellness Policies
- Costly food recalls



The Economic Reality of School Meals

Copyright © 2008 School Nutrition Association. All Rights Reserved.
www.schoolnutrition.org

Current Food Costs

MILK
Up 19%

BREAD
Up 17%

**MEAT &
MEAT ALTERNATIVE**
Up 11%

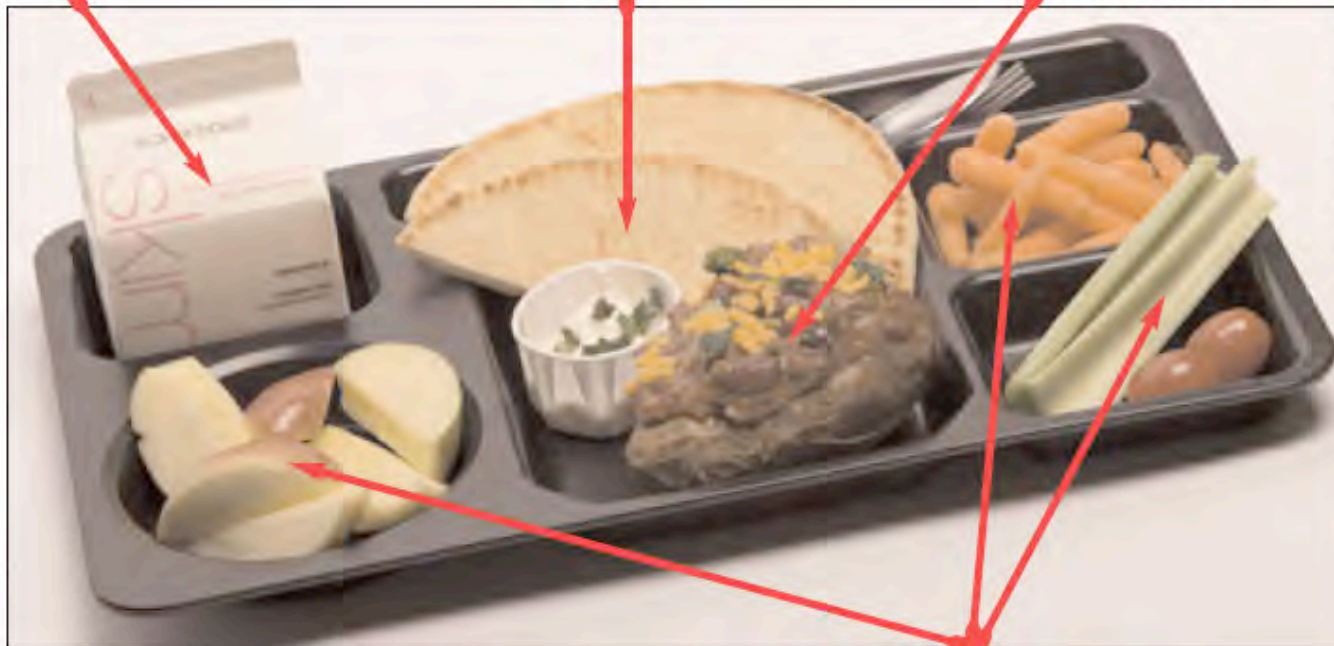


PHOTO COURTESY: ST. PAUL PUBLIC SCHOOLS, ST. PAUL, MN

Source: SNA, Meal Cost Survey,
Projected Change from SY 07-08 to SY 08-09

FRUIT & VEGETABLES
Up 13%

What Does it Cost to Prepare a School Meal?



- Estimated Average Cost to Produce a Meal in SY 2008-2009 is **\$2.92**
- All costs are increasing
 - Food Costs
 - Non-Food Costs
 - Labor Costs
 - Indirect Costs
 - Energy Costs



Source: SNA 2008 Meal Cost Survey

Total Revenue per Lunch



	Average Meal Prices for Students	Reimbursement Rates (SY 2008-2009)	Total Revenue per Lunch
Full Paid Lunches	Elementary: \$1.86 Middle: \$2.16 High: \$2.23	\$0.24	Elementary: \$2.10 Middle: \$2.40 High: \$2.47
Reduced Price Lunch*	\$0.38 - \$0.40	\$2.17	\$2.55 - \$2.57
Free Lunch**	\$0.00	\$2.57	\$2.57

*Students with household incomes between 130%-185% of the poverty level receive meals at a reduced price rate.

**Students with household incomes below 130% of the poverty level receive meals for free.

Sources: **SNA 2008 Meal Cost Survey** and the **U.S. Department of Agriculture (USDA)**

Revenue Does not Equal Expenses



- Potential Losses = **\$0.33 to \$0.80** per lunch
- School districts across the country are potentially losing ...
 - **\$10-24 million** per day (or)
 - **\$1.8 - 4.3 billion** over a 180 day school year
- What happens when a school nutrition program has a negative balance?
 - Funds must be taken from the school district general fund to make up the difference.

Across the Country



Of school nutrition directors surveyed about anticipated costs for SY08-09:

- 97.5% expect **increase** in **food** costs
- 84.1% expect **increase** in **labor** costs
- 94.1% expect **increase** in **gas** costs
- 66.8% expect **increase** in **indirect** costs

(SNA 2008 Back to School Trends Report, August 2008, School Nutrition Association)



SNA Advocacy Efforts

Copyright © 2008 School Nutrition Association. All Rights Reserved.
www.schoolnutrition.org

Funding Priorities



- Increase the per meal reimbursement by 35 cents for all meals
- Update the Federal reimbursement rates semi-annually
- Expand the “free” meal category from 130% of poverty to 185%, consistent with the WIC income eligibility guidelines (eliminating the reduced price meal category)
- Provide 10 cents in USDA commodities for each school breakfast served
- Address indirect expenses

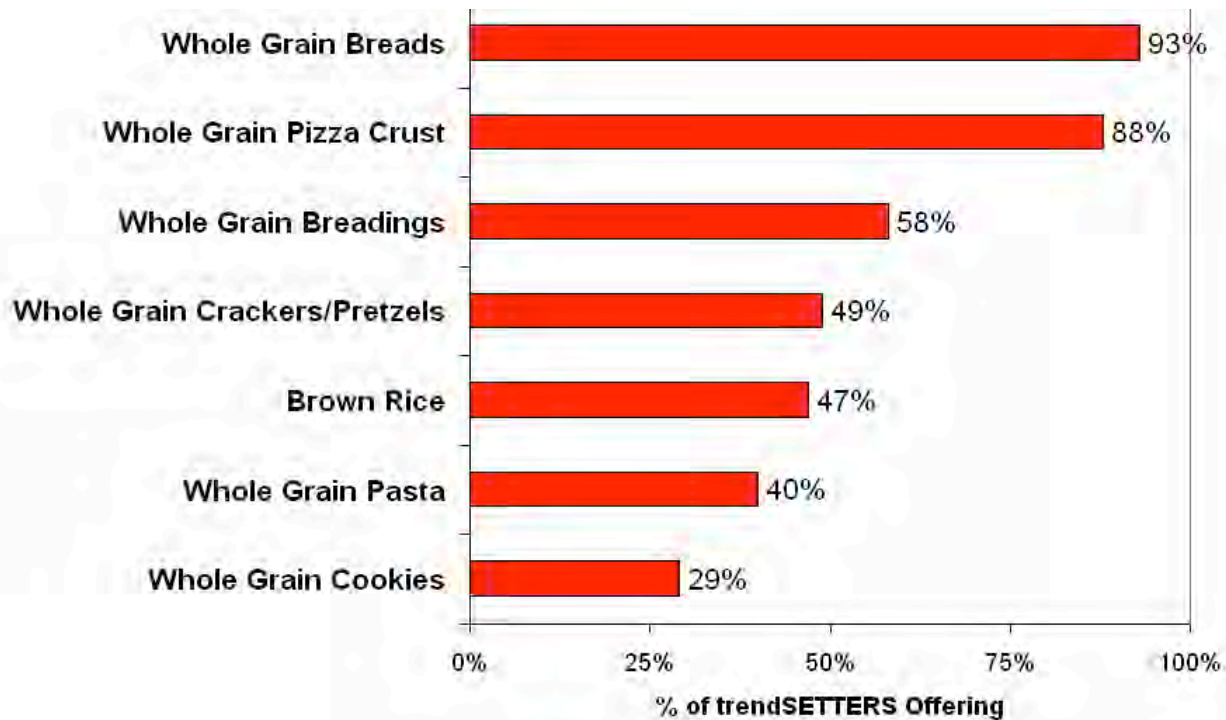
Nutrition Policy Trends



- 85% of school nutrition directors are increasing the availability of whole grain products in their programs

-SNA 2008 Trends Survey

Products Offered in trendSETTERS Schools



Source: trendSETTERS, volume 2, issue 3, 2008

Tips for Successfully Incorporating Whole Grains



- Taste testing with students prior to menuing
- Blending whole grain and non-whole grain products
- Gradually adding new products to the menu
- Ensuring products are high quality and minimal visual differences
- Developing recipes and sauces that appeal to students
- Switching to whole grains without pointing it out to students
- Switching all products to whole grains, so that there are not other options

Source: trendSETTERS, volume 2, issue 3, 2008

Copyright © 2008 School Nutrition Association. All Rights Reserved.
www.schoolnutrition.org



Challenges and Solutions

Challenges of Offering Whole Grains



1. Cost
2. Acceptance
3. Availability
4. Understanding Regulations and Labeling
5. Acceptance of Products by Staff

Source: trendSETTERS, volume 2, issue 3, 2008

Cost Comparisons



	<u>REGULAR</u>	<u>WHOLE GRAIN</u>
Chicken Corn Dog	\$ 0.22	\$ 0.36
French Toast Slice	\$ 0.43	\$ 0.54
Nacho Chips	\$ 0.87/LB.	\$ 1.25/LB.
Hamburger Bun	\$ 0.09	\$ 0.14
White Sandwich Bread	\$ 0.07/Slice	\$ 0.13/Slice

Managing Increased Cost of Whole Grains



- Increasing cost to students for meals and/or a la carte items (most common way)
- Absorbing costs
- Cutting back on the amount of whole grain products purchased and/or cutting back on other products or labor in order to keep whole grain options available
- Making their own whole grain breads instead of ordering from a bakery

Source: trendSETTERS, volume 2, issue 3, 2008

Using Available USDA Commodities



- Whole grain spaghetti and rotini added in 08-09
- Whole grain macaroni and parboiled brown rice to be available soon
- Whole wheat flour, whole-grain dry-kernel corn, rolled oats, and regular brown rice also available



Implementing Supply Chain Strategies



- Joining purchasing cooperatives or working with cooperatives to further reduce prices
- Consolidating similar items on bids
- Reviewing delivery frequencies, drop sizes, inventory, and storage space



Get Involved with SNA



- Industry Representative on SNA Board of Directors
- Child Nutrition and Industry Conference
- Legislative Action Conference
- Annual National Conference



cschuchart@schoolnutrition.org

800-877-8822 ext. 170

www.schoolnutrition.org