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. A Government Accountability Office (GAO) report found that in March and April 2020, SFAs served almost 400 million fewer meals than in the same time frame in 2019, resulting in a drastic drop 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.

A recent SNA survey revealed crippling financial losses for meal programs, with a harrowing 62% of school nutrition directors anticipating a loss for School Year 2020/21, and 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.

Although regulatory waivers allowing all students to receive free meals for SY 2020/21 have helped some schools boost meal participation, many SFAs continue to struggle with lagging meal counts, particularly those serving large numbers of virtual learners.

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.