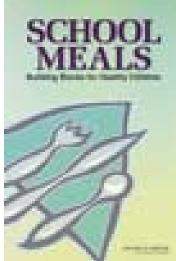
CSNA Industry Seminar Presented by Barry Sackin May 5, 2013

REGULATIONS UPDATE

WHY ARE THERE NEW MENU PLANNING RULES?

- Richard B. Russell National School Lunch Act requires school meals be consistent with current edition of the Dietary Guidelines for Americans.
- HHFKA requires an update
- DGA was significantly updated in 2005 with minor changes in 2010

• Institute of Medicine (IOM) report (2007) School Meals: Building Blocks for Healthy Children



THE HEALTHY, HUNGER-FREE KIDS ACT OF 2010

- Section 201 Revises menu standards; 6 cent incentive
- Section 204 Competitive Foods Standards
- Section 205 Paid Meal Equity

JANUARY 26, 2012

Nutrition Standards in the National School Lunch and School Breakfast Programs; Final Rule

WHAT ARE THE NEW PATTERNS?

New Requirements	Implementation (School Year) for NSLP (L) and SBP (B)							
	2012/13	2015/14	2014/15	2015/16	2016/17	2017/18	2022/23	
Fruits Component								
C Offic fait daily	L							
C Fest quality hereas to 5 experiment (minimum, 1 expiring)			В					
Vegetables Component	•						•	
C Offic vegetables orbgroups workly	6					1		
Grains Component	-					-	•	
C Helf of gains matter whole gain-deb.	L	B						
C All gains mut be whole-gain data			Ц, В					
C Offic weekly gains ranges	L	B						
Meats/Meat Alternates Component								
C Offer weekly methoden alterative mager (daily min.)	L							
Milk Component	•	•				•	•	
C Officiely fit-fite (millioned or fiteond) and low-fit (millioned) mile	L.B					1	[
	1							
Dietary Specifications (to be met on a		THE REAL PROPERTY AND INCOME.				•	•	
C Calode mages	L	В						
C Seturated fit limit (no elenge) C Section. Tempta o Tempt 1 o Tempt 2 o	ĻВ							
Find longit			ĻВ			ĻВ		
							ĻВ	
C Zero grans of trans fit per portion.	6	8						
Menu Planning								
C A stagle FBbCP opproach	L	8						
Age-Grade Groups								
C Beblikegigele grope K-5, 64, 9-12	6	8						
Offer vs. Serve								
C Reinburchie mede must contein a finit or vageteble (1/2 org-minimum)	L		В					
						1	1	
Monitoring O 3-year edm. weber cycle	1	LB				1		
E Conduct weighted mittheat easipule on I	L	8						
web of men								

	Breakfast Meal Pattern			Lunch Meal Pattern			
	Grades K-5*	Grades 6-8*	Grades 9-12*	Grades K-5	Grades 6-8	Grades 9-12	
Melal Pattern	Amount of Fo	od ^e Per Week (I	Minimum Per Da	y)			
Ruits (aps)""	5(1)~	5 (1) ~	5(1)~	242(42)	272 (72)	5 (1)	
Vegetables (cups) ^{cd}	0	0	0	3% (%)	314 (14)	5 (1)	
Dark green	0	0	0	42	4/2	₩2	
Red/Orange	0	0	0	34	34	144	
Beans/Peas	0	0	0	42	42	42	
(Legnnes) ⁽	U			72	72	72	
3archy	0	0	0	42	42	7/2	
Other ^{Lg}	0	0	0	¥₂	₩2	34	
Additional Veg to	0	0	0	1	1	142	
Reach Total ^b							
Grains (oz eq)'	7-10(1)'	8-10 (1)'	9-10 (1) '	8-9 (1)	8-10 (1)	10-12 (2)	
Meats/Meat Alternates (oz eg)	0 *	0 *	0*	8-10(1)	9-10 (1)	10-12 (2)	
Fhiid milk(cups)	5(1)	5 (1)	5 (1)	5(1)	5 (1)	5 (1)	
Other Spe Min-max cabries	cifications: I) aily Amoun	t Based on th	e Average f	or a 5-Day V	/eek	
(kcal) ^{maa}	350-500	400-5 50	450-600	5 50-650	600-700	750-850	
Saturated f at (% of total calories) ⁴⁰	< 10	< 10	< 10	< 10	< 10	< 10	
So dinn (mg) ^{e, g}	<u><</u> 430	<u>≺</u> 470	<u>≤</u> 500	<u>≺</u> 640	<u>≺</u> 710	<u>≤</u> 740	
<u>Trans</u> fat ^{ao}	Nutrition label	or manufacturer	: specifications m	ust indicate zer	o grams of tran-	s fat net servins	

MENU PLAN FOOTNOTES

- a In the SBP, the above age-grade groups are required beginning July 1, 2013 (SY 2013-14). In SY 2012-2013 only, schools may continue to use the meal pattern for grades K-12 (see § 220.23).
- b Food items included in each food group and subgroup and amount equivalents. Minimum creditable serving is ¹/₈ cup.
- c One quarter-cup of dried fruit counts as ½ cup of fruit; 1 cup of leafy greens counts as ½ cup of vegetables. No more than half of the fruit or vegetable offerings may be in the form of juice. All juice must be 100% full-strength.

- d For breakfast, vegetables may be substituted for fruits, but the first two cups per week of any such substitution must be from the dark green, red/orange, beans and peas (legumes) or "Other vegetables" subgroups as defined in §210.10(c)(2)(iii).
- e The fruit quantity requirement for the SBP (5 cups/week and a minimum of 1 cup/day) is effective July 1, 2014 (SY 2014--15).
- f Larger amounts of these vegetables may be served.
- g This category consists of "Other vegetables" as defined in §210.10(c)(2)(iii)(E). For the purposes of the NSLP, "Other vegetables" requirement may be met with any additional amounts from the dark green, red/orange, and beans/peas (legumes) vegetable subgroups as defined in §210.10(c)(2)(iii).
- h Any vegetable subgroup may be offered to meet the total weekly vegetable requirement.

- i At least half of the grains offered must be whole grain-rich in the NSLP beginning July 1, 2012 (SY 2012-2013), and in the SBP beginning July 1, 2013 (SY 2013-2014). All grains must be whole grain-rich in both the NSLP and the SBP beginning July 1, 2014 (SY 2014-15).
- j In the SBP, the grain ranges must be offered beginning July 1, 2013 (SY 2013-2014).
- k There is no separate meat/meat alternate component in the SBP. Beginning July 1, 2013 (SY 2013-2014), schools may substitute 1 oz. eq. of meat/meat alternate for 1 oz. eq. of grains after the minimum daily grains requirement is met.
- l Fluid milk must be low-fat (1 percent milk fat or less, unflavored) or fat-free (unflavored or flavored).

- m The average daily amount of calories for a 5-day school week must be within the range (at least the minimum and no more than the maximum values).
- n Discretionary sources of calories (solid fats and added sugars) may be added to the meal pattern if within the specifications for calories, saturated fat, trans fat, and sodium. Foods of minimal nutritional value and fluid milk with fat content greater than 1 percent milk fat are not allowed.
- o In the SBP, calories and trans fat specifications take effect beginning July 1, 2013 (SY 2013-2014).
- p Final sodium specifications are to be reached by SY 2022-2023
 or July 1, 2022. Intermediate sodium specifications are

Pizza's Not a Vegetable

- Congress enacted legislation overturning several provisions of the rule
 - Removed limits on serving starchy vegetables
 - Removed the change in crediting for tomato products

MEAT/MEAT ALTERNATE & BREAD GRAIN CAPS

- Not part of the IOM recommendations or the proposed regulation
- Not driven by FNS
- Hidden in the regulation as "ranges"
- Adds enormous complexity to menu planning
- USDA has issued "waivers" for 2012-13 and 2013-14

WHAT'S THE IMPACT OF THE WAIVERS

- Schools must still plan menus within the calorie ranges
- Schools are having trouble meeting the calorie minimums with caps on M/MA and B/G
- The rule recommends using sugar and solid fats to increase calories
- The waivers allow serving larger portions of M/MA and B/G

Several bills in Congress to make waivers permanent
USDA supports deleting caps

SODIUM

		Sodium Reduction: T	imeline & Amount	
Age/Grade Group	Baseline: Average Current Sodium Levels As Offered1 (mg)	Target 1: July 1, 2014 SY 2014-2015 (mg)	Target 2: July 1, 2017 SY 2017-2018 (mg)	Final Target: July 1, 2022 SY 2022-2023 (mg)
	School Breakfast Pro	gram		
K-5	573 (elementary)	< 540	< 485	< 430
6-8	629 (middle)	< 600	< 535	< 470
9-12	686 (high)	< 640	< 570	< 500
	National School Lune	ch Program		
K-5	1,377 (elementary)	< 1,230	< 935	< 640
6-8	1,520 (middle)	< 1,360	< 1,035	< 710
9-12	1,588 (high)	< 1,420	< 1,080	< 740

SODIUM STUDY

• Congress enacted legislation requiring USDA to study the science and efficacy of reducing sodium further than the 2014-15 target level before implementing further changes.

BREAKFAST CHANGES ARE COMING

• March 11, 2013 Policy Memo detailed breakfast requirements for 2013-14

- Only food-based menu planning is allowed
- Schools must use the three age-grade groups (K-5, 6-8, and 9-12)
- Menus must include at least one bread/grain component, and half of all grains must be "whole grain-rich"
- Schools must *offer* at least ½ cup fruit/juice/vegetable, but there is no requirement to serve it. That change comes in the future.
- Milk must be low or non-fat plain or non-fat flavored
- Meat/Meat Alternate (M/MA) is optional
- Additional changes in following years
- M/MA guidance is confusing
 - After the required one serving/day of bread/grains is met, protein item may be counted as a bread grain item if needed to meet the minimum weekly number of servings (the maximums have been waived for next year).
 - If not needed, protein items are "extra" and do not count as a meal component
 - Calories, sodium and saturated fat ranges still apply.

PAID MEAL EQUITY

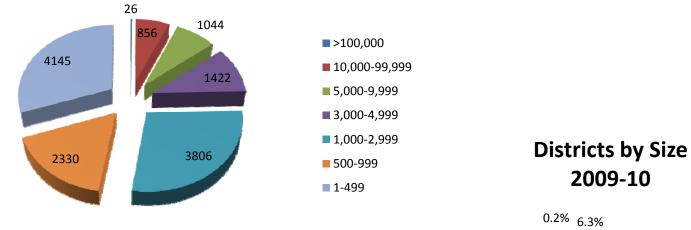
- Revenue from "Paid" meals must be at least equal to "Free" reimbursement
- Revenue includes local sources and student payments
- Limits on required increases to achieve parity
- Effectively requires annual price increases

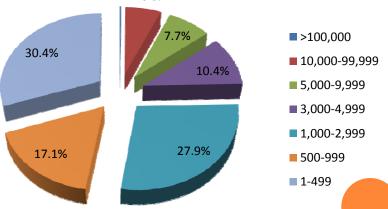
IMPACT ON THE MARKET

• Changes in price and meal patterns have negatively impacted participation

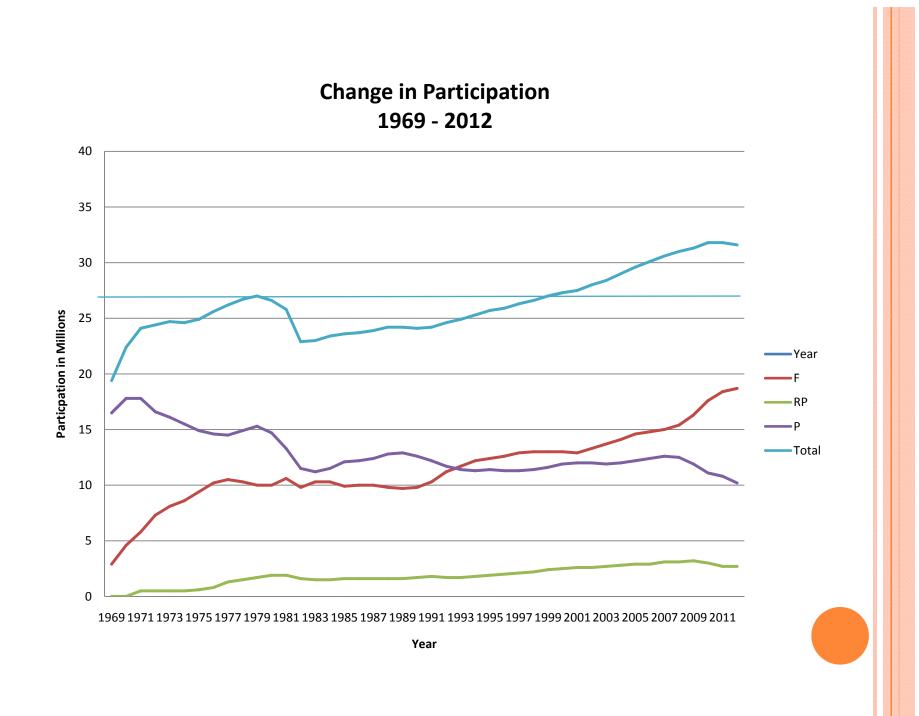
A Little Data

Districts by Size 2009-10





YTD December		Free	RP	Paid	Total
SBP	Dec-11	9,714,972	1,054,883	2,101,346	12,871,201
	Dec-12	10,087,492	1,049,518	2,070,606	13,207,616
	change	372,520	-5,366	-30,740	336,415
		Free	RP	Paid	Total
NSLP	Dec-11	18,649,755	2,802,208	10,621,607	32,073,570
	Dec-12	18,744,474	2,668,616	9,580,676	30,993,766
	change	94,719	-133,592	-1,040,931	-1,079,804
YTD % change	SBP	3.8%	-0.5%	-1.5%	2.6%
	NSLP	0.5%	-4.8%	-9.8%	-3.4%



COMPETITIVE FOODS RULE

- Based on HHFKA authority, USDA **proposed** regulations governing all foods sold throughout school campuses throughout the school day.
 - Comment period closed 4/9/13 247,000 comments submitted
 - Acting aggressively, the soonest a final rule would still not take affect until the 2014-15 school year

Questions?

FEDERAL LEGISLATION

Current Bills of Interest

H.R. 428 School Meals Reimbursement Rates Comparison Act of 2013 Sablan (D - NMI) + 0

Directs the Secretary of Agriculture to report to Congress on the cost differences between: (1) providing meals and supplements under the **school lunch** and breakfast programs in Guam, American Samoa, Puerto Rico, the Virgin Islands, and the Northern Mariana Islands, respectively; and (2) the average cost of providing those meals and supplements in the states and District of Columbia.

Requires that report to show the relation of those cost differences to the national average payment rates for meals and supplements under the **school lunch** and breakfast programs.

H.R. 1244 SENSIBLE SCHOOL LUNCH ACT CRAWFORD (R-AR) + 3

Sensible School Lunch Act - Amends the Richard B. Russell National School Lunch Act to prohibit the Secretary of Agriculture from promulgating rules and regulations applicable to the school lunch and breakfast programs that establish a maximum quantity of grains, meat, or meat alternates that may be served in any meal or during any period of time of any school year.

H.R. 1303 SCHOOL NUTRITION FLEXIBILITY ACT STIVERS (R-OH)-FUDGE(D-OH) + 30

School Nutrition Flexibility Act - Amends the Richard B. Russell National School Lunch Act to prohibit the Secretary of Agriculture from promulgating rules and regulations applicable to the school lunch and breakfast programs that establish a maximum quantity of grains, meat, or meat alternates that may be served in any meal or during any period of time of any school year.

Makes the formula that school food authorities are required to use to establish the price for a paid lunch (a lunch provided to children who are not eligible for free or reduced price meals) applicable only to school food authorities that had a negative balance in their nonprofit school food service account for the previous school year.

H.R. 1355 STATE NUTRITION ASSISTANCE FLEXIBILITY ACT OF 2013 HUELSKAMP (R-KS) + 16

- State Nutrition Assistance Flexibility Act of 2013 States that the purpose of this Act is to provide federal financial assistance to the states in the form of a single grant to allow the states flexibility in providing, and financing the provision of, supplemental food and nutrition assistance.
- Directs the Secretary of the Treasury to provide each qualifying state with a specified quarterly grant for each of FY2014 through FY2023.
- Requires a state to certify that such supplemental food and nutrition assistance will include specified work and benefits use requirements.
- Authorizes states to: (1) set aside funds to be used during periods of unexpectedly high unemployment or program enrollment, and (2) use up to 30% of funds for other welfare-related programs.
- Prohibits supplemental food and nutrition assistance from being provided to aliens who are not residing legally in the United States.
- Requires annual state audits.
- Sets forth federal program authorities and nondiscrimination provisions.
- Repeals the: (1) the supplemental nutrition assistance program (SNAP, formerly known as the food stamp program); (2) the emergency food assistance program; (3) community food projects; (4) the commodity supplemental food program; (5) the senior farmers' market nutrition program; and (6) the fresh fruit and vegetable program.

H.R. 1395 WEEKENDS WITHOUT HUNGER TITUS (D-NV) + 11

- Weekends Without Hunger Act Amends the Richard B. Russell National School Lunch Act to direct the Secretary of Agriculture, subject to the availability of appropriations, to implement a pilot program providing commodities, on a competitive basis, to nonprofits for the provision of nutritious food to at-risk school children on weekends and during extended school holidays during the school year. (At-risk school children are those who participate in the school lunch program and reside in an area served by a school in which at least 50% of the students receive free or reduced price meals under the school lunch or breakfast programs.)
- Includes elementary and secondary **schools**, **school** food authorities, food banks or pantries, homeless shelters, and other Secretary-approved emergency feeding agencies as eligible nonprofit recipients of such commodities.
- Requires commodity recipients to satisfy safe food storage, handling, and delivery standards established by the Secretary.
- Directs the Secretary to: (1) complete an interim evaluation of the pilot program by November 30, 2016, and (2) submit a final report to Congress by December 31, 2018, that contains an evaluation of such program and any recommendations the Secretary may have for legislative action.
- Authorizes appropriations for the pilot program.

H.R. 1500 NUTRITION ACT CARTWRIGHT (D-PA) + 24

- Nutrition Education Act Amends the Richard B. Russell National School Lunch Act to require local educational agencies participating in the school lunch or breakfast programs to include in their school wellness policies the requirement that each student receive 50 hours of nutrition education each school year.
- Requires such instruction to meet specified standards, including that it is consistent with nutritional requirements for food served under the school lunch, school breakfast, and child and adult care food programs.

H.R. 1503 NO HUNGRY KIDS ACT KING (R-IA) + 1

- No Hungry Kids Act Nullifies the rule published by the Department of Agriculture on January 26, 2012, establishing nutritionstandards for the school lunch and breakfast programs. (This rule is summarized as requiring most schools to increase the availability of fruits, vegetables, whole grains, and fat-free and low-fat fluid milk in school meals; reduce the levels of sodium, saturated fat and trans fat in meals; and meet the nutrition needs of school children within their calorie requirements.)
- Amends the Richard B. Russell National School Lunch Act to prohibit the Secretary of Agriculture's minimum nutritional requirements for school lunches from being construed as establishing a calorie maximum for individual school lunches or prohibiting a child from eating a lunch provided by the child's parent or legal guardian.

H.R. 1783 LATHAM (R-IA) + 1

• To direct the Secretary of Agriculture to issue loan guarantees for purposes of financing improvements to school lunch facilities, training school food service personnel, and for other purposes.

S. 39 Healthy Lifestyles and Prevention America Act Harkin (D-IA) + 0

• Healthy Lifestyles and Prevention America Act or HeLP America Act -Amends the Child Care and Development Block Grant Act of 1990, the Richard B. Russell National School Lunch Act, the Public Health Service Act, and other specified health law to establish or expand programs for children's nutrition and physical activity in schools and with child care providers, expanding the free fresh fruit program, promoting equal opportunities for students with disabilities to participate in schools and colleges, revising the definition of "core academic subject" to include physical education, and including the promotion of healthy, active lifestyles by students within educational grant programs.

• Etc.

S. 274 CHEW ACT GILLIBRAND (D-NY) + 0

- Children Eating Well Act or the CHEW Act Requires each local educational agency (LEA) participating in the school improvement program under part A of title I of the Elementary and Secondary Education Act of 1965 to: (1) develop and implement healthy eating and nutrition education programs in its schools, and (2) periodically monitor schools' efforts to improve students' healthy eating and nutritive knowledge.
- Requires LEAs to consult multiple viewpoints in developing and implementing the healthy eating and nutrition education programs.
- Includes professional development for teachers, school staff, and food service workers as part of those programs.
- Directs the Secretary of Education, Secretary of Agriculture, and Secretary of Health and Human Services (HHS) to establish an inter-agency task force to review nutrition education curricula and recommend effective nutrition education programs for elementary and secondary schools.

S. 427 SENSIBLE SCHOOL LUNCH ACT HOEVEN (R-ND) + 12

• Sensible School Lunch Act - Amends the Richard B. Russell National School Lunch Act to prohibit the Secretary of Agriculture from promulgating rules and regulations applicable to the school lunch and breakfast programs that establish a maximum quantity of grains, meat, or meat alternates that may be served in any meal or during any period of time of any school year.