

**STORAGE NAME:** h1321a.ge.doc

**DATE:** February 20, 2002

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
GENERAL EDUCATION  
ANALYSIS**

**BILL #:** HB 1321

**RELATING TO:** Summer food service for children

**SPONSOR(S):** Representative(s) Greenstein

**TIED BILL(S):** None.

**ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:**

- (1) COMMITTEE ON GENERAL EDUCATION YEAS 10 NAYS 0
- (2) COMMITTEE ON EDUCATION APPROPRIATIONS
- (3) COUNCIL FOR LIFELONG LEARNING
- (4)
- (5)

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THIS DOCUMENT IS NOT INTENDED TO BE USED FOR THE PURPOSE OF CONSTRUING STATUTES, OR TO BE CONSTRUED AS AFFECTING, DEFINING, LIMITING, CONTROLLING, SPECIFYING, CLARIFYING, OR MODIFYING ANY LEGISLATION OR STATUTE.

I. SUMMARY:

HB 1321 requires all Florida elementary schools with at least 50 percent of the children eligible for free or reduced-price school meals to operate a Summer Food Service Program (SFSP) for at least 40 days during the summer months. The superintendent of each school district will have the responsibility for implementing the plan in each eligible elementary school or in another facility within five miles of an eligible school, or must request a waiver from the Department of Education (DOE). Although the superintendent must implement the program, the school does not have to *actually* sponsor the program; participation may be through sponsoring, hosting, or vending the program. The bill allows DOE to grant a waiver if a school district can demonstrate an alternate provider already sponsors the SFSP within a five-mile radius of the school for 40 days or that the school is participating in the National School Lunch Program during the summer months.

Currently, the SFSP, a federally funded program operated by the U.S. Department of Agriculture (USDA) and administered at the state level by a state agency, operates in all but twelve of Florida's counties. The federal program does not have to be sponsored by a school district; in Florida, sponsors include 42 school districts, 23 colleges/community colleges, 20 cities/recreation centers/human services, 15 county government/recreation centers, 7 boys and girls clubs, and 3 churches, as well as some YMCAs, community action agencies, private community-based organizations, community development corporations, Kid's Café, children's commissions, and senior centers. In twelve (12) Florida school districts, neither the school districts nor alternate food service sponsors are sponsoring the Summer Food Service Program.

Last summer, Florida was one of two model states to pilot the "seamless waiver;" three Florida school districts continued their regular school year lunch program for free or reduced-price meals through the summer. *This summer, the USDA is making the seamless waiver available to any school district that applies for the waiver.*

According to the DOE, if the Summer Food Service Program is not managed carefully, the school district could have to pay some costs associated with providing summer meals. **See Fiscal Comments.**

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |                              |  |   |
|-----------------------------------|------------------------------|--|---|
| 1. <u>Less Government</u>         | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/>            |
| 2. <u>Lower Taxes</u>             | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u>      | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u>      | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |

The bill requires certain school districts to provide access to the Summer Food Service Program. The Department of Education is required to develop plans for providing access to the program. Some school districts meeting the eligibility criteria will be required to provide the program.

B. PRESENT SITUATION:

**School Food Services**

Food services are regulated through the federal Child Nutrition Act (42 U.S.C. s.1771) and the National School Lunch Act (42 U.S.C. s.1751). The Secretary of Agriculture allocates federal funds to each state's department of education, which then disburses the funds to school districts. The funds are disbursed on a per meal basis using a formula of multiplying the number of lunches served by the national average meal payment prescribed in both the Child Nutrition Act and the National School Lunch Act. This amount is allocated exactly per meal. The other portion of the funds is allocated to the states for the implementation of the Child Nutrition Act and the National School Lunch Act. There is a potential for a surplus in the amount allocated for implementation. Any surplus must be refunded to the Secretary of Agriculture where it is reallocated to other state's food service funds on a per need basis.

Provisions in s. 228.195(5)(a), F.S., require each school district to implement a school breakfast program in all elementary schools. Each school district must implement breakfast programs in all elementary schools in which students are eligible for free and reduced price lunch meals, to the extent specifically funded in the General Appropriations Act.

**Summer School Food Service Programs**

The Summer Food Service Program (SFSP) for children is a federally funded program operated nationally by the U.S. Department of Agriculture (USDA) and administered at the state level by a State Agency. *Units of local government, camps, schools, and private nonprofit organizations can sponsor the summer food program.*<sup>1</sup> The SFSP is intended to promote and continue the nutritional care and education of children during the summer months when the in-school Child Nutrition Programs, School Breakfast and School Lunch, are not available.

State education agencies administer SFSP in many states, but other state agencies may also be assigned to run the program. The state agency approves the sponsor applications, conducts training of sponsors, monitors SFSP operations, and processes program payments.<sup>2</sup>

<sup>1</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 2, February 1999.

<sup>2</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 2, February 1999.

### **Reimbursement to Summer Food Service Program Sponsors**

*Sponsors sign agreements with their state agencies to run the program. SFSP reimburses approved sponsors for serving meals that meet federal nutritional guidelines. Sponsors receive payments from the USDA, through their state agencies, based on the number of meals they serve and their documented costs of running the program.<sup>3</sup>*

*Total reimbursement is limited by per-meal reimbursement rates. Without careful planning, a SFSP sponsor might not cover all costs. The sponsor's costs will depend on the number of meals served, the price paid for food or meals, if purchased from a vendor, and the amount of wages paid to staff. Reimbursement is made for both operating costs and administrative costs, and the payment rates are different. These categories are separate and cannot be mixed together.<sup>4</sup>*

#### OPERATING COSTS

The state agency reimburses SFSP sponsors on a per-meal basis for the meals they serve to eligible participants. To receive a reimbursement, the sponsor must prepare a claim each month and submit it to the state agency. Reimbursement is made for both operating costs and administrative costs, and the payment rates are different.<sup>5</sup>

Operating costs are the costs for running the food service. Some operating costs are:

- Processing, transporting, storing, and handling food;
- Salaries of cooks, site personnel, and other food service workers;
- Utensils, plates, and other nonfood supplies;
- Maintenance and rented items, such as kitchen equipment or trucks;
- Kitchen utilities;
- Supervision of children;
- Site clean-up;
- Transporting children to and from rural sites; and
- Meals that may be served to SFSP workers and volunteers.<sup>6</sup>

The state agency makes two calculations to compute payments of operating costs. The sponsor may choose to document operating costs in one of the following manners:

1. The actual documented food service costs, or
2. The number of meals served to eligible children multiplied by the operating payment rate per meal.

*The state agency will pay the sponsor the lesser of the total cost or the rate.*

#### ADMINISTRATIVE COSTS

Administrative costs are the costs for activities related to planning, organizing, and administering the program. These costs are completely separate from the costs of food production and service.

Administrative costs include:

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<sup>3</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 2, February 1999.

<sup>4</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 11, February 1999.

<sup>5</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 11, February 1999.

<sup>6</sup>A Guide to Starting the Summer Food Service Program in Your Community, U.S. Department of Agriculture Food and Nutrition Service, page 11, February 1999.

- Salaries of supervisory staff, monitors, trainers, and office employees;
- Rental of offices, office equipment, and cars;
- Office supplies;
- Building utilities;
- Insurance costs;
- Postage; audits; and
- Travel costs.<sup>7</sup>

The state agency makes three (3) calculations to compute the sponsor's administrative payments. The three (3) calculations are as follows:

1. The sponsors actual documented administrative costs;
2. The number of meals served to eligible children multiplied by the administrative payment rate per meal; or
3. The approved budget in sponsor agreement.

*The state agency will make a comparison and pay the sponsor the lowest of three values.*

*Sponsors must be prepared to manage their food service programs carefully. A sponsor must monitor their costs closely to ensure that they do not spend more than the reimbursement. Sponsors are responsible for any costs over the reimbursement rate.*

#### TYPES OF SITES

Unlike other child nutrition programs, eligibility for participation in the SFSP is usually made on a site basis, rather than a child basis. Once a site is determined eligible to participate meals at the site are served free of charge to participating children. A feeding site must be approved by the state agency as either an "open site" or an "enrolled site."<sup>8</sup>

Open site—at least half of the children in the area are eligible for free or reduced-price school meals; or census track data shows that at least 50 percent of the residents in a block group or census track are below the poverty level.<sup>9</sup>

Enrolled site—at least half of the children enrolled in the SFSP are eligible for a free or reduced-price lunch.<sup>10</sup>

Certified site—Migrant and National Youth Sports sites must submit documentation certifying their eligibility.<sup>11</sup>

All children 18 years and under are eligible to receive free meals at an "open site." Only enrolled children may eat at an "enrolled site."<sup>12</sup>

#### **History of the Summer Food Service Program in Florida**

In the past, some Florida school districts have not participated in the summer school lunch program because the United States Department of Agriculture (USDA) required two separate accounting systems, National School Lunch Program (NSLP) and the Summer Food Service Program (SFSP), in order for the districts to receive reimbursement. Smaller counties do not always have accounting

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<sup>7</sup> *A Guide to Starting the Summer Food Service Program in Your Community*, U.S. Department of Agriculture Food and Nutrition Service, page 12, February 1999.

<sup>8</sup> "Using School and Census Data," Florida Department of Education, April 1998.

<sup>9</sup> "Summer Food Service Program," Florida Department of Education, SFSP-P3.

<sup>10</sup> "Summer Food Service Program," Florida Department of Education, SFSP-P3

<sup>11</sup> "Summer Food Service Program," Florida Department of Education, SFSP-P3

<sup>12</sup> "The Summer Food Service Program for Children," U. S. Department of Agriculture, February 1999.

staff in the summer to keep up with the cost required to run the SFSP. Some counties say they do not have people in the community willing to work in the program.<sup>13</sup>

In 1996, the Florida Education Commissioner called together a forum of district school food service personnel to discuss ways the state could increase children's access to the federal Summer Food Service Program in Florida. From this forum, a two-year summer food outreach campaign was launched; the purpose was to address district concerns, promote district models, and advertise the program widely. This effort included television promotional ads underwritten by a \$10,000 grant from the Florida Lottery; a toll-free, summer food hotline; mentoring between participating and nonparticipating counties; and a statewide educational forum for prospective program sponsors. Florida's summer food outreach has served as a national model, has been recognized by the US Department of Agriculture twice, and was written up twice in *Education Week*.<sup>14</sup>

In the summer of 2001, there were 135 summer food sponsors in Florida. The 135 food sponsors included: 42 school districts; 23 colleges/community colleges—mostly Upward Bound Programs; 20 cities/recreation centers/human services; 15 county government/recreation; 7 boys and girls clubs; and 3 churches. The rest of the food sponsors were one or two of the following entities: YMCA, community action agencies, private community-based organizations, community development corporations, Kid's Café, children's commission and senior center.

#### School Districts without a Summer Food Service Program

In twelve (12) Florida school districts, neither the school districts nor alternate food service sponsors are sponsoring the SFSP. The twelve (12) counties are Baker, Bradford, Calhoun, Clay, Franklin, Gilchrist, Gulf, Holmes, Jefferson, Lafayette, Liberty, and Union.<sup>15</sup>

#### School Districts with Alternate Food Service Sponsors

Nine (9) Florida school districts do not have a SFSP in the schools, but have programs provided by other entities in the community, and those nine counties are: Martin, Brevard, Flagler, Hernando, Madison, Nassau, Escambia, Wakulla, and Lake.<sup>16</sup>

#### School Districts Vending Meals to Students

Four (4) Florida school districts do not have SFSP in the schools, but these districts vend the meals to the students. The districts load the meals on the bus and drive to specified locations. The students get on the bus and eat their meals, and the bus moves to the next location. The four school districts that vend meals to the students are: Orange, Collier, Manatee, and Seminole.<sup>17</sup>

### **Seamless Summer Food Waivers**

The Seamless Summer Food Waiver is a new policy designed especially for schools to reduce the paperwork and administrative burdens normally associated with operating the Summer Food Service Program (SFSP). The new policy allows summer food to be reimbursed at the National School Lunch Program (NSLP) rates for free meals, which are slightly lower than the SFSP rates. The advantage for school food authorities is that they do not have to apply for and operate two different programs. They will operate the summer program as they operate meal programs during the school year, using a portion of the per-meal reimbursement for administration rather than receiving separate administrative funding. In essence, the school operates the SFSP as if it is an extension of the School Lunch Program.<sup>18</sup>

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<sup>13</sup> Florida Department of Education Staff.

<sup>14</sup> Florida IMPACT.

<sup>15</sup> Florida Department of Education Staff.

<sup>16</sup> Florida Department of Education Staff.

<sup>17</sup> Florida Department of Education Staff.

<sup>18</sup> Food Research and Action Center in Washington, D.C.

Florida was one of two model states to pilot the “seamless waiver” last summer. The USDA agreed to allow three Florida school districts to continue their regular school year lunch program for free or reduced-price meals through the summer. The three (3) counties were DeSoto, Dixie and Volusia. The seamless waiver is important to the school districts because it allows them to operate the summer school lunch program without having to be burdened with the extensive accounting systems required by the USDA. *This summer, the USDA is making Seamless Summer Food Waivers available to any school district that applies for the waiver.*

### **Summer School**

Only 17 out of 67 school districts offered summer school in the 2001-2002 school year. Due to budget cuts during the Special Session, many schools have cut summer school for 2002-2003 school year.<sup>19</sup>

Of the twelve (12) school districts that are not currently providing the SFSP (Baker, Bradford, Calhoun, Clay, Franklin, Gilchrist, Gulf, Holmes, Liberty, and Union), four school districts have indicated they are not planning to have summer school in 2002 and one is undecided.<sup>20</sup>

*Although summer school is an ideal site for summer food service, the SFSP does not depend on a school to sponsor the program.* Of the 135 summer food sponsors in 2001, only 42 were school districts. Other summer food sponsors include nonprofit, private organizations, like county recreation departments and boys and girls clubs; some schools opt to vend the food to one of these private organizations or sponsor a summer food program for a neighboring county.

### **Survey of Districts Not Currently Providing Summer Food Service Program**

From the five districts we were able to contact and get a response, four were definitely not planning on having a summer food service program even though the “seamless waiver” is available. The reasons given were:

- Last time the district provided summer food service, they “lost their shirt”
- Don’t have enough people who want to work during the summer
- Food service director has too many “hats” and not enough time for additional program nor to get everything else done
- Money shortfall
- District is small
- Use the summer to do inventory
- The program is too difficult
- Don’t plan to have summer school
- Employees are older and ready to retire and don’t want to work in the summer; young employees can pick up other work that pays more in the summer
- Since the district is not having summer school, the program is for the community, and the district thinks county should offer the program

One district was undecided at this point because they did not know if they were offering summer school. They have reduced hours and number of students and may only provide summer school for ESE students and seniors who need credits to graduate. They might have school breakfast through the national school breakfast program.<sup>21</sup>

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<sup>19</sup> Summary Tabulation Matrix of District Budget Reduction Plans FY 2001-2002, Florida Department of Education, February 4, 2002.

<sup>20</sup> Telephone Survey by The Florida House of Representatives, Committee on General Education, February 18, 2002.

<sup>21</sup> Telephone Survey by The Florida House of Representatives, Committee on General Education, February 18, 2002.

C. EFFECT OF PROPOSED CHANGES:

HB 1321 requires all Florida elementary schools with at least 50 percent of the children eligible for free or reduced-price school meals to operate a Summer Food Service Program (SFSP) for at least 40 days during the summer months. The school superintendent of each school district will have the responsibility for implementation of the plan in each eligible elementary school or in another facility within five miles of an eligible school, or must request a waiver from the DOE. Although the superintendent must implement the program, the school does not have to actually sponsor the program; participation may be through sponsoring, hosting, or vending the program. A waiver may be granted by the Department of Education if a school district can demonstrate an alternate provider already sponsors the SFSP within a five-mile radius of the school for 40 days or that the school is participating in the National School Lunch Program during the summer months. The waiver must be valid for a period of one year.

The bill requires the Department of Education (DOE) to develop a plan that ensures access to the federal Summer Food Service Program (SFSP) and to designate a member of its administrative staff to coordinate these activities. The DOE must use the October school indicator report on free and reduced-price school meal eligibility to determine the elementary schools that meet the criteria. The DOE must provide this information to each school superintendent by November 30 of each year.

By February 28 of each year, the school district must notify the DOE of its intention to participate:

- in the program during the summer of that year in its eligible elementary schools;
- in another facility within the five-mile radius of an eligible school; or
- must request waiver of the requirement.

Based on program growth and requirements, the DOE may be required to obtain authorization for an additional position, Program Specialist III. This position would be funded from existing federal dollars with no impact on state general revenues.<sup>22</sup>

D. SECTION-BY-SECTION ANALYSIS:

**Section 1:** Creates s. 228.197, F.S., creating the “Children’s Summer Nutrition Act,” requiring the Department of Education to develop a plan for providing access to the federal Summer Food Service Program and to designate a member of its administrative staff to coordinate the activities; requiring specified elementary schools to participate in the program; authorizing a waiver under certain conditions; and providing responsibilities of the superintendent of schools, school districts, and the department.

**Section 2:** Provides an effective date of July 1, 2002.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See fiscal comments.

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<sup>22</sup> Florida Department of Education Staff Analysis, January 31, 2002.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See fiscal comments.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Although the program is funded by a federal grant from the U.S. Department of Agriculture, if the sponsor of the Summer Food Service Program does not carefully manage the program, the school district could have to pay some costs associated with providing summer meals.<sup>23</sup>

Total reimbursement is limited by per-meal reimbursement rates. Without careful planning, a SFSP sponsor might not cover all costs. The sponsor's costs will depend on the number of meals served, the price paid for food or meals, if purchased from a vendor, whether or not the children require transportation to the site, and the amount of wages paid to staff. Reimbursement is made for both operating costs and administrative costs, and the payment rates are different. These categories are separate and cannot be mixed together.<sup>24</sup>

For operating costs, the state agency makes two calculations to compute payments. The sponsor may choose to document in one of the following manners: (1) The actual documented food service costs, or (2) The number of meals served to eligible children multiplied by the operating payment rate per meal. *The state agency will pay the sponsor the lesser of the total cost or the rate.*

For administrative costs, the state agency makes three (3) calculations to compute the sponsor's payments. The three (3) calculations are as follows: (1) The sponsors actual documented administrative costs; (2) The number of meals served to eligible children multiplied by the administrative payment rate per meal; or (3) The approved budget in the sponsor's agreement. *The state agency will make a comparison and pay the sponsor the lowest of three values.*

Based on program growth and requirements, the DOE may be required to obtain authorization for an additional position, Program Specialist III. This position would be funded from existing federal dollars with no impact on state general revenues.<sup>25</sup>

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<sup>23</sup> Telephone conversation with Department of Education staff, February 20, 2002.

<sup>24</sup> *A Guide to Starting the Summer Food Service Program in Your Community*, U.S. Department of Agriculture Food and Nutrition Service, page 11, February 1999.

<sup>25</sup> Florida Department of Education Staff Analysis, January 31, 2002.



IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

This bill does not authorize additional rule-making authority.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The Committee for General Education considered this bill on February 19, 2002, and reported it favorably by a vote of 10 to 0.

VII. SIGNATURES:

COMMITTEE ON GENERAL EDUCATION:

Prepared by:

Staff Director:

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Elsie J. Rogers

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Ouida J. Ashworth