Key Issues and Trends in School Nutrition Programs

PHOTOCREDIT: Jefferson Co, KY School District
Summary

• Most Pressing Issues for School Nutrition Programs
  • Participation
  • Implementation of Meal Patterns
  • Cost of Food
  • Implementation of Competitive Food Regulations
• Food & Beverage Trends
SNA Resources

www.schoolnutrition.org/Research

2014 OPS REPORT

The State of School Nutrition 2014

SCHOOL NUTRITION TRENDS SURVEY 2014

August 2014

Copyright © 2014 School Nutrition Association. All Rights Reserved. www.schoolnutrition.org
Most Pressing Issues

Top tier (Issues selected by at least 40% of the respondents as one of their three most pressing issues.)

District level
• Program participation — 44.0%
• Implementation of new meal patterns — 43.1%
• Cost of food — 41.7%
• Implementation of competitive food regulations — 40.7%

National level
• Implementation of new meal patterns — 59.5%
• Implementation of competitive food regulations — 41.3%

Source: SNA Operations Report 2014
Program Participation

**Number of US Students**

**54.7 million** students in US schools
- **49.8 million** students in public schools
- **5.0 million** in private schools

**Number of Districts/Schools**

Approximately **13,600** public school districts with more than **98,000** schools

Approximately **30,900** private schools

Source: National Center for Education Statistics
NSLP Program Participation

Average Student Participation
September - May

<table>
<thead>
<tr>
<th></th>
<th>Free</th>
<th>Reduced</th>
<th>Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>SY 2011-12</td>
<td>18.69</td>
<td>2.76</td>
<td>10.27</td>
</tr>
<tr>
<td>Sept 2011- May 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SY 2012-13</td>
<td>18.90</td>
<td>2.59</td>
<td>9.23</td>
</tr>
<tr>
<td>Sept 2012- May 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SY 2013-14</td>
<td>19.04</td>
<td>2.50</td>
<td>8.78</td>
</tr>
<tr>
<td>Sept 2013- May 2014</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Overall
1.30% decrease since SY 2012-13
4.42% decrease since SY 2011-12

Paid
4.84% decrease since SY 2012-13
14.53% decrease since SY 2011-12

Reduced-Price
3.56% decrease since SY 2012-13
9.27% decrease since SY 2011-12

Free
0.74% increase since SY 2012-13
1.85% increase since SY 2011-12

Source: SNA’s NSLP Participation Tracking

Copyright © 2014 School Nutrition Association. All Rights Reserved. www.schoolnutrition.org
NLSP Program Participation

Changes in NSLP Participation from FY 2012 to FY 2013

## NLSP Program Participation

<table>
<thead>
<tr>
<th></th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY 2014 (Preliminary)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of NSLP Schools</strong></td>
<td>95,564</td>
<td>95,406</td>
<td>95,349</td>
</tr>
<tr>
<td><strong>Percent Changes Since 2012</strong></td>
<td>-0.16%</td>
<td>-0.22%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Enrollment of NSLP Schools</strong></td>
<td>50,701,956</td>
<td>51,349,872</td>
<td>52,641,523</td>
</tr>
<tr>
<td><strong>Percent Change since 2012</strong></td>
<td>+1.28%</td>
<td>+3.82%</td>
<td></td>
</tr>
<tr>
<td><strong>Percent Participating</strong></td>
<td>62.1%</td>
<td>59.4%</td>
<td>57.3%</td>
</tr>
<tr>
<td><strong>Change since 2012</strong></td>
<td>2.7% point decrease</td>
<td>4.3% point decrease</td>
<td></td>
</tr>
</tbody>
</table>

Source: SNA’s NSLP Participation Tracking
USDA FNS Key Program Data Report, August 2014 & USDA FNS Key Program Data Report, November 2012
NSLP Program Participation

**Median District ADP for Lunch**

Program Wide: 64.0%%

Elementary: 68.0%

Middle: 65.0%

High School: 51.0%

**Median District Free-Reduced Eligibility**

48.3%

Data Source: School Nutrition Operations Report 2014
SBP Program Participation

Average Student Participation

September - May

<table>
<thead>
<tr>
<th>Year</th>
<th>Free</th>
<th>Reduced</th>
<th>Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>SY 2011-12</td>
<td>2.05</td>
<td>1.04</td>
<td>9.73</td>
</tr>
<tr>
<td>SY 2012-13</td>
<td>2.02</td>
<td>1.02</td>
<td>10.10</td>
</tr>
<tr>
<td>SY 2013-14</td>
<td>2.07</td>
<td>1.01</td>
<td>10.42</td>
</tr>
</tbody>
</table>

Overall
- 2.79% increase since SY 2012-13
- 5.29% increase since SY 2011-12

Paid
- 2.52% increase since SY 2012-13
- 0.91% increase since SY 2011-12

Reduced-Price
- 0.38% decrease since SY 2012-13
- 2.77% decrease since SY 2011-12

Free
- 3.16% increase since SY 2012-13
- 7.08% increase since SY 2011-12

Source: SNA's NSLP Participation Tracking
USDA FNS Key Program Data Report, August 2014 & USDA FNS Key Program Data Report, November 2012
<table>
<thead>
<tr>
<th></th>
<th>FY2012</th>
<th>FY2013</th>
<th>FY 2014 (Preliminary)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of SBP Schools</strong></td>
<td>84,431</td>
<td>85,463</td>
<td>85,716</td>
</tr>
<tr>
<td><strong>Percent Changes Since 2012</strong></td>
<td>+1.22%</td>
<td>+1.52%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Enrollment of SBP Schools</strong></td>
<td>46,444,772</td>
<td>48,000,152</td>
<td>49,114,059</td>
</tr>
<tr>
<td><strong>Percent Change since 2012</strong></td>
<td>+3.35%</td>
<td>+5.75%</td>
<td></td>
</tr>
<tr>
<td><strong>Percent Participating</strong></td>
<td>27.5%</td>
<td>27.4%</td>
<td>27.4%</td>
</tr>
<tr>
<td><strong>Change since 2012</strong></td>
<td>0.1% point decrease</td>
<td>0.1% point decrease</td>
<td></td>
</tr>
</tbody>
</table>

Data Source: USDA FNS Key Program Data Report, July 2014 & USDA FNS Key Program Data Report, July 2013
SBP Program Participation

**Median District ADP for Breakfast**

- Program Wide: 25.0%
- Elementary: 30.0%
- Middle: 20.0%
- High School: 14.7%

**Median District Free-Reduced Eligibility**

48.3%

Data Source: School Nutrition Operations Report 2014
SBP Program Participation

95.6% of SNA Districts offer a school breakfast program.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional cafeteria</td>
<td>95.3%</td>
<td>94.9%</td>
<td>93.1%</td>
<td>91.3%</td>
<td>89.2%</td>
<td>88.4%</td>
</tr>
<tr>
<td>Breakfast in a Bag/Grab &amp; Go</td>
<td>35.5%</td>
<td>28.9%</td>
<td>27.2%</td>
<td>21.0%</td>
<td>16.8%</td>
<td>N/A</td>
</tr>
<tr>
<td>A la carte service</td>
<td>22.6%</td>
<td>22.4%</td>
<td>26.8%</td>
<td>33.4%</td>
<td>31.6%</td>
<td>N/A</td>
</tr>
<tr>
<td>Service in classrooms</td>
<td>20.3%</td>
<td>16.8%</td>
<td>15.8%</td>
<td>15.6%</td>
<td>10.7%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Breakfast after school begins</td>
<td>13.8%</td>
<td>11.0%</td>
<td>11.9%</td>
<td>11.0%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Hallway kiosks</td>
<td>11.0%</td>
<td>7.5%</td>
<td>4.7%</td>
<td>4.4%</td>
<td>2.9%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

Data are limited to the districts that indicated they have breakfast service (1,054 in 2014)

Data Source: School Nutrition Operations Report 2014
Program Participation

Overall Revenue Trends for 2014-15 School Year
By CEP Participation

Looking ahead to the 2014-15 school year, what revenue changes, if any, do you anticipate your school nutrition program will experience?

43% anticipate a decrease in overall revenue for SY 2014-15.

Data Source: School Nutrition Trends Survey 2014

* Remaining percentage of respondents indicated anticipating overall revenue to "stay the same"
Program Participation

Community Eligibility Provision:
- 2,218 school districts for SY 2014-15 (13,819 schools)
- Reaching 6.4 million students

Approximately 21% of SNA member districts are planning on using CEP this School Year

Data Source: USDA; School Nutrition Operations Report 2014
Most Pressing Issues

Issue #2
Implementation of New Meal Patterns
Whole Grain-Rich

A majority of districts anticipate the whole grain-rich requirement will increase average per meal costs for SY 2014-15

Whole Grain-Rich Requirement Cost

What change, if any, do you anticipate the 2014 whole grain-rich requirement will have on your average per meal costs for the 2014-15 school year (compared to the average per meal cost for the 2013-14 school year)?

<table>
<thead>
<tr>
<th></th>
<th>Decrease</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Breakfast</td>
<td>3.5%</td>
<td>61.7%</td>
</tr>
<tr>
<td>For Lunch</td>
<td>3.1%</td>
<td>64.1%</td>
</tr>
</tbody>
</table>

* Remaining percentage of respondents indicated anticipating the average per meal cost to "stay the same"

Data Source: School Nutrition Trends Survey 2014
87% anticipate that the fruit and vegetable requirement will increase their average per meal cost for breakfast for the 2014-15 school year.

Fruit & Vegetable Costs for Breakfast

What change, if any, do you anticipate the fruit and vegetable requirement for breakfast will have on your average per meal costs for the 2014-15 school year (compared to the 2013-14 school year)?

- Decrease: 2.2%
- Increase: 86.6%

Data Source: School Nutrition Trends Survey 2014

How much will the fruit and vegetable requirement increase your average per meal breakfast costs for the 2014-15 school year?

- By 1 to 5 cents: 4.5%
- By 6 to 10 cents: 22.0%
- By 11 to 15 cents: 23.0%
- By 16 to 20 cents: 27.0%
- By more than 20 cents: 19.0%
- Not sure: 4.5%

*Of the 232 respondents that indicated anticipating an increase in per meal breakfast cost.
Procurement Challenges

Lower Sodium
Do you anticipate procurement of lower-sodium items that are acceptable to students will be a challenge for the 2014-15 school year?

Whole Grain-Rich
Do you anticipate procurement of whole grain-rich items that are acceptable to student will be a challenge for the 2014-15 school year?

Fruits & Vegetables
Do you anticipate procurement of fruits and/or vegetables for lunch and breakfast to be a challenge for the 2014-15 school year?

Data Source: School Nutrition Trends Survey 2014
Most Pressing Issues

Issue #3
Cost of Food
$0.10 per meal increase for lunch
$0.27 per meal increase for breakfast
from FY 2012 to 2015

<table>
<thead>
<tr>
<th>Estimated Cost of Final Rule (millions)</th>
<th>Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
</tr>
<tr>
<td>Food Costs</td>
<td>$20.8</td>
</tr>
<tr>
<td>Labor Costs</td>
<td>$20.7</td>
</tr>
<tr>
<td>State Agency Administrative Costs</td>
<td>$0.1</td>
</tr>
<tr>
<td>Total (Food + Labor + Administrative)</td>
<td>$41.6</td>
</tr>
<tr>
<td>Percent Change Over Baseline</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

Cost of Food

A large majority anticipate increases in costs for the 2014-15 school year.

43.0% anticipate a decrease in overall revenue.

Data Source: School Nutrition Trends Survey 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>Decrease (%)</th>
<th>Increase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Revenue (n = 237)</td>
<td>43.0%</td>
<td>28.3%</td>
</tr>
<tr>
<td>A la Carte Revenue (n = 237)</td>
<td>59.1%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Food Costs (n = 239)</td>
<td>2.1%</td>
<td>84.9%</td>
</tr>
<tr>
<td>Non-food Supply Costs (n = 238)</td>
<td>2.9%</td>
<td>63.9%</td>
</tr>
<tr>
<td>Labor Costs (n = 236)</td>
<td>0.8%</td>
<td>78.0%</td>
</tr>
</tbody>
</table>

* Remaining percentage of respondents indicated anticipating the cost or revenue to "stay the same"
81.2% indicate experiencing an increase in student plate waste.

Vegetable waste most frequently caused increase.

Data Source: School Nutrition Trends Survey 2014
Cost of Food

Average Lunch Meal Prices
Elementary: $2.18
Middle: $2.37
High School: $2.42

• 54% of districts increased lunch prices for school year 2013/14. This is triple the percentage of districts that increased breakfast prices in school year 2010/11 (17%), but less than in school year 2008/09 (59%).

• 83% that had increase lunch prices did so because of Paid Meal Equity

Data Source: School Nutrition Operations Report 2014
Cost of Food

Average Breakfast Meal Prices
Elementary: $1.26
Middle: $1.33
High School: $1.36

• 27% of districts increased breakfast prices for school year 2013/14. This is double the percentage of districts that increased breakfast prices in school year 2010/11 (13%), but less than in school year 2008/09 (48%).

Data Source: School Nutrition Operations Report 2014
Most Pressing Issues

Issue #4
Implementation of Competitive Food Regulations
Average percentage of school nutrition revenue from competitive food sales is 17.8%
92% have A la Carte in a school

Of these schools
55% available at Elementary
88% available at Middle School
94% available at High School
Competitive Foods

Nearly 60% anticipate a decrease in a la carte revenue in SY 2014-15

Data Source: School Nutrition Trends Survey 2014
Key Trends

Food & Beverage Trends
# Food & Beverage Trends

## Top 20 Trends

<table>
<thead>
<tr>
<th>Rank</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Locally sourced meats and seafood</td>
</tr>
<tr>
<td>2</td>
<td>Locally grown produce</td>
</tr>
<tr>
<td>3</td>
<td>Environmental sustainability</td>
</tr>
<tr>
<td>4</td>
<td>Healthful kids’ meals</td>
</tr>
<tr>
<td>5</td>
<td>Gluten-free cuisine</td>
</tr>
<tr>
<td>6</td>
<td>Hyper-local sourcing (e.g. restaurant gardens)</td>
</tr>
<tr>
<td>7</td>
<td>Children’s nutrition</td>
</tr>
<tr>
<td>8</td>
<td>Non-wheat noodles/pasta (e.g. quinoa, rice, buckwheat)</td>
</tr>
<tr>
<td>9</td>
<td>Sustainable seafood</td>
</tr>
<tr>
<td>10</td>
<td>Farm/estate branded items</td>
</tr>
<tr>
<td>11</td>
<td>Nose-to-tail/root-to-stalk cooking (e.g. reduce food waste by using entire animal/plant)</td>
</tr>
<tr>
<td>12</td>
<td>Whole grain items in kids’ meals</td>
</tr>
<tr>
<td>13</td>
<td>Health/nutrition</td>
</tr>
<tr>
<td>14</td>
<td>New cuts of meat (e.g. Denver steak, pork flat iron, tri-tip)</td>
</tr>
<tr>
<td>15</td>
<td>Ancient grains (e.g. kamut, spelt, amaranth)</td>
</tr>
<tr>
<td>16</td>
<td>Ethnic-inspired breakfast items (e.g. Asian-flavored syrups, Chorizo scrambled eggs, coconut milk pancakes)</td>
</tr>
<tr>
<td>17</td>
<td>Grazing (e.g. small-plate sharing/snacking instead of traditional meals)</td>
</tr>
<tr>
<td>18</td>
<td>Non-traditional fish (e.g. branzino, Arctic char, barramundi)</td>
</tr>
<tr>
<td>19</td>
<td>Fruit/vegetable children’s side items</td>
</tr>
<tr>
<td>20</td>
<td>Half-portions/smaller portions for a smaller price</td>
</tr>
</tbody>
</table>

Data Source: National Restaurant Association’s What’s Hot Survey 2014
### Food & Beverage Trends

#### Top 20 Trends

1. Locally sourced meats and seafood
2. Locally grown produce
3. Environmental sustainability
4. Healthful kids’ meals
5. Gluten-free cuisine
6. Hyper-local sourcing (e.g., restaurant gardens)
7. Children’s nutrition
8. Non-wheat noodles/pasta (e.g., quinoa, rice, buckwheat)
9. Sustainable seafood
10. Farm/estate branded items

- 52% offering locally sourced fruits & vegetables
- 37% offering gluten-free food options
- 35% have a school garden within their district

**History of nutrition requirements & new meal pattern requirements**

Data Source: National Restaurant Association’s What’s Hot Survey 2014
School Nutrition Operations Report 2014
**Food & Beverage Trends**

Requirement of new meal patterns for NSLP & SBP

- 69% offer pre-packaged salads
- 63% offer salad or produce bars

Data Source: National Restaurant Association’s What’s Hot Survey 2014
School Nutrition Operations Report 2014

11. Nose-to-tail/root-to-stalk cooking (e.g. reduce food waste by using entire animal/plant)
12. Whole grain items in kids’ meals
13. Health/nutrition
14. New cuts of meat (e.g. Denver steak, pork flat iron, tri-tip)
15. Ancient grains (e.g. kamut, spelt, amaranth)
16. Ethnic-inspired breakfast items (e.g. Asian-flavored syrups, Chorizo scrambled eggs, coconut milk pancakes)
17. Grazing (e.g. small-plate sharing/snacking instead of traditional meals)
18. Non-traditional fish (e.g. branzino, Arctic char, barramundi)
19. Fruit/vegetable children’s side items
20. Half-portions/smaller portions for a smaller price
### Exhibit D-6: Ethnic Food Service: Trends

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexican</td>
<td>98.2%</td>
<td>98.6%</td>
<td>99.1%</td>
<td>98.7%</td>
<td>98.6%</td>
</tr>
<tr>
<td>Asian</td>
<td>87.7%</td>
<td>83.7%</td>
<td>80.5%</td>
<td>76.0%</td>
<td>65.7%</td>
</tr>
<tr>
<td>Middle Eastern</td>
<td>40.3%</td>
<td>27.7%</td>
<td>20.1%</td>
<td>16.8%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Kosher/Halal</td>
<td>28.6%</td>
<td>27.0%</td>
<td>25.4%</td>
<td>25.2%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Greek</td>
<td>23.0%</td>
<td>18.9%</td>
<td>17.4%</td>
<td>18.4%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Indian</td>
<td>16.2%</td>
<td>12.2%</td>
<td>9.5%</td>
<td>11.1%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

Data Source: School Nutrition Operations Report 2014
Food & Beverage Trends

Restaurant-branded Items

Does your school foodservice program offer restaurant-branded or restaurant-catered items to students?

Yes 23.3%
No 76.4%
No response 0.3%

Data Source: School Nutrition Operations Report 2014
Questions?

Linda S. Eichenberger, SNS
Secretary/Treasurer, SNA
eichenberger_l@ohlsd.org