2019
School Nutrition Trends Report

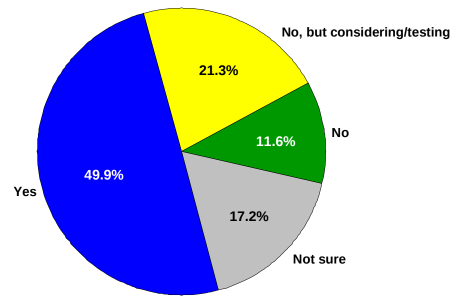
SCHOOL
NUTRITION
ASSOCIATION

Summary of Research Findings

Emerging Menu Options

International Flavors About one-half (49.9%) of the districts plan to offer new menu items that feature international flavors for school year 2019/20. An additional 21.3% are considering doing so or testing potential new items. While the percentage that will introduce new international flavor menu items in the coming school year has declined somewhat since the *2017 SNA School Nutrition Trends Survey* (dropping from 59.7% to 49.9%), this may be due to the larger percentage of 2019 respondents who are unsure of their menu plans (17.2% in 2019 versus 2.5% in 2017). The percentage that will not offer new international flavor menu items has remained unchanged at 11.6% for both surveys. [See Exhibits 1 and 2]

New International Flavor Menu Items

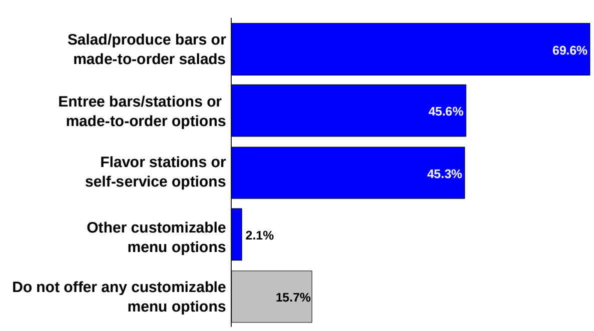


The incidence of offering new international flavor menu items remains near or above the majority level for most segments, peaking at 64% among the largest districts. The smallest districts are least likely to offer new international flavor menu items but, even among those districts, more than one-third (36.2%) plan to do so. Uncertainty levels remain elevated across all segments, with as many as 23.3% unsure of their future menu plans. [See Exhibit 3]

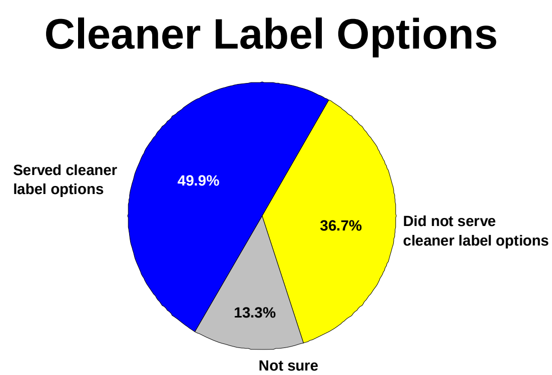
When asked to describe one or two of the new international flavor menu items, the respondents outline both specific dishes and general cuisines, with the list encompassing a comprehensive collection of international flavors. Although the open-ended nature of the question makes it difficult to accurately quantify the data, it appears Asian dishes are the most commonly cited new international flavor options. [See Exhibit A-1 in Appendix A for the full list]

Customizable Menu Options
Customizable menu options are the norm, offered by nearly 85% of the districts. The 2019 results closely track those seen in 2017, where 86.7% offered some type of customizable menu option. As in 2017, the most common option is a salad/produce bar or made-to-order salad, cited by nearly 70% of the respondents as being available on a consistent basis in any school(s) in their district. Entree bars/stations (or made-to-order options) and flavor stations are also commonly offered customizable options, each cited by about 45% of the respondents as being consistently available in their districts. [See Exhibits 4 and 5]

Customizable Menu Options Offered



Customizable options are commonly seen across all segments, and show relatively modest variations based on district size. The most significant district size-based variations are for the entree bars/made-to-order options, which are notably more common among the largest districts (cited by 54.8%) than the smallest (cited by 31.3%). Similar strong variations for this option are seen based on free/reduced-price prevalence and region. Regardless of the district size, type, or location, salad/produce bars or made-to-order salads remains the most common customized menu option. [See Exhibit 6]



<u>Cleaner Label Options</u> Menu options with a cleaner label (e.g., products or ingredients with no artificial flavors, colors, preservatives, etc.) were served in about one-half of the districts overall in school year 2018/19. This tracks well with the results seen in the 2017 survey, where cleaner label options were cited as being offered by 56.3%. This type of menu option peaks in prevalence among the largest districts (cited by 76.5%) and remains above the 40% level for all district sizes except for the smallest districts, where it drops to 32.8%. [See Exhibits 7 to 9]

Virtually all (91%) of the districts that presently offer cleaner label menu options are at least considering expanding this practice for the 2019/20 school year: 43.1% "definitely" will do so; 47.9% are "considering" doing so. Only 2% have decided not to expand their cleaner label menu options. This pattern remains consistent across all segments. [See Exhibit 10]

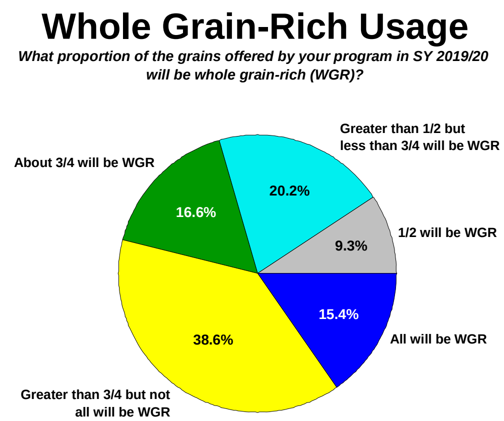
Those who are not presently offering cleaner label menu options show some level of interest in doing so in the coming school year. While fewer than 5% state they "definitely" will do so, nearly 40% are considering this move, and more than one-third are unsure. Response patterns remain generally consistent across segments, with the percentage stating they are considering offering cleaner label menu options usually at or above the 40% level. [See Exhibit 11]

Presently offer cleaner label options		49.9%
Of those presently offering, will the offerings be expanded in the coming year	Yes	43.1%
	Considering	47.9%
Of those not offering, are there plans to begin offering in the coming year	Yes	4.7%
	Considering	39.6%

Whole Grain-Rich Actions and Strategies

<u>Whole Grain-Rich Usage</u> The updated whole grain regulations will take effect in school year 2019/20, mandating that at least one-half of all grains offered with school meals be whole grain-rich (WGR). The survey data indicate that districts are well-positioned to address this regulation: nearly 91% of the districts will exceed the one-half minimum mandate for the upcoming school year, with more than 70% reporting that about three-quarters or more of the grains offered with school meals will be whole grain-rich.

A plurality of districts (38.6%) report their WGR proportion will be greater than three-quarters, but not all of their grains; 15.4% report all of their grains will be WGR. Responses are generally consistent across district sizes, with the percentage exceeding the minimum mandate ranging from 88.3% to 95.1%. More significant variations are seen based on region. While a large majority of districts in every region will exceed the minimum mandate, the percentage doing so ranges from a low of 80.8% among districts in the Southwest region, to a high of 96.1% among districts in the Western region. These latter districts, along with districts in the Northeast region, are also the ones most likely to go to 100% WGR content. [See Exhibits 12 to 14]



Whole Grain-Rich Barriers As seen in the 2017 survey, student acceptance continues to be a significant barrier to increasing the proportion of WGR options. Student acceptance leads all other factors by a significant margin, and is identified as the prime barrier by three-quarters of the districts that have encountered barriers. Product availability and recipe/product functionality are secondary barriers. Although 80.7% of respondents identified at least one barrier to increasing WGR options, nearly one in five report their program has not been hindered by any barriers. This latter situation is especially the case among the districts with 100% WGR content — nearly 59% report that "nothing has hindered our ability to increase WGR content."

Data sorted by factor with the most impact.	All significant factors	Factor with the most impact
General student acceptance	71.9%	75.3%
Product availability	22.7%	9.0%
Recipe/Product functionality	26.4%	5.9%
Cultural/regional/ethnic preference for specific refined grain foods	15.2%	4.4%
Cost	19.2%	3.6%
Other	2.9%	1.7%
Nothing has hindered our ability to increase WGR content	19.3%	N/A
n=	787	632

Student acceptance remains the most significant barrier by a wide margin across all segments, even among districts with 100% WGR content. For these latter districts, however, product availability is also a significant barrier: 30% of the 100% WGR content districts cite it as their most significant barrier, versus fewer than 10% among the districts with a lower WGR content. Product availability also shows heightened importance among the smallest districts, where it is cited by 18.7% as the most significant barrier. [See Exhibits 15 to 17]

Strategies It is common for districts to employ specific methods to help increase student acceptance of whole grain foods. Overall, 88.8% of the respondents indicated that at least one of the four methods examined in the survey has been implemented in their district. Three of the four methods show nearly the same level of implementation, with about two-thirds offering student taste tests, tests of multiple products/recipes, or are using white wheat for a lighter appearance. The least popular method, cited by only about one-third of the respondents, is to gradually increase the amount of whole wheat flour in recipes.

	Implemented	Being considered
Use of white wheat for a lighter appearance	67.4%	18.0%
Student taste tests to promote/gather feedback	65.2%	21.3%
Testing multiple products/recipes	63.3%	20.6%
Gradually increase the amount of whole wheat flour in recipes	34.4%	24.1%

The percentage of districts that have implemented at least one method to increase student acceptance of whole grains remains above 85% across nearly all segments, and peaks at 97.6% among the largest districts. The use of white wheat is often the most common method used, but there are usually only modest differences in the implementation rates for student taste testing, testing multiple products/recipes, or using white wheat within specific segments. The usage of these three methods shows a fairly consistent increase with district size. Conversely, usage rates of a gradual increase in the amount of whole wheat in recipes are more uniform across segments, typically cited by about one-third of the respondents. [See Exhibits 18 to 20]

In addition to the four specific methods examined in the survey, the respondents were asked to describe any additional methods they have used to increase student acceptance of whole grain products. An extensive number of comments were received (see Exhibit A-2 in Appendix A), with most centering on the following broad themes (not listed in priority):

- Recipe and prep modifications — The respondents describe methods used to increase the palatability of the dish/item. Examples include adding seasonings/sauces, changing cooking methods, improving the appearance and "eye appeal" of items, educating staff on different prep, presentation and service methods, and similar techniques geared to improve the end product.

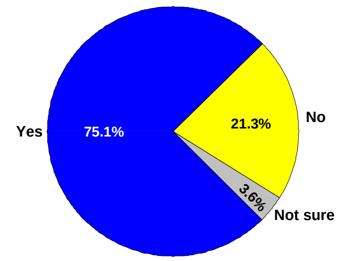
- Student involvement — While many reiterate the use of taste testing, other student involvement techniques are mentioned such as surveys, offering samples, informing students/parents why changes are being made, soliciting student input, engaging students in menu development, and similar involvement techniques.

- Marketing and education — These techniques center on promoting whole grains, especially the benefits. Examples include educating students on the nutritional benefits of whole grains, enhanced general nutrition education, using student-recognized brands to attract attention, not stressing the whole grain nature of the item to students, and other similar techniques to bolster awareness and enhance student "buy-in" of whole grain items.

Unpaid Student Meal Debt

Prevalence Having unpaid student meal debt is common — three-quarters of the districts report that their program had unpaid student meal debt at the end of school year 2017/18. This tracks well with the results of the *SNA Operations Survey*, which found similar levels in the 2014, 2016 and 2018 versions of that survey. What has changed is the amount of debt, rising from a median of $2,000 to $2,500 in the 2014 to 2018 *SNA Operations Surveys* to a median of $3,400 in this survey.

Presence of Unpaid Meal Debt
At end of SY 2017/18



A majority of districts across nearly every segment report the presence of unpaid student meal debt. This debt is most commonly present among districts with a low prevalence of free/reduced-price meals, where it is cited by nearly 91%. The presence of unpaid student meal debt falls consistently as the percentage of students who qualify for free/reduced-price meals increases.

Participation in CEP does not eliminate the occurrence of unpaid student meal debt. While it is far less common among districts with schools participating in CEP (53.7% of the CEP participating districts report unpaid student meal debt versus 86.6% of districts that do not participate in CEP), even among districts with 100% of their schools participating in CEP, more than one-quarter (26.4%) reported the presence of unpaid student meal debt. [See Exhibits 21 to 23]

The typical district with unpaid student meal debt reports it to be a median of $3,400. Debt levels span a wide range, from as little as $10 to a high of $500,000. As expected, the debt amount increases consistently with district size, with the median debt jumping from $825 among the smallest districts to $32,000 among the largest. Among the 570 districts that reported the amount of their unpaid meal debt, total accumulated debt exceeded $10.9 million. [See Exhibit 24]

Debt Resolution About two-thirds of the districts that reported unpaid student meal debt as of the end of school year 2017/18 say at least some of that debt has been paid down. The prevalence of a debt pay-down remains fairly consistent across most segments with the exception of the largest districts. Fewer than one-half (47.6%) of the largest districts report any level of debt pay-down. Across the full sample of districts with unpaid student meal debt that were able to report the status of the debt (total of 511 districts) the average amount paid down is just under one-half (46.2%) of the debt. This average pay-down amount remains generally consistent across most segments, but drops to a low of 27.5% among districts in the Mid-Atlantic region. [See Exhibits 25 to 27]

	None paid down	<25% paid down	25%-50% paid down	51%-99% paid down	Fully paid down	Average amount paid down	n=
Amount of student meal debt paid down	27.6%	15.1%	15.5%	17.8%	24.1%	46.2%	511

Responses limited to the districts that could provide the specific amount of debt that was paid down.

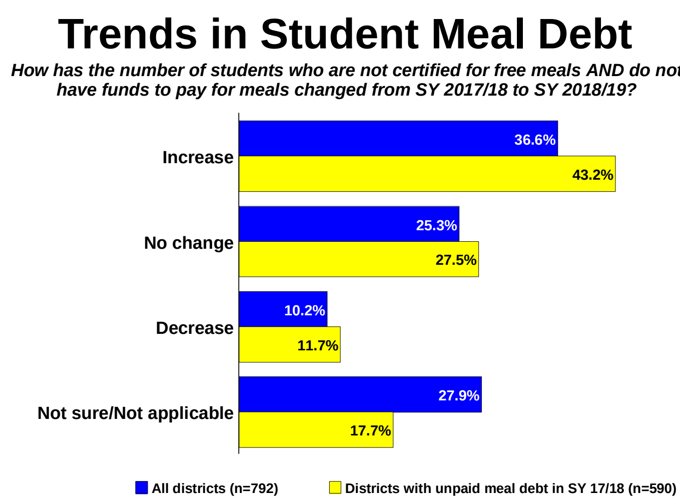
Charitable contributions is the source most often cited when the respondents with debt pay-down describe the source(s) of the payment funds. Cited by 55.4%, charitable contributions is followed by school district general funds (36.2%) and obtaining payments from the parents/students that incurred the debt (21.9%). Individual school funds and PTA/PTO funds are secondary sources, each cited by about 11% of the districts that had some level of debt resolution.

Charitable contributions	55.4%
School district general funds	36.2%
Parents (*)	21.9%
Individual school funds	11.7%
PTA/PTO funds	11.2%
A la carte/competitive food/catering/adult meal sales	6.6%
State or local funds (not school district funds)	1.0%
Other	2.3%
Not sure which sources were used	3.8%
n=	392

(*) = This category created from the "other" responses, and involves situations where the parents/students eventually paid off all or some of the unpaid meal debt themselves. This category may be under-represented in the data as a funding source since it was not a defined choice on the survey.

Charitable contributions remains the most popular funding source across most segments, but is surpassed by district general funds for some segments, most notably the largest districts and the districts that reported a 100% resolution of their unpaid student meal debt. The use of district general funds peaks at 70.2% among districts in the Northeast region. [See Exhibits 28 and 29]

Trends The number of students who are not certified for free meals and do not have the funds to pay for meals has increased from school year 2017/18 to school year 2018/19 for 36.6% of the districts overall, and for 43.2% of the districts that reported unpaid student meal debt. An increase is the most common situation across most segments. Only about one in ten districts report a decrease in the number of students who do not have the funds to pay for meals. These data are highly consistent with similar data collected in the 2014, 2016 and 2018 versions of the *SNA Operations Survey*. [See Exhibits 30 to 32]



Child Nutrition Reauthorization Legislation

Two issues rise to the forefront when the respondents are asked to identify the top three issues they would like Congress to address as part of the Child Nutrition Reauthorization (CNR) legislation: reducing administrative burdens and program complexity (cited by 52%), and increasing federal funding for school meal programs (cited by 48%). Preserving the December 2018 final rule on school meal flexibilities for whole grains, sodium and milk requirements is also highly ranked, cited by more than one-third of the respondents as a top-three issue.

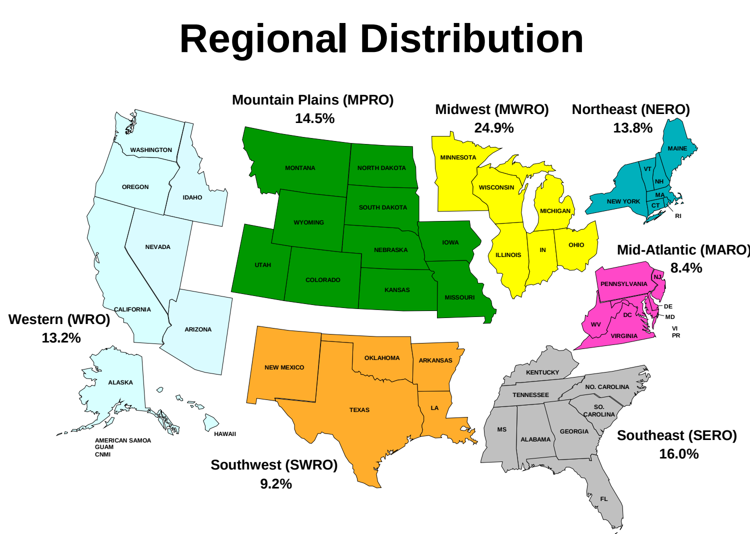
These three issues remain highly ranked across all segments, with reducing administrative burdens and program complexity often the top choice. The most significant divergence from this pattern is based on district size. The largest districts are particularly focused on addressing inadequate time to eat school meals, with 42.7% selecting this as a top-three priority. In contrast, it is selected by fewer than 20% of the smallest districts. [See Exhibits 33 to 36]

Reducing administrative burdens and program complexity	52.0%
Increasing federal funding for school meal programs	48.0%
Preserving the Dec. 2018 final rule on school meal flexibilities for whole grains, sodium and milk requirements	37.9%
Providing universal free school meals	32.3%
Addressing unpaid meal charges	30.9%
Providing flexibility under Smart Snack mandates	27.0%
Addressing inadequate time to eat school meals	26.6%
Addressing food waste	16.1%
Preserving eligibility rules for the Community Eligibility Provision	11.8%
Revisiting Paid Lunch Equity	8.6%

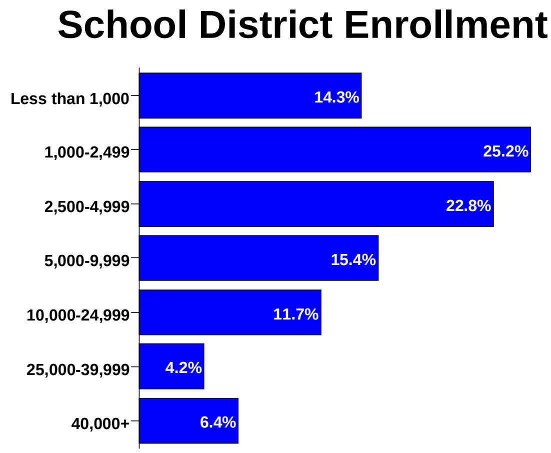
When asked to describe any additional "top" issues for Congress to address, most of the comments reiterated one or more of the issues previously listed in the survey question. This suggests that the list provided is sufficiently comprehensive, and it was challenging for many of the respondents to limit their choices to just three issues. [See Exhibit A-3 for the full-text responses]

Respondent and District Profile

The sample shows significant diversity across many key district profile metrics. Responses were received from 49 states (all but Hawaii) plus two responses from U.S. Territories. The Midwest region has the greatest concentration of responses (24.9%) but all regions are well-represented. California, Ohio and Texas are the best represented states in the sample. [See Exhibits 37 and 38]



A plurality of respondents (25.2%) represent districts with 1,000 to 2,499 students enrolled. All district sizes are represented in the sample, with the distribution reflective of the SNA membership. There is good district size diversity within each geographic region. [See Exhibits 39 and 40] About one-third of the districts participated in CEP for school year 2018/19. CEP participation peaks for two segments: the largest districts (61.6% participated in CEP) and the districts in the Southeast region (67.7% participated in CEP). The lowest participation rates are seen among the smallest districts (22.4%) and among districts in the Mountain Plains region (14.4%). The most common situation among the CEP-participating districts is to involve all schools in the district, a situation cited by 48.3% overall. [See Exhibits 41 and 42]



On average, 48% of the students in any given district qualify for free or reduced-price meals. The average varies significantly by region, reaching a high of 61.2% among districts in the Southeast region, and falling to a low of 35.7% among districts in the Northeast region. [See Exhibits 43 and 44]

Nearly 85% of the respondents hold the position of District Director. The remaining individuals hold other district-level positions such as Assistant Director and District Level Manager/Coordinator. By design, the survey exclusively targeted district-level staff to ensure accurate district-level data would be collected. [See Exhibits 45 and 46]