



2021 Position Paper

Provide emergency financial relief directly to School Food Authorities (SFAs).

School Food Authorities (SFAs), commonly referred to as school meal programs, operate on tight budgets funded by cafeteria sales and federal reimbursements for meals served. SFAs receive little more than \$3.50 per meal to cover all the food, labor and expenses of assembling a school lunch, including milk, fruit, vegetable, lean protein and grain. To break even, they typically rely on additional revenue from a la carte sales and catering programs.

COVID-19 school closures slashed meal program revenue. [USDA data](#) show that between March 2020 and September 2020, SFAs served over 1 billion fewer breakfasts and lunches than in the same time frame in 2019, resulting in a \$1.6 billion loss in federal reimbursements. Closures also curbed a la carte and catering sales just as food and labor costs spiked due to supply chain disruptions, high demand for meal packaging, and new Personal Protective Equipment (PPE) and cleaning requirements.

Although [regulatory waivers](#) allowing all students to receive free meals for SY 2020/21 have helped some schools boost meal participation, data shows many SFAs continue to struggle with lagging meal counts, particularly those serving large numbers of virtual learners. With millions of students still engaged in distance learning, losses are likely to continue to grow. In a September 2020 SNA [survey](#), a harrowing 62% of school nutrition directors anticipated a loss for School Year 2020/21, with an additional 28% of respondents unsure of what to expect. Financial loss was the top concern cited by 93% of respondents in SNA's survey.

Continued meal program losses will cut into education budgets, limiting funds for teachers, textbooks, technology and other resources to support learning. Losses will also jeopardize efforts to sustain menu enhancements, increase fresh, locally grown options and expand services, such as breakfast in the classroom, afterschool snack and suppers and summer meal programs.

CARES Act relief funds reached few SFAs. While SNA greatly appreciates the emergency funding for SFAs included in the December 2020 stimulus package, these funds only covered some losses incurred from mid-March through June 2020. Congress must provide additional emergency relief funds directly to SFAs to offset losses this school year and help them remain financially sustainable to serve students in the future.