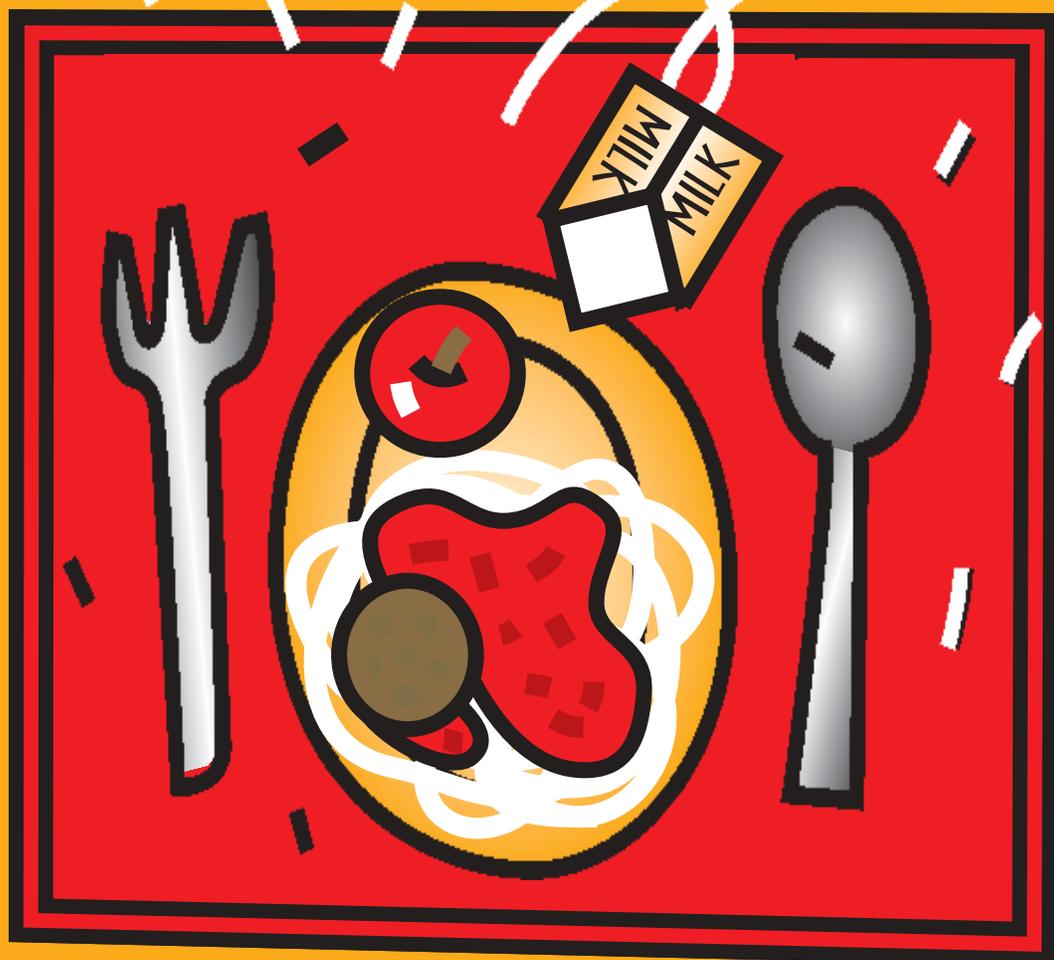


MEALS FOR LEARNING

School Nutrition Programs
2002 Annual Report



Minnesota
Department
of Education

SCHOOL LUNCH
SCHOOL BREAKFAST
FOOD DISTRIBUTION
MILK PROGRAMS

Healthy School Nutrition Environment

Healthful eating and adequate physical activity are leading health indicators for all ages. For children, the school environment is of particular importance in affecting these health-related behaviors.

NUTRITION SOURCES FOR STUDENTS

At school, students typically have many options including school meals and a la carte foods in the cafeteria, as well as foods sold in snack bars, school stores, and vending machines. The impact of food choices made at school on overall nutritional quality has been increasingly recognized.

Recommended goals for eating a healthful assortment of foods are provided by the 2000 Dietary Guidelines for Americans. Actual dietary behaviors most often fall short of the guidelines.

- A primary concern is that most students consume more fat and saturated fat than is recommended.
- Most students do not consume enough vegetables, fruits, and grains.
- Consumption of iron-rich and calcium-rich foods should be increased.

OVERWEIGHT AND OBESITY

The Surgeon General's Call to Action to Prevent and Decrease Overweight and Obesity (2001) observed that "Overweight and obesity may not be infectious diseases, but they have reached epidemic proportions in the United States."

The National Health Examination Studies measured the rate of overweight for children and adolescents at 15 percent in 1999 to 2000. This was more than double the rate of overweight measured less than two decades earlier.

The primary behaviors that contribute to a healthy weight are a healthy diet and regular physical activity.

INITIATIVE FOR A HEALTHY SCHOOL NUTRITION ENVIRONMENT

The Food and Nutrition Service of the Minnesota Department of Education received a competitive grant from the U.S. Department of Agriculture to bring together stakeholders interested in improving the school nutrition environment. Food and Nutrition Service facilitated a series of discussions to identify issues and make consensus recommendations.

ORGANIZATIONS REPRESENTED ON THE STEERING COMMITTEE FOR THE INITIATIVE ON HEALTHY SCHOOL NUTRITION ENVIRONMENT

School Districts

Austin, South

Washington, Waseca

Professional Associations

Minnesota Association of School Administrators, Minnesota Dental

Association, Minnesota

School Food Service

Association, School Food

Service Directors of

Minnesota

Advocacy

Minnesota Children's

Defense Fund

Industry

Blue Cross Blue Shield of

Minnesota, Midwest Coca-

Cola Bottling, Midwest

Dairy Council, Midwest

Vending, Minnesota Soft

Drink Association, Upper

Lakes Foods, US

Foodservice-Eagan

State Agencies/Offices

Office of the Governor,

Minnesota Department of

Education, Minnesota

Department of Health

Many additional

organizations participated

in a series of stakeholder

meetings.

ISSUE STATEMENT

The steering committee created a vision of desired solutions

**The desired school climate should**

value and encourage healthy behaviors, prevent

obesity, increase physical activity,

and make nutritional foods “cool.”

The desired solutions should

increase parental involvement and responsibility,

and promote both local responsibility

and adequate school funding.

**CONSENSUS
RECOMMENDATIONS
TO IMPROVE THE
NUTRITION
ENVIRONMENT AT
SCHOOL**

The consensus recommendations included:

- Educate school staff on good nutrition and health in the classroom.
- Seek opportunities to increase nutrition education and physical activity in the lives of students to meet national and state standards.
- Encourage each school district to establish committees, including parents and students, to focus on areas such as nutrition, vending policy, and physical activity.
- Develop a student-led and youth-oriented public awareness campaign.
- Educate adults who influence students to become effective role models.
- Enhance the school meal experience to improve how students eat by addressing issues such as adequate eating time and environment.
- Seek additional funding sources to promote and reward efforts to create healthy school nutrition environments.

Many of the recommendations have been initially addressed through development of a “Minnesota Tool Kit” to augment the USDA resource “Changing the Scene: Improving the School Nutrition Environment.” A workgroup of Food and Nutrition Service and interested stakeholders developed the “Minnesota Tool Kit – Make the First Move,” which was distributed to all Minnesota school districts.

The final report of the initiative, “Healthy School Nutrition Environments – Recommendations from Stakeholders,” was issued in November 2002 and is available on the FNS website at <https://fns.state.mn.us/FNSProg/NSLP/NSLPResource.htm>.



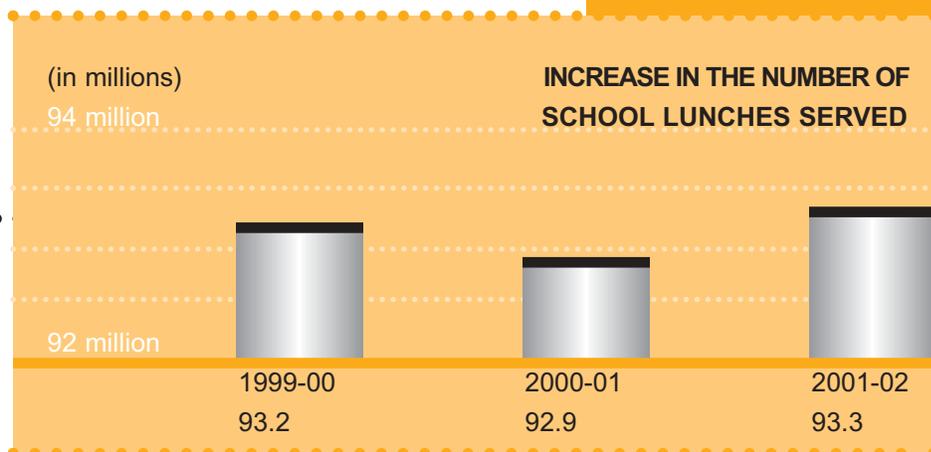
School Nutrition Programs

2001-02 FEDERAL FUNDS (MILLIONS)

National School Lunch Program	\$	74.6
After-School Snacks	\$	0.5
Value of Commodities	\$	17.5
School Breakfast Program	\$	17.0
Special Milk Program	\$	0.8
TOTAL FEDERAL FUNDS	\$	110.4

2001-02 STATE FUNDS (MILLIONS)

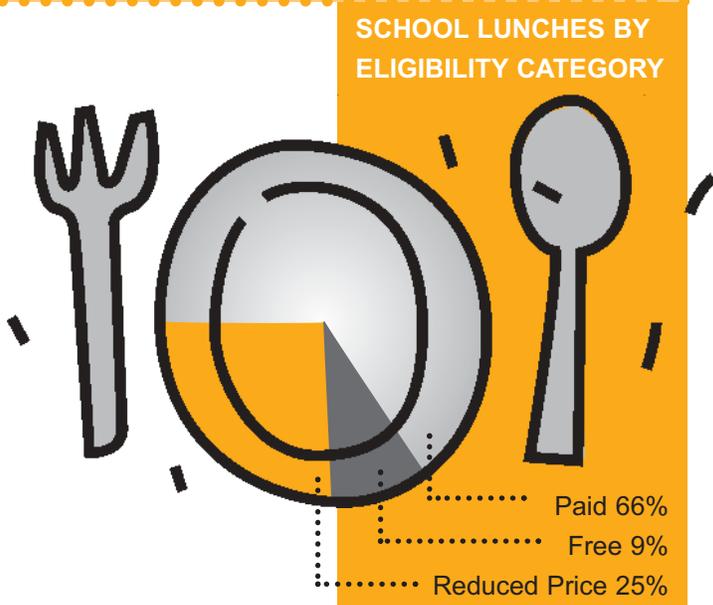
National School Lunch Program	\$	8.3
School Breakfast Program	\$	0.7
Fast Break to Learning	\$	4.0
MN Kindergarten Milk Program	\$	0.8
TOTAL STATE FUNDS	\$	13.8



NATIONAL SCHOOL LUNCH PROGRAM

The National School Lunch Program offers reimbursement for nutritious school lunches served to children from preschool through grade 12. Reimbursement is also provided for snacks served to children in after-school care programs.

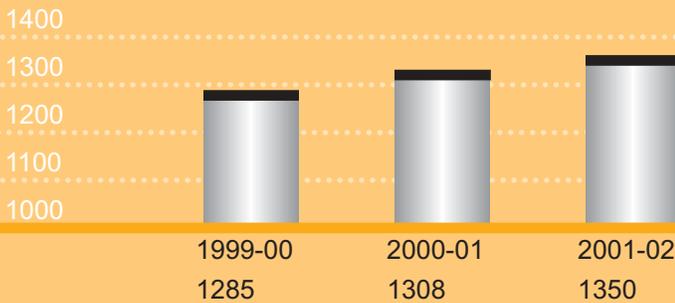
School meal programs offer free and reduced-price meals to students whose families meet household income guidelines established by the U.S. Department of Agriculture. In Minnesota, about one-third of school meals are provided free or at a reduced price.



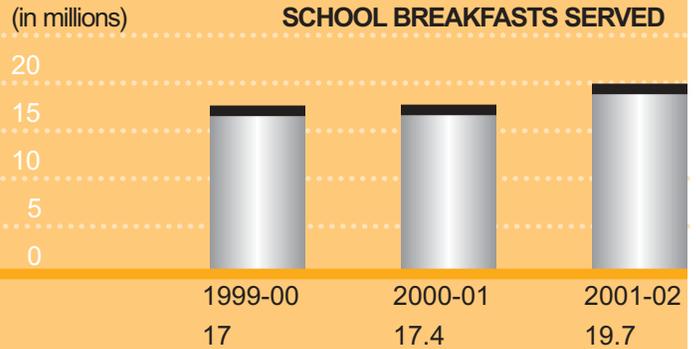
SCHOOL BREAKFAST PROGRAM

The School Breakfast Program offers reimbursement for nutritious breakfasts served to children from preschool through grade 12. Since the early 1990's, the number of schools with breakfast programs has doubled.

INCREASE IN THE NUMBER OF SCHOOL BREAKFAST SITES

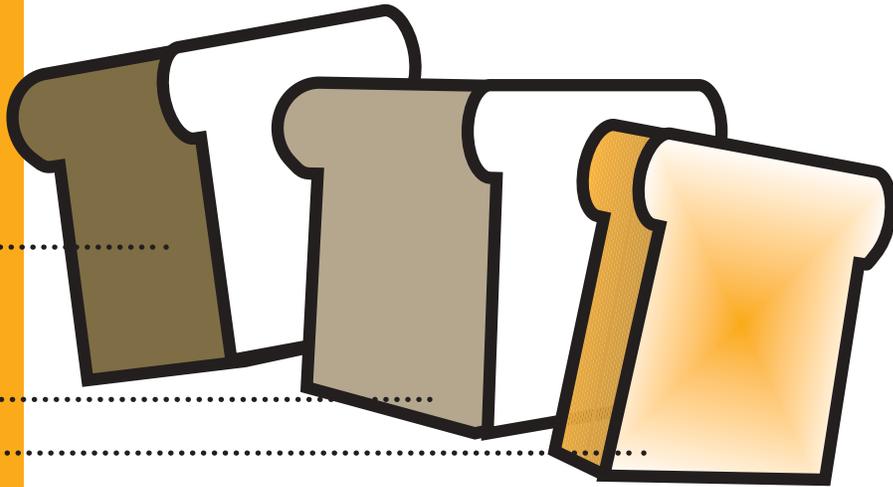


INCREASE IN THE NUMBER OF SCHOOL BREAKFASTS SERVED



SCHOOL BREAKFASTS BY ELIGIBILITY CATEGORY

- Paid 36%
- Free 53%
- Reduced Price 11%



FAST BREAK TO LEARNING

OVER 500 ELEMENTARY SCHOOLS PARTICIPATED IN THE FAST BREAK TO LEARNING BREAKFAST PROGRAM.

These schools combine federal and state reimbursements to offer breakfast for all students at low-income elementary schools. Research on the third year of the program, conducted by the University of Minnesota, has shown that **these schools have increased their academic achievement at a greater rate** than a group of control schools. The 2001-02 Executive Summary of third-year results is available on the FNS website at <https://fns.state.mn.us/FNSProg/FBTL/FBTL.htm>.

FOOD DISTRIBUTION PROGRAM

In addition to per-meal reimbursements, participating schools ordered over **\$17 million of USDA commodity foods for school meals** through the Food Distribution Program.

MINNESOTA PILOT FOR SEAMLESS DISTRIBUTION OF COMMODITY FOODS

Minnesota schools participated in a pilot program during school year 2001-02 to test an innovative distribution system for USDA commodities. Schools participating in the pilot were able to receive their commodity entitlement by ordering regular commercial products available through the school's foodservice distributor.

- 24 manufacturers, including Minnesota-based companies, offered 350 commercial food items that were approved for the pilot program.
- Required truckloads of USDA commodities were ordered and delivered to the manufacturers.
- Schools received rebates from the MN Department of Education for the value of commodities in purchased commercial products.
- Order quantities, truckload distribution, and rebate calculations were managed through CLiCS (Cyber-Linked Interactive Child Nutrition System).

The web-based transactional software **CLiCS** is MDE - Food and Nutrition Service's international award-winning business-to-government software.

MILK PROGRAMS

The **Minnesota Kindergarten Milk Program** provided \$763,000 reimbursement for milk served to kindergarten students. The federal **Special Milk Program** provided \$798,000 for milk served to children who do not have access to a meal program at their school or child care center.

For information on other USDA child nutrition programs, see the Food and Nutrition Service 2002 Annual Report for Community Nutrition Programs.

THE U.S. DEPARTMENT OF AGRICULTURE PURCHASED \$116 MILLION OF MINNESOTA AGRICULTURAL PRODUCTS DURING THE YEAR FOR NATIONWIDE DISTRIBUTION THROUGH THE FOOD DISTRIBUTION PROGRAM

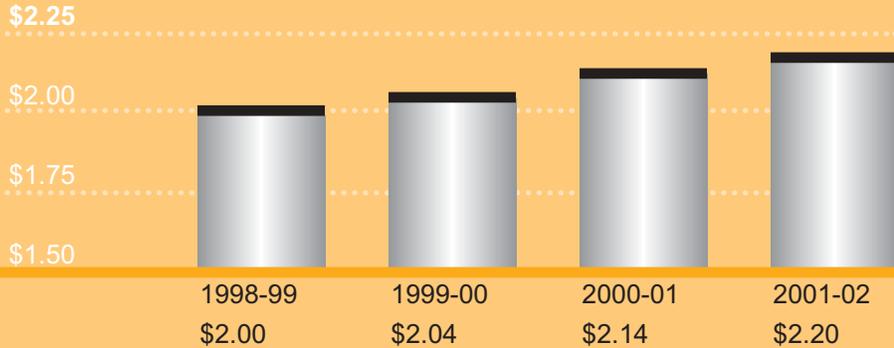


Financial Challenge for School Food Service

COST TO PROVIDE SCHOOL LUNCH SERVICE

The average total direct costs (food, milk, labor, other) of preparing a school lunch rose three percent from the previous school year to \$2.20.

RISING COSTS TO PREPARE A SCHOOL LUNCH

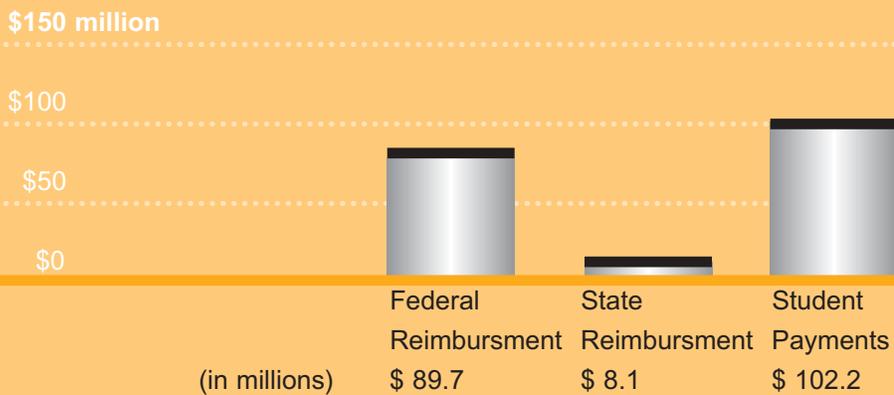


The cumulative increase in school lunch costs since 1995-96 is twenty-two percent. Part of this increase occurred in 1996-97 when fruits, vegetables, and breads were increased so that school meals meet the Dietary Guidelines for Americans.

The average total direct costs (food, milk, labor, other) of preparing a school breakfast were \$1.11.

NATIONAL SCHOOL LUNCH PROGRAM REVENUES

STUDENT PAYMENTS EXCEED PROGRAM REIMBURSEMENTS



Student payments and reimbursements from federal and state levels contribute revenue for school lunches and breakfasts. Overall, student meal payments of \$102 million are the largest revenue source, exceeding combined federal and state payments of \$98 million.

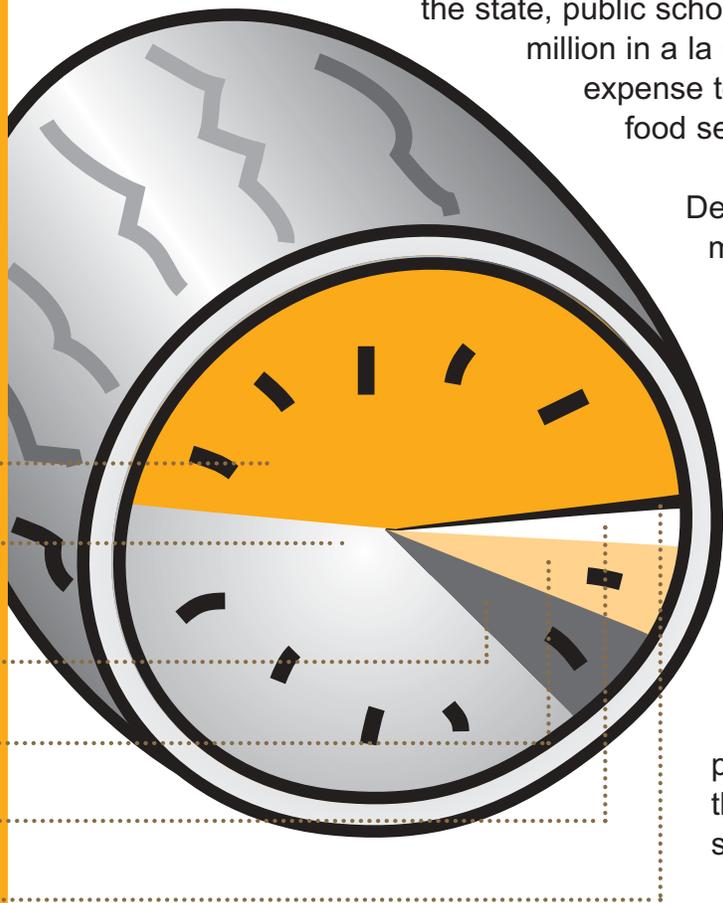


**THE BOTTOM
LINE
FOR AN
AFFORDABLE,
NUTRITIOUS
SCHOOL MEAL**

For 80 percent of school districts, the direct costs of school meals exceeded total program revenues from student payments, federal reimbursements, and state reimbursements. For school lunch, this represented an average loss of 34 cents for each meal served.

School boards have traditionally resisted increases to meal prices in order to keep school meals affordable for middle-income families. To meet the funding need, most districts continued to rely on student a la carte food purchases (snack foods and other additional foods). Across the state, public schools generated \$ 17.7 million in a la carte revenue over expense to contribute to the school food service fund balance.

Despite the professional management efforts of school food service directors and business managers, total school food service revenues (including a la carte) at public schools during 2001-02 of \$270.6 million were less than total costs of \$271.8 million. This represents a \$1.2 million subsidy in permanent transfers from the general funds of school districts.



Student payments	\$102.2 million	44%
Federal reimbursements	\$89.7 million	38%
A la carte (revenue over expense)	\$17.7 million	7%
Federal commodities	\$17.5 million	7%
State reimbursements	\$8.1 million	3%
District transfers	\$1.2 million	<1%

Federal law and U.S. Department of Agriculture policy prohibit discrimination in the administration of School Nutrition Programs on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.



This report was prepared by Minnesota Department Education, Food and Nutrition Service, 1500 Highway 36 West, Roseville, MN 55113-4266, (651) 582-8526 or (800) 366-8922 (Minnesota callers), email to fns@state.mn.us. This report can be downloaded from the FNS website at <https://fns.state.mn.us/AboutFNS/AboutFNS.htm>. Upon request, this information can be made available in alternative formats. TTY (651) 582-8201