

15-LUNCHANDBREAKFAST-1

SCHOOL LUNCH AND BREAKFAST PROGRAMS¹

The School Lunch and School Breakfast Programs provide Federal cash and commodity support for meals. The meals are served by public and private nonprofit elementary and secondary schools and residential child care institutions (RCCIs) that opt to enroll and guarantee to offer free or reduced-price meals meeting Federal nutrition standards to eligible low-income children. Both programs are “entitlement” programs, and both subsidize participating schools and RCCIs for all meals served that meet Federal nutrition standards at specific, inflation-indexed rates for each meal. Each program has a three-tiered system for per-meal Federal reimbursements to schools and RCCIs that: (1) allows children to receive free meals if they have family income below 130 percent of the Federal poverty guidelines (about \$23,900 for a four-person family in the 2003-2004 school year); (2) permits children to receive reduced-price meals (no more than 40 cents for a lunch or 30 cents for a breakfast) if their family income is between 130 and 185 percent of the poverty guidelines (between about \$23,900 and \$34,000 for a four-person family in the 2003-2004 school year); and (3) provides a small per-meal subsidy for “full-price meals (the price is set by the school or RCCI) served to children whose families do not apply, or whose family income does not qualify them for free or reduced-price meals. Children in Temporary Assistance for Needy Families (TANF) and food stamp households may automatically qualify for free school meals without an income application, and the majority actually receive them.

In addition to the regular School Lunch program, schools and RCCIs may expand their program to cover children through age 18 in after-school programs (or other programs operating outside regular school schedules). Federal subsidies are paid to schools operating these programs at the free snack rate (discussed in a following section on the Child and Adult Care Food program) when they are served free to children in lower-income areas. In other cases, subsidies vary by the child’s family income (as in the regular program).

The School Lunch Program subsidizes lunches (4.7 billion in fiscal year 2002) to children in about 6,000 RCCIs and almost all schools (93,000). During fiscal year 2002, average daily participation was 28 million students (57 percent of the children enrolled in participating schools and RCCIs); of these, 48 percent received free lunches, and 9 percent ate reduced-price lunches (Table 15-LUNCHANDBREAKFAST-1). The remainder were served full-price (but still subsidized) meals. More than 90 percent of Federal funding is used to subsidize free and reduced-price lunches served to low-income children. For the 2003-2004 school year, per-lunch Federal subsidies (cash and commodity support) range from about 36 cents for full-price lunches to

¹ Other major Federal child nutrition programs include: the Child and Adult Care Food Program (discussed later in this section) and the Summer Food Service Program (which provides subsidies for meals and snacks served during the summer months to some two million children participating in recreational and other programs in low-income areas).

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\$2.34 and \$1.94 for free and reduced-price lunches.² Fiscal year 2002 Federal school lunch costs (including commodity assistance) totaled nearly \$6.9 billion (Table 15-LUNCHANDBREAKFAST-1).

² Schools and RCCIs with very high proportions of low-income children receive an extra 2 cents a meal. Federally donated commodity assistance makes up about 15 cents of each cited subsidy rate.

TABLE 15-LUNCHANDBREAKFAST-1-- SCHOOL LUNCH PROGRAM PARTICIPATION AND FEDERAL COSTS, SELECTED FISCAL YEARS 1980-2002
[In millions]

Fiscal year	Participation ¹				Federal costs	
	Free meals	Reduced-price meals	Full-price meals ²	Total ³	Current dollars ⁴	Constant 2002 dollars
1980	10.0	1.9	14.0	26.6	\$287.8	6,808.5
1985	9.9	1.6	12.1	23.6	379.3	5,090.4
1990	9.9	1.7	12.6	24.2	589.1	5,110.4
1991	10.3	1.8	12.1	24.2	677.2	5,389.7
1992	11.2	1.7	11.7	24.6	782.6	5,747.9
1993	11.8	1.7	11.3	24.8	868.4	5,814.6
1994	12.2	1.8	11.3	25.3	958.7	6,067.7
1995	12.5	1.9	11.3	25.7	1,181.8	6,028.6
1996	12.7	2.0	11.3	26.0	1,124.2	6,254.7
1997	13.0	2.2	11.3	26.4	1,212.7	6,415.6
1998	13.1	2.2	11.3	26.6	1,299.6	6,469.4
1999	13.0	2.4	11.6	27.0	1,354.8	6,755.8
2000	13.0	2.5	11.8	27.3	6,332.1	6,634.0
2001	12.9	2.6	12.0	27.5	6,582.2	6,680.9
2002	13.4	2.6	12.0	28.0	6,892.1	6,892.1

¹ In order to reflect participation for the actual school year (September through May), these estimates are based on 9 month averages of October through May, plus September, rather than averages of the 12 months of the fiscal year (October through September).

² The Federal Government provides a small subsidy for these meals.

³ Details may not sum to total because of rounding.

⁴ Includes cash payments and the value of "entitlement" commodities; does not include the value of "bonus" commodities. Overstates actual support for school lunches because a portion (less than \$75 million a year) of commodity support included in the figures is used for other child nutrition programs.

Note- Constant dollars were calculated using the fiscal year CPI-U.

Source: U.S. Department of Agriculture, Food and Nutrition Service (FNS): (1) budget justification materials prepared by the FNS for appropriations requests for fiscal years 1980-2004; and (2) monthly "Program Information Report" summaries prepared by the FNS.

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 TABLE 15-LUNCHANDBREAKFAST-2--SCHOOL BREAKFAST
 PROGRAM PARTICIPATION AND FEDERAL COSTS,
 SELECTED FISCAL YEARS 1980-2002
 [In millions]

Fiscal Year	Participation ¹				Federal costs	
	Free meals	Reduced-price meals	Full-price meals ²	Total ³	Current dollars ⁴	Constant 2002 dollars
1980	2.8	0.2	0.6	3.6	287.8	643.5
1985	2.9	0.2	0.4	3.4	379.3	636.3
1990	3.3	0.2	0.5	4.0	589.1	818.9
1991	3.6	0.2	0.6	4.4	677.2	896.1
1992	4.0	0.3	0.6	4.9	782.6	1,005.3
1993	4.4	0.3	0.7	5.4	868.4	1,082.7
1994	4.8	0.3	0.7	5.8	958.7	1,164.7
1995	5.1	0.4	0.8	6.3	1,181.8	1,396.5
1996	5.3	0.4	0.9	6.6	1,124.2	1,292.3
1997	5.5	0.5	1.0	7.0	1,212.7	1,357.9
1998	5.6	0.5	1.0	7.2	1,299.6	1,431.8
1999	5.7	0.6	1.1	7.4	1,354.8	1,464.5
2000	5.7	0.6	1.2	7.5	1,422.9	1,490.7
2001	5.8	0.7	1.3	7.8	1,468.3	1,490.2
2002	6.0	0.7	1.4	8.1	1,541.0	1,541.0

¹ In order to reflect participation for the actual school year (September through May), these estimates are based on 9 month averages of October through May, plus September, rather than averages of the 12 months of the fiscal year (October through September).

² The Federal Government provides a small subsidy for these meals.

³ Details may not sum to total because of rounding.

⁴ Does not include the value of any federally donated commodities. Fiscal year 1995 figure for Federal costs is not reduced for a "write-down" of approximately \$50-\$80 million for unclaimed obligations.

Note-Constant dollars were calculated using the fiscal year CPI-U.

Source: U.S. Department of Agriculture, Food and Nutrition Service (FNS): (1) budget justification materials prepared by the FNS for appropriations requests for fiscal years 1980-2004; and (2) monthly "Program Information Report" summaries prepared by the FNS.

The School Breakfast Program serves far fewer students than does the School Lunch Program; about 1.4 billion breakfasts in 71,000 schools (and 6,000 RCCIs) were subsidized in fiscal year 2002. Average daily participation was 8.1 million children (21 percent of the 38 million students enrolled in participating schools and RCCIs). Unlike the School Lunch Program, the great majority received free or reduced-price meals: 74 percent received free meals, and 9 percent purchased reduced-price meals (Table 15-LUNCHANDBREAKFAST-2). In the 2003-2004 school year, per-breakfast Federal subsidies (cash only) range from 22 cents for full-price meals to \$1.20 and 90 cents for free and reduced-price breakfasts, respectively.³ Fiscal year 2002 Federal school breakfast funding totaled about \$1.5 billion (Table 15-LUNCHANDBREAKFAST-2).

³ Subsidies are substantially higher (about 23 cents more) for schools in which breakfast service is required by State law or at least 40 percent of lunches are served free or at reduced price. Most schools receive these extra subsidies for free and reduced-price breakfasts.