



Legislative Agenda 2023-24

THANK YOU FOR YOUR CONTINUED SUPPORT IN FEEDING NC CHILDREN HEALTHY MEALS!

The 12,000 dedicated School Nutrition Personnel and the 1.5 million school children we serve are eternally grateful for the \$85 Million that you provided for these essential programs during the pandemic to help ensure that the most vulnerable children received nutritious meals. We could not have met this critical need without your help.

Also, your 2021 enactment of Indirect Cost Relief (N.C.Gen.Stat. §115C-450 (Session Law 2021-180, s. 7.31)) has allowed many of the School Nutrition Programs (SNPs) to achieve a better level of financial viability. You accomplished this by capping the Indirect Cost rate at eight percent (8%) (versus the old 18%) and requiring two (2) months' operating balance prior to a SNP having to pay Indirect Costs to its local board of education. Thank you!

NC STUDENTS NEED YOUR HELP AGAIN and, on their behalf, we respectfully request the following:

1. Appropriate \$5 Million in recurring funds to eliminate the student co-pay for reduced-priced meals. Thank you for permanently offsetting the breakfast co-pay in SY 2010-2011. This new \$5M request will cover both breakfast and lunch co-pays for all students on reduced-price meals. We support the NC Department of Public Instruction and the State Board of Education in their request to fully eliminate the student co-pay for reduced price meals, thereby ensuring nutritious meals to these economically vulnerable students.
 - a. Without this funding, the students who are socioeconomically disadvantaged will find themselves with school meal debt or without access to meals at school.
 - b. If we want all children to be ready to learn – and not hungry at school – then this funding is mission critical for the reduced-price student.

2. Appropriate \$3.75 Million as an investment in recurring funds to support the significant increased costs of providing healthy meals to students every day. This reflects a \$2.50 investment per student (\$2.50 x 1.5 million students = \$3.75M) to help School Nutrition accomplish the following in a more effective and efficient manner:
 - a. Expand healthy meal options through scratch cooking and the purchase of minimally processed local agricultural products;
 - b. Afford the increased costs of required equipment (e.g., ovens, steamers, coolers, efficiency kiosks, etc.); and
 - c. Afford the increased costs to train and retain qualified staff who prepare students' meals every day.

3. Appropriate \$23,925,000 in recurring funds to help offset ever-increasing program costs associated with each **reimbursable** breakfast and lunch served to students. The **reimbursable** meals are based on USDA requirements;¹ however, the federal reimbursement rate does not cover the full cost to produce a meal.² School Nutrition Programs will be facing a *financial cliff* in 2024 due to the persistent increase of costs in food, fuel, supplies, and equipment along with state-mandated increases in salaries and benefits for School Nutrition personnel (please see below #5). These increased “costs of doing business” are not fully reimbursed by the federal government; therefore, many states are adding state funding to help feed students. Here is the math:
 - a. 400,000 daily breakfasts in NC x 165 school days x 10¢ of state help= \$ 6,600,000R
 - b. 700,000 daily lunches in NC x 165 school days x 15¢ of state help = \$17,325,000RTOTAL REQUEST = \$23,925,000R

4. Please contact your Congressional delegation today to request their support of federal legislation that will increase the Community Eligibility Provision (CEP) multiplier from 1.6% to 2.5%, which will result in more students receiving a meal at no cost and an increase of federal reimbursement provided to districts in North Carolina.

5. Appropriate specific state funds to ensure that our local SNPs can pay the increased minimum of \$15/hour (effective 2022-23) to our non-certified employees. State funding was not appropriated for our non-certified School Nutrition employees; we ask that you please remedy this as soon as possible as we are facing staffing vacancies like never before in our lifetimes.

¹<https://www.dpi.nc.gov/media/15452/download?attachment>

² For more information on how NC School Meals are funded, please see: <https://www.ednc.org/school-meals-finance/>