



June 25, 2010

The Honorable George Miller
Chair, House Education and Labor Committee
2181 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Miller:

Campaign for Better Nutrition's (CBN) mission is to improve the nutrition low income children receive in public programs and at home, thereby improving their health, educations, and abilities to achieve their goals. The Improving Nutrition for America's Children Act you introduced this month would make numerous important changes to the National School Lunch Program (NSLP) that will increase the quality of school food and the number of children who receive school meals. It will also strengthen the financial foundation of those programs by increasing revenues, improving program financial operations, and creating better economies of scale through expanded eligibility and participation. CBN views these changes as critical to meeting our mission and we strongly support your bill.

Among the most important elements of your bill is the balance it strikes in the NSLP between improving access to and the operation of programs while building on their financial foundation with additional reimbursement. In our work with San Francisco Unified School District (SFUSD), we have seen that both are necessary--existing program funds must be maximized and protected in order for students to realize the full benefit from reimbursement increases.

The six cent reimbursement rate increase in your bill will be important to SFUSD's ability to implement and maintain healthier offerings in their school meals, such as whole grains and more varieties of vegetables and fruit. This reimbursement increase will complement the critical work SFUSD did last year and will continue next year to improve access and program operations.

In fact, CBN estimates that SFUSD's plan to improve its financial operations and program access for students for school years 2009/10 and 2010/11 will generate and restore revenue to its program in an amount up to four times the proposed reimbursement increase in your bill. These measures, some of which are being done with support from the SF Department of Public Health, include:

- elimination of competitive food sales piloted at three school sites and to be fully implemented in 2010/11, which has shown to decrease the social stigma of eating NSLP meals, increase participation, and eliminate the draining of financial resources from the NSLP;
- implementation of an electronic Point of Sale payment and food tracking system to improve speed and accuracy in reimbursement claims, efficiency and accuracy in food orders, and accountability of cash payments for meals;
- strengthening of on-site program management including improved application return rates and accuracy in meal claiming procedures, and
- expansion of food choices for students.

The effect on participation in NSLP from some of these changes is seen best at the pilot sites where competitive foods were eliminated, NSLP choices were expanded, and POS payment systems installed in the 2009/2010 school year.

Participation in NLSP at these schools increased as follows:

School	Increase in average daily NSLP participation	Increase in average daily participation of students eligible for FRP meals	Increase in average # of students eating NSLP meals daily
Balboa High	109%	48%	N/A
Francisco Middle	12%	14%	47
Lowell High	58%	39%	315

(Data provided by SFUSD, SF Food Systems, and SFDPH.)

Nearly 600 additional students ate NLSP meals each day in just these three schools last year (the district has over 100 schools, about a third of which are middle and high). Even though SFUSD has had strong nutrition standards for competitive foods for years, bagels were the most popular competitive food sold, so this increase in NSLP participation represents more students receiving fruit, vegetables, protein and milk at lunchtime, which is critical to their health and ability to learn.

At a San Francisco School Board Budget Committee hearing last semester, the Student Nutrition Services Department explained to the Committee that these changes are improving the financial status of the program by enhancing their economies of scale and bringing more revenue into the program. In a period of severe budget cuts, the school board members commended the Department for its successful execution of these pilots and wholly supported its plan to roll out POS systems and eliminate competitive foods in all schools by the end of the 2010/11 school year. Not one school board member discussed cutting the district's contribution to the school nutrition program, which has been over \$2 million each of the past several years. This is in stark contrast to the prior year when the

Department was required to downgrade the quality of their meals to narrow their budget gap—resulting in menu changes from items like chicken teriyaki rice bowl to the all-too-familiar trio of pizza, burgers and burritos.

And, similar financial and participation improvements are being accomplished in other districts as well. By eliminating competitive foods and improving student choice, among other measures, Newark Unified School District in the East Bay went from having an operating deficit of \$100,000 in school year 2005/06 to a \$70,000 surplus in 2006/07. With that surplus, the district has been able to increase the quality of the food it provides students, including a new “stir fry shack” with Lundberg Farm organic brown rice that will start in the coming school year.

As you move through the legislative process, we encourage you to maintain this balance of priorities—expanded access, increased reimbursement rates, new revenue safeguards, more technical assistance, and targeted research—in your bill. The research, in particular, will enable USDA to collect and provide best practice information to districts about how to improve their service to students by reducing overt identification and protecting and enhancing their program revenue while minimizing costs. From our experience in the Bay Area, work has to be done in all these areas so school meal programs can bring the best nutrition to students possible under any reimbursement rate.

Sincerely,

Colleen Kavanagh
Executive Director