

DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.

PRESENTATION TO THE COMMITTEE ON WAYS AND MEANS
Assembly Bill No. 535
Nevada State Legislature
May 12, 2003
by
Anne C. Keast, Director
Child Nutrition and School Health
Nevada Department of Education

My name is Anne Keast, Director, Child Nutrition and School Health, Nevada Department of Education. I am here today to address Assembly Bill No. 535, which is proposing to make appropriation for reimbursement of costs incurred by private nonprofit sponsors of Summer Food Service Programs (SFSP).

Let me say that I think this is a Miracle! This is the first time, to my knowledge, that the legislature has addressed the need to fund food programs for hungry children. Funding, in addition to the United States Department of Agriculture Child Nutrition Program appropriations, is certainly needed to assist those program sponsors who are working so diligently to feed children on a "shoe-string" budget.

I would like to provide you with two definitions:

- **Food insecurity** is defined by the USDA as "lack of assured access at all times to enough food for healthy, active lives."
- **Hunger** is defined as "having insufficient food or insufficient resources to acquire enough food to meet daily nutrition requirements."

The USDA's 2000 Food Security Research data combined with the Census 2000 data shows that there are 102,856 households in Nevada whose annual income is under \$15,000 per year. At the time of the research, there were 33,237 families with children who live below the poverty line, which includes 14.5% of Nevada's children. 8.4% of Nevada's population are food insecure and almost 4% are food insecure with hunger. We know the number has increased since September 11, 2001.

To be more specific, for SFY 2002-2003 in Clark County School District schools there are 76,166 children eligible for free meals and 14,579 children eligible for reduced price meals for a total of 90,745 children. Of the 227 schools in Clark County on the National School Lunch/Breakfast Programs, 98 schools or 43% have more than half the students eligible. Thirty-six schools have more than 80% needy and 8 schools have over 95% needy.

In Washoe County School District schools there are 13,872 children eligible for free meals and 4,653 eligible for reduced price meals for a total of 18,525 children. Of the 96 schools in Washoe county on the National School Lunch/Breakfast Program, 29 schools or 30% have more than half the students eligible.

The balance of the State has 16,558 children eligible for free and reduced price meals. Of these 121 schools on the National School Lunch/Breakfast Program, 25 schools or 21% have more than half the students eligible.

For the State as a whole, of the 447 schools on the National School Lunch/Breakfast Program 152 schools or 34% have more than half the students eligible for Free and reduced price meals.

Each of these 125,828 children is also eligible for meals under the Summer Food Service Program across Nevada. Last year, only a dismal 6% of the eligible children had access to meals through the Summer Food Service Program. This summer we expect to have 30 SFSP sponsors meeting the needs of both the children on summer break and the off-track year-round children. Nevada is one of the few states nation-wide who operate Summer Food Service Programs year round.

The National School Lunch/Breakfast Program also provides meal reimbursement to 15 Residential Child Care Institution Sponsors.

During FFY 2002:

- Through the Summer Food Service Program 481,641 breakfast, lunch, supper, and snacks were served to children.
- Through the National School Lunch/Breakfast Program Nevada served 45,660,755 meals to eligible children.
- The Child and Adult Care Food Program provided meals to 3,333,983 children. These meals are provided in child care centers, head start programs, day care homes, outside school hour programs, homeless shelters, and adult day care facilities.

During FFY 2002, the total number of meals served to Nevada children according to the Federal meal count reports were 49,476,379. In addition, through the Special Milk Program 1,160,319 half pints of milk were served to children.

Nevada received \$44,955,933 for FFY 2002 from the USDA to provide breakfast, lunch, dinner, and snacks to children participating in the National School Lunch/Breakfast Program, the Summer Food Service Program, the Child and Adult Care Food Program, and the Special Milk Program. These funds were not adequate to meet the needs of all program sponsors. (Attachment A)

The cost of feeding children in Nevada's public schools alone for SFY 2002 was \$71,600,522. The total Federal revenue to the school districts was \$38,288,717. Of the 17 school districts, only four broke even. Storey County was flat because they have meals vended by Washoe County. They eliminated their food service program due to budget shortfalls. (Attachment B)

The State legislated contribution for SY 2002 was \$170,503. These funds only cover administrative salaries.

My plea is that we not "put all our eggs" in one basket. All of the Child Nutrition Programs (CNP) need help. This \$700,000 could be spread out into future years and assist school districts, Summer Food Service Program sponsors, and Child and Adult Care Food Program (CACFP) sponsors to meet their budget shortfalls. The need for State assistance is great across all programs. We need to develop a sustainable infrastructure to meet the financial needs of those sponsors in all Child Nutrition Programs. Strong criteria supportive of USDA guidelines and regulations must be included as part of the disbursement procedures.

All Child Nutrition Programs are highly regulated because of nationwide fraudulent practices. We are working hard in Nevada to monitor this. We must assure that all programs are administered by responsible and accountable sponsors. Any reimbursement, both federal and state, must be tied to auditable claims, accurate meal counts and documented nutritional quality. The Nevada Department of Education is charged with compliance of the USDA's Title 7 Code of Federal Regulations as it relates to the integrity of programs and program sponsors.

In closing, we must focus on the whole child, regardless of age. As we all know, a hungry child is one who cannot learn. We talk about "No Child Left Behind". These children who are hungry are going to be left behind. Maslow's hierarchy has proven that if the basic needs of food, clothing, and shelter are not met, then do not expect to see our children advance up the ladder to self actualization.

Thank you for your time, your interest and support, and your commitment to the needy children of Nevada.

**Nevada Federal and State Revenue
Child Nutrition Programs
FY 2002**

		Federal \$	State \$
Meal Programs			
SFSP		827,751	
NSLP		32,660,775	
SBP		8,081,898	
CACFP		3,218,279	
SMP		167,230	
<i>Subtotal - Meal Reimbursements</i>		44,955,933	-
Program Administration			
Admin - SAE		492,002	
SFSP MAP - Admin		166,164	
CACFP 1 1/2% Audit Funds		41,859	
State \$			170,503
<i>Subtotal - Program Administration</i>		700,025	170,503
GRAND TOTAL		\$45,655,958	\$170,503

**Nevada School Food Service Revenues and Expenditures
Based on 2002 A-133 Audits**

School District	All State, Local, & Federal Revenue	Expenditures by Food Service Program
Churchill	\$1,030,104	\$1,090,767
Douglas	\$1,487,896	\$1,495,272
Esmeralda	\$16,591	\$37,072
Humboldt	\$714,128	\$772,758
Lincoln	\$269,128	\$397,148
Mineral	\$225,696	\$152,336
Pershing	\$195,841	\$301,514
Washoe	\$13,316,641	\$12,606,417
TOTAL	\$76,650,805	\$71,600,522

Total State and Federal revenue = \$38,288,717 (School Breakfast Program = \$7,325,116; National School Lunch Program = \$30,936,786; Special Kindergarten Milk Program = \$3,556; Summer Food Service Program in school districts = \$23,259; and \$73,073 in State match)

The additional revenue, \$38,362,088 (\$76,650,805 - \$38,288,717) was generated by money collected from Full Paid meals and a la carte sales.

Total State and Federal revenue (\$38,288,717) covered approximately 50% of the total expenditures ($\$38,288,717 / \$76,650,805 = .499$ or 50%).