

National School Lunch Program

The National School Lunch program is a federally assisted meal program, which operates in public and private schools and residential child care institutions, provides nutritionally balanced, low-cost or free lunches to children.

The National School Lunch Act of 1946 created the modern school lunch program. By the end of its first year, about 7.1 million children were participating in the program. Since the program began, more than 180 billion lunches have been served.

Benefits

More than 94,000 schools and residential child care institutions participate in the National School Lunch program. In FY 1996, more than 25 million children each day got their lunch through the program.

Most of the support USDA provides to schools comes in the form of cash reimbursements for meals served. Schools in the lunch program get cash subsidies and donated commodities from USDA for each meal they serve. The reimbursement is highest for meals served to students who qualify to receive their meals free, and the lowest reimbursement is for students who pay full price. The current cash reimbursement rates are: Free meals, \$1.8375; reduced-price meals, \$1.4375; and full-price meals, \$0.1775.

Schools can charge no more than 40 cents for a reduced-price lunch. USDA sets no limit on the amount they can charge for full-price meals. Higher reimbursement rates are in effect for Alaska and Hawaii.

In addition to cash reimbursements, schools receive commodity foods, called "entitlement" foods, at an annually adjusted per meal rate (15 cents in 1997) for each meal they serve. Schools can also receive "bonus" commodities when they are available from surplus stocks purchased by USDA under price support programs. About 17% of the total dollar value of food for

the lunch program is provided directly by USDA as commodities. Schools purchase the remaining 83% from their own vendors.

Eligibility

Any child at a participating school (94,000) may purchase a meal through the lunch program. Children from families with incomes at or below 130% of the poverty level are eligible for free meals. Those between 130% and 185% of the poverty level are eligible for reduced-price meals.

Children from families with incomes over 185% (currently \$28,860 for a family of four) pay full price, though their meals are still subsidized to some extent. Local school food authorities set their own prices for full-price meals.

Financing and Administration

The National School Lunch program is usually administered by State education agencies, which operate the program through agreements with local school districts. USDA's Food and Consumer Service administers the program at the Federal level. School districts and independent schools that choose to take part in the lunch program receive cash subsidies and donated commodities from USDA for each meal they serve. In FY 1996, total programs costs were approximately \$5.3 billion, exclusive of State administrative costs and bonus commodity donations.