

Child Nutrition

Proposed FY 2015 Base Budget

Agency = State Board of Education

Funding by Source of Finance

Child Nutrition

	2009	2010	2011	2012	2013	2014 Est	2015 Base	Trend
Federal Funds	\$125,343,400	\$124,838,100	\$134,591,100	\$141,196,600	\$146,483,800	\$141,394,300	\$141,394,300	
American Recovery and Reinvestr	\$721,200	\$0	\$0	\$0	\$0	\$0	\$0	
Dedicated Credits Revenue	\$26,769,100	\$27,913,100	\$29,542,200	\$0	\$0	\$0	\$0	
Beginning Nonlapsing	\$4,000	\$0	\$9,900	\$9,900	\$0	\$53,800	\$53,800	
Closing Nonlapsing	\$0	(\$9,900)	(\$9,900)	\$0	(\$53,800)	(\$53,800)	(\$53,800)	
Uniform School Fund	\$151,000	\$138,800	\$0	\$0	\$0	\$0	\$0	
Uniform School Fund, One-time	\$6,900	(\$2,600)	\$0	\$0	\$0	\$0	\$0	
Education Fund	\$0	\$0	\$139,500	\$139,500	\$139,600	\$139,600	\$0	
Liquor Tax	\$0	\$0	\$0	\$32,039,300	\$34,686,700	\$37,259,700	\$37,390,900	
Grand Total	\$152,995,600	\$152,877,500	\$164,272,800	\$173,385,300	\$181,256,300	\$178,793,600	\$178,785,200	

Proposed FY 2015 Base Budget

Agency = State Board of Education

Expenditures by Object Category, All Sources of Finance

Child Nutrition

	2009	2010	2011	2012	2013	2014 Est	2015 Base	Trend
Personnel Services	\$1,636,500	\$1,479,400	\$1,454,200	\$1,493,800	\$1,644,300	\$1,648,200	\$1,648,200	
In-state Travel	\$20,300	\$19,200	\$20,900	\$19,000	\$25,400	\$25,400	\$25,400	
Out-of-state Travel	\$17,800	\$40,100	\$22,800	\$24,100	\$50,200	\$50,200	\$50,200	
Current Expense	\$748,500	\$855,600	\$820,500	\$715,400	\$704,100	\$753,900	\$753,900	
DP Current Expense	\$43,500	\$7,300	\$11,800	\$43,300	\$82,000	\$82,000	\$82,000	
DP Capital Outlay	\$154,800	\$257,900	\$53,700	\$148,500	\$126,500	\$126,500	\$126,500	
Other Charges/Pass Thru	\$150,374,200	\$150,218,000	\$161,888,900	\$170,941,200	\$178,623,800	\$176,107,400	\$176,099,000	
Grand Total	\$152,995,600	\$152,877,500	\$164,272,800	\$173,385,300	\$181,256,300	\$178,793,600	\$178,785,200	

**Benefit-Cost Report for Programs within USOE
(In compliance with SB 2 of the 2012 Legislature)**

Section: Child Nutrition Programs

Description of Section Functions, Programs and Statutory provisions fulfilled:

This section administers federal food programs, which are appropriated under United States Department of Agriculture (USDA) regulations and administered by Food and Nutrition Services. The USDA enters into agreements with state agencies, usually state education offices, to administer the program. The State office enters into agreements with sponsors, which allow them to operate the programs. Sponsors can be public or private, non-profit schools, non-profit community organizations or camps, non-profit residential child care institutions, child care centers, day care homes or non-profit homeless shelters.

The programs are designed to provide assistance in the establishment, maintenance, operation and expansion of programs to provide children and low-income people with access to food, a healthful diet and nutrition education. Originally, these programs were created by Congress as a measure of national security, to safeguard the health and well-being of the nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food. The programs are designed to prevent hunger, malnourishment and food insecurity.

The program provides money to pay for meals served to eligible participants, nutrition education so participants recognize a healthy diet and surplus food from the U.S. food supply to reduce the cost of meal preparation. The program's payments are made to sponsors, who serve meals to children, elderly low income and impaired adults. Higher payments are made for meals served to low income participants. The payments can be used by sponsors for expenses of administering or operating the program, preparing program meals and for the cost of food served. In some cases, surplus food is provided to the sponsors to be used in the meals. Federal funds are received by the State Office for payments to sponsors. The funding for payment for meals is primarily federal, however states must also provide a certain level of matching funds for the program.

The staff administering the program consists of one director and three teams with an assistant director over each of the teams. The school team consists of seven specialists, the child care team has five specialists and the support team has a staff of six. Specialists on the school and child care teams perform program reviews, interpret and enforce program rules and guidance, train, and guide sponsors through the operation of the programs and reclaim any funds to which sponsors are not entitled. The support staff performs activities which overarch both teams, including the payment of claims, ordering and distribution of surplus food, reviews of food distribution programs, computer support for the program operations, grant administration, report writing and secretarial functions.

Depending upon the sponsor and program, payment may be made for breakfasts, morning snacks, lunches, afternoon snacks, supper, or p.m. snacks. Payments are determined through a complex system which applies different rates to certain meals. For example, reimbursement for lunches could be at any of the following rates: .28 cents, .30 cents, \$1.45, \$2.53, \$2.55, \$2.93, \$2.95, or \$3.14, depending upon the program, the person to whom the meal was served, the location of the sponsor and the type of sponsor. State Office staff must calculate the correct reimbursement amounts, verify payments and produce reports for USDA. State staff must have comprehensive, intensive and practical knowledge of

the requirements and regulations for the 11 federal programs administered by the unit and the ability to apply this knowledge in complex and variable settings. This involves the ability to blend theory with practice; the ability to judge which rule or regulation applies to a specific setting. It also requires the ability to determine the best way to remedy a problem, situation or incident that has not been encountered before.

USDA requires regular site reviews of all program sponsors. The quantity, content and the reporting requirements for reviews are different, dependent upon the program. The State office staff is required to perform nutrient analysis of planned meals for some programs, verification of eligibility, and validation of records, procedures and claims made for meals to assure program requirements are met. Sponsor program expenses must be authenticated and measured against program requirements. Sponsors must demonstrate any contracts entered into by them conform to regulations.

USDA also requires the State office staff to provide supporting nutrition education to the sponsors through regular training. Federal regulations prescribe the requirements for the content of all meals, the requirements regarding administrative, monitoring, reporting and sponsor training. The State office staff provides training, technical assistance and oversight required by federal regulations to ensure sponsors follow applicable requirements. Training helps sponsor staff prepare healthful meals, and provides nutrition education to help participants understand the link between diet and health. There are program aids which help sponsors determine how to economically offer the meals, determine the correct amount of food to purchase, offer recipes for food preparation, efficient program management and teach techniques to prepare healthful meals for program recipients.

The USDA requires the State office distribute food to eligible sponsors. Commodities, which are foods taken out of the U.S. food supply by the government to support the price of such foods, are ordered, received, stored and distributed by our office. Some sponsors have elected to receive cash-in-lieu of commodities. Sponsors earn commodities in accordance with the number of meals they served in prior years. We estimate payments and place orders to provide commodities for sponsors who are new to the program.

USDA requires states to enter into agreements to implement, manage and oversee the program. The State office performs validation of claims for meal reimbursement, verification of program activities, training of sponsors, collection of data from sponsors, analysis of the data collected, reporting to USDA to seek payment for approved meals and expenses, payment of approved costs and monitoring of the performance of sponsors. State office personnel must have knowledge of the principles, theories and practices of education, training, food & nutrition. They must know and be able to interpret and apply laws, rules, regulations, policies and/or procedures for different programs; they may facilitate or lead hearings, meetings, teams or work groups; they control or manage and direct the operation of the program or function to which they are assigned; they must have the skills and abilities to develop approaches for implementation of an idea, program or change in operations and be able to communicate the information and ideas clearly, and ensure compliance with the contract terms, policies, procedures & regulations. Staff must be able to research laws, policies and procedures to accurately determine the correct practices, judging which rule or regulation applies to a specific setting; they must assess the need for research projects, assist with the development of tools and measurement devices, determine the appropriate methodologies, information sources, sampling strategies and analyze and review the findings to develop conclusions and improve programs.

The State office also distributes state matching funds obtained from state liquor taxes. These funds are distributed to schools on a per meal basis to assist expenses associated with lunches. State office personnel must determine the rate of at which payments will be made for meals and balance any

differences between liquor tax revenue and payments to schools at the end of the state fiscal year.

Sponsors earn money for the reimbursement of expenses for meals. For some programs, separate federal funding is made available for sponsor program administration expenses. Administrative expenses can be earned according to the type of program the sponsor is participating in, how many sites they administer, the location of those sites (rural or urban) and the economic circumstances of the residents living nearby the site. In programs without separate reimbursement for administration, the expense of management and program operation is an allowable program expense.

The State office contract terms receive management evaluations from the Federal government regularly to assess state program oversight and the payments made to sponsors. The State office contract to administer the program could be cancelled if this unit was found to be negligent in carrying out the mandated responsibilities.

USDA does not allow sponsors to self-administer the program without State office oversight. Without state administration, USDA would not allow the program to be administered in Utah, resulting in the loss of all program payments to the state and to sponsors.

State and/or Federal Regulatory Functions Performed by the Section:

The **National School Lunch Program** (Title 7 Code of Federal Regulations (CFR) Section 210) is a federally assisted meal program operating in public and non-profit private schools and residential child care institutions. It provides payment for nutritionally balanced, low-cost or free lunches to children each school day. The program was established under the National School Lunch Act, signed by President Harry Truman in 1946. Sponsors enter into agreements to participate in programs. Our office also distributes State of Utah (liquor tax) funds to public schools for lunches.

The National School Lunch Program also offers cash reimbursement to help schools serve snacks to children in afterschool activities aimed at promoting the health and well-being of children and youth in our communities (**After School Snack Program**). A school must provide children with regularly scheduled activities in an organized, structured and supervised environment; include educational or enrichment activities (e.g., mentoring or tutoring programs). The programs must meet state/local licensing requirements, if available, or state/local health and safety standards. All programs that meet the eligibility requirements can participate in the National School Lunch Program and receive USDA reimbursement for afterschool snacks.

Schools participating in the lunch or breakfast programs are eligible to apply for the **Seamless Summer Program**. Once approved through the State office, schools serve meals free of charge to children from low-income areas when school is not in session. They continue the same meal service rules and claiming procedures used during the regular school year. The Seamless Summer Program offers a streamlined approach to feeding hungry children in the community when school is not in session.

The **Team Nutrition Program** is an initiative of the USDA Food and Nutrition Service to support the Child Nutrition Programs through giving state agencies curriculum to provide training and technical assistance for foodservice, nutrition education for children and their caregivers, and school and community support for healthy eating and physical activity. Team Nutrition awards certification to schools meeting HealthierUS School Challenge standards. State agencies review and approve applications and forward them to the regional office for processing. Schools can earn monetary rewards for each level of the certification (bronze = \$500, silver = \$1,000, gold = \$1,500 and gold of distinction = \$2,000).

The **National School Breakfast Program** (7 CFR 220) Payment to sponsors for breakfasts which meet the program requirements. This program promotes learning readiness and healthy eating behaviors. Sponsors may be public or private non-profit schools and residential care centers.

Fresh Fruit & Vegetable Program (7 CFR 211) Payment to sponsors for fresh fruits & vegetables offered to students in selected low-income elementary schools participating in the school lunch program. This program offers a healthy snack for children. This program is different in that schools must apply for this grant. Expenses will only be reimbursed up to the school's total award amount.

Special Milk Program (7 CFR 215) Payment for milk for children who do not have access to other meal programs. These programs may be offered by public or private, non-profit schools, or camps. Reimbursement ranges from a set amount to the full price of the milk served to low income children.

The **Child and Adult Food Program** (7 CFR 226) provides payment for meals which improve the quality of day care for children and impaired or elderly adults and makes care more affordable for low-income persons. Sponsors of these programs include child care centers and family day care home sponsors, adult day care centers and homeless shelters having children in residence.

The **Summer Food Service Program** (7 CFR 225) provides payment for nutritious meals served in low-income areas when school is not in session. Sponsors allowed on this program include public and private non-profit schools and non-profit community organizations, including churches, camps and community organizations.

State Administrative Expense funds (7 CFR 235) describes the state responsibilities and procedures.

Cash in Lieu of Donated Foods (7 CFR 240) describes how cash payments may be made in lieu of donated surplus foods. Child care centers receive cash-in-lieu of commodities. The State office calculates the amounts. Payments are processed along with the payments for meals.

Determining Eligibility for Free & Reduced Price Meals (7 CFR 245) Describes procedures to be used by sponsors and verified by the State office when certifying children for free or reduced price meals.

Food Distribution Program (7 CFR 250) The State office makes USDA's surplus food available to sponsors to reduce the cost of preparing program meals. The State office processes surveys of the sponsors to determine how much of the item should be ordered and shipped to our warehouse, adjusts orders according to other sponsor needs, coordinates and verifies orders, coordinates the shipment and delivery of the food to lunch sponsors. The State office provides warehouse storage for foods prior to delivery and monitors that facility. The State office enters into contracts for the storage of food and delivery of food statewide. Sponsor use of commodities in meals is monitored by through State office reviews.

The Emergency Food Assistance Program (7 CFR 251) distribution of USDA's surplus food and payment for administration expenses to assist non-profit organizations and low income households. Sponsors in this program are community organizations (Utah Food Bank and regional pantries and food banks in Utah).

Other specific Federal regulations which the State office must follow in the administration of the above programs:

7 CFR 15: Nondiscrimination

7 CFR 225: Cost Principles for State, Local and Indian Tribal Governments

7 CFR 3015: Uniform Federal Assistance Regulations
7 CFR 3016: Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
7 CFR 3017: Government-wide Debarment and Suspension
7 CFR 3018: Restrictions on Lobbying
7 CFR 3019: Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations (ensure sponsors which fall into these categories use these regulations)
7 CFR 3021: Government-wide Requirements for Drug-free Workplace
7 CFR 3052: Audits of States, Local Governments, and Non-Profit Organizations

USDA also issues policy bulletins, instructions and guidance (all of which have the force of regulation and must be followed by the State office and sponsors). These are interpreted and provided to sponsors as needed. They cover a wide range of requirements for procedures such as providing meals to children with disabilities, entering into contracts with food service management companies and rules for procurement of goods and services.

Utah Code Section 32B-2-304 (liquor tax funding of school lunches)

Federal regulations require reviews be conducted to provide oversight of the programs. The quantity, content and the reporting requirements for reviews are different, dependent upon the program. The State office performs nutrient analysis of planned meals, verification of eligibility, and validation of claims made for meals to assure program requirements are met. Sponsor program expenses must be authenticated and measured against program requirements; State office personnel must evaluate the sponsor financial reports to determine compliance with the regulations. Sponsors must demonstrate any contracts entered into by them conform to regulations. If any aspects of the reviews are not met, State office personnel must work with sponsors to develop and implement a plan to correct the deficiencies. Follow-up reviews are often required to confirm corrections have been made. Reviews are required as follows:

National School Lunch or Breakfast: each sponsor must be reviewed once every three years (no more than four years between reviews)

Summer: new sponsors must be reviewed in the first year of operation; each sponsor must be reviewed at least once every three years (or annually, if the prior review showed significant operational problems). At least 10% of each sponsor's sites must be reviewed.

Seamless Summer: must be reviewed prior to or following year of the lunch or breakfast review. State agencies are encouraged to conduct additional reviews of sponsors who have experienced management difficulties.

Child & Adult Care Food Program: review 33.3% of all institutions each year, 15% must be unannounced; 10% of all sponsor sites must be reviewed.

Family Day Care Home Program: review sponsors with less than 100 homes once every three years and review 10% of all homes; review sponsors with more than 100 homes once every two years and 5% of the first 1000 homes.

The Emergency Food Assistance Program: review 25% of sponsors and 10% of agencies having an agreement with a sponsor. Two reviews of storage facilities are also required.

Commodities: one annual warehouse review. Commodities usage is reviewed as a part of the lunch or breakfast reviews.

State and/or Federal Reporting Requirements Performed by the Section:
Food & Nutrition Services (FNS) 640 (report of Coordinated Review Effort, annually)
FNS 777 Financial Status Report (quarterly)

FNS 742 Verification Data Reporting System (annually)
FNS 777 State Administrative Expense (SAE) (quarterly)
FNS 13 Report of State Revenue Matching (annually)
FNS 44 Report of Child and Adult Care Food Program (monthly reports of 30 and 90 day activities and end of year close-out)
FNS 10 Report of School Program Operations (monthly reports of 30 and 90 day activities and end of year close-out)
FNS 418 Report of Summer Food Service Program for Children (monthly reports of 30 and 90 day activities and end of year close-out)
FNS 667 & FNS 667 American Recovery & Reinvestment Act (ARRA), Emergency Food Assistance Program Administrative Costs (quarterly)
FNS 155, Inventory Management Register (Report of Commodity Inventory, bi-annually)
FNS 292A, Report of Commodity Distribution for Disaster Relief (submitted 45 days post disaster)
Standard Form (SF) 425 Federal Financial Report, Fresh Fruit & Vegetables, Direct Certification, and Team Nutrition and Healthy, Hunger-Free Children's Act (HHFCA) Six Cent grant reporting (quarterly)
Farm Service Agency (FSA)-21 Public Voucher – Commodity Programs (as needed to request reimbursement of extra charges in connection with USDA foods)
Required by regulation to collect data from sponsors for the following reports:
Free & Reduced Price Survey (annually)
Racial/Ethnic Survey (annually)

Benefits Provided by Program or Section:

The staff of the unit is responsible for training sponsors in efficient program operation, program reviews to assure requirements are met by sponsors, payment of valid claims to sponsors and all reporting to USDA for the funds. These programs are the first-line defense against hunger and food insecurity in Utah. The overall benefit of this program is that meals and food are made available to children and older low income or impaired adults, many of whom do not have adequate resources in their homes to provide for regular nutritious meals. Utah has a high percentage of households considered to be food insecure (13%) and a high rate of childhood poverty (16%). These programs provide regular meals, nutrition education and prevent hunger and food insecurity in Utah households. In 2011, the program provided \$177,593,372 to sponsors in cash and the value of surplus foods. The cash and surplus food provided by this office reduced or paid for the cost of program meals served to children, older low income and impaired adults throughout the State.

Detailed Lists of Sponsors, Meals Reimbursed & Jobs Funded by this Program

There were 114 sponsors of the School Lunch Program with 927 sites. In 2011, sponsors were reimbursed 22,965,524 free meals, 5,997,125 reduced-price meals, and 28,970,274 paid meals. Severe need reimbursement (an additional two cents per lunch) is available to sponsors which served 60% or more free or reduced-price lunches school-wide during the second preceding year. In 2011, 14 sponsors received severe need reimbursement. Our program paid sponsors \$85,667,978 in federal funding and \$28,906,920 in state funds (liquor tax) for lunches in 2011. Funds received by schools were used to employ over 95 program supervisors, their staff (nutritionists, coordinators and support staff), over 850 site managers in individual lunchrooms and their staff (lunchroom managers, cooks, preparation staff and support staff). School Superintendents, business managers, principals, teachers and maintenance staff receive partial program funding due to the nature of their assignments (assisting with the service of school meals or the administration of the program). School cost of services used by the school meals program are paid for by program reimbursements (equipment & equipment maintenance, waste disposal, etc.). Indirect costs may be paid for to the extent they can be attributed to the school meal program.

In 2011, there were 305 sites offering the School Breakfast Program. Sponsors were reimbursed for 1,890,539 free breakfasts, 362,529 reduced price breakfasts, and 990,501 paid breakfasts. Severe need reimbursement is offered to sites which claimed 40% or more of the lunches in the second preceding year were served to students qualifying for free or reduced-price meals. In 2011, 464 sites received severe need. They served 6,460,826 free breakfasts, 854,529 reduced-price breakfasts and 1,299,860 paid breakfasts. Our program paid sponsors \$17,105,172 for breakfasts in 2011.

There were 31 sponsors of the Special Milk Program representing 109 sites. Sponsors were reimbursed for 424,343 half pints of milk. Our program paid sponsors \$71,835 for milk in 2011.

There were seven sponsors of the Summer Food Service Program with 128 sites. The summer program reimbursed sponsors for 1,295,752 meals (breakfast, lunch, supper & snacks) and paid them \$2,022,674. In 2011, 21 sponsors offered the seamless summer program at 128 sites served 649,495 meals (breakfast, severe need breakfast, lunch, supper & snack). The reimbursement for seamless meals is included in the breakfast and lunch totals, above (seamless means operating as if it was school year lunch or breakfast). Summer programs provide employment and pay for the salaries of site managers and for program operations with program funds. The participants in the seamless summer program usually are employed by the school during the school year. The summer program allows them to be employed during the summer months. For regular summer program sponsors, some are schools, but a number of them are community based non-profit organizations. For these sponsors, the payments for meals often mean they can expand their other feeding programs because the meals in the summer program have been reimbursed.

Surplus foods (commodities) are provided to sponsors operating school lunch or summer meals. The food can be used at other meals (breakfasts, snacks). Child and Adult Care Food Program sponsors (centers only) receive cash in lieu of commodities. In 2011, the commodity value earned was .2025 cents on each lunch served. Schools also receive bonus commodities which are not charged against their per lunch allotment. A total value of \$15,911,796 (\$326,174 in bonus, the remainder was normal entitlement) in food was distributed through the State office.

There were eight sponsors of the Family Day Care Home Program representing 2,014 day care homes. Our office reimbursed sponsors for 1,871,432 breakfasts, 2,667,235 lunches, 2,313,324 suppers and 3,848,117 snacks. Our program paid sponsors was \$17,235,439 in 2011. The program funds pay for the salaries of eight sponsor directors, their program monitors and other support staff.

There were 132 sponsors in the Child and Adult Care Food Program representing 315 sites. Sponsors were reimbursed for 1,603,167 breakfasts, 2,126,696 lunches, 303,548 suppers and 2,587,607 snacks. The total amount our program paid sponsors was \$7,505,932 (this includes cash payments made in lieu of commodities). The funds received by centers can be used to pay for administrative and operational expenses, to the extent that the costs are associated with program operation.

The Emergency Food Assistance Program provides surplus foods and administrative funds which are distributed by our office. The Utah Food Bank receives surplus foods, which are distributed to local food banks and pantries in Utah. We also receive funds to be used for administration, of which we pass through 100% to the nine regional food banks. In 2011, we distributed food for 12,236,130 meals for 1,895,548 people in 815,742 households (575,742 were under 18 years of age, 903,994 were from 18-64 years of age, 416,449 were over the age of 65). Commodity value was \$2,373,133 and our office passed through administrative funds of \$510,848.

Federal and state funding is used to pay for the salaries, benefits and indirect costs for 22 staff.

State Systems, Rules and Sponsors

The State office staff knows how Federal payment systems work within the state system. State office staff knows the laws and rules pertaining to different types of sponsors. Having sponsors grouped according to their program participation and roles in the community help to create an economy of scale. Schools, child care centers, family day care home sponsors and homeless shelters all operate very differently. Training these entities in groups with other similar program participants makes an efficient operation. When reviewing the sponsors, state staff knows what types of systems to expect. For example, family day care home sponsors use different software than do schools. Staff must be familiar with those systems and be able to work within them to assure all aspects of the program are being attended to. Staff is also familiar with the federal organization of the programs and aware of reports which must be submitted, questions asked, etc., depending upon the program.

Food Service as a Business

Food service operations are expected to break even after comparing sponsor food and labor costs to money received for paid meals and reimbursements received from federal and state funds. Training is conducted by the State office staff with groups of directors & supervisors, allowing for economical and efficient training. Many of the schools are members of a food buying cooperative, which reduces the costs of their food purchases. One of the schools has the capability of processing large quantities of product and can sell them to other schools, which produces large cost savings. Training schools together helps them share their ideas, sound business practices and allows them to run efficient programs which do not use additional school funds.

Low Administrative Costs

The State office provides technical assistance and training regularly for program sponsors. Training for new child care centers is offered monthly. Training for new school directors is held annually. The unit has received grants from USDA which have paid for computer software to make school programs easier to administer and for training to assist school lunch programs in applying for USDA awards. Program aids teach all sponsors the best ways to achieve program efficiency and maintain low operation cost. State staff have created on-line training so sponsors do not have to travel to attend some common training.

Low Cost Meals

Even meals which are offered at full price to the children are subsidized by the payments made by this program. Because of the size of the program, sponsors are able to obtain high quality foods at low cost. The meals they make are produced in quantities which make streamlined production possible. For parents, this means these programs provide a nutritionally balanced meal at the lowest possible price. Program guides require food purchases are made through procurement methods that assure competition among suppliers. Surplus food reduces the cost of producing meals.

Food Safety

Sponsors operating the program are required to adhere to good food handling processes. School food service managers are trained in food safety and assure all foods can be traced back to the source of the product. Food temperatures are checked to assure hot foods remain hot and cold foods remain cold in order to prevent the growth of harmful pathogens. These practices prevent outbreaks of food poisoning. State office staff reviews monitor the performance of sponsors and require correction if deficits in performance are found.

Jobs

These programs provide direct employment for more than 2,150 school staff. Partial funding can be used from the program for those with work duties assist feeding programs (superintendents, principals, school secretaries, janitorial staff and teachers). At least 8 family day care home sponsors and their staff of monitors (approximately 32) and their support staff (more than 8) have positions paid for with these funds. Food banks and regional food pantries receive funds to support their staff. Federal and state funds pay for 22 state staff to administer the program.

Nutrition

Primary benefits are program payments made to sponsors to provide meals to children, older low income or impaired adults. The result of these meals is improved nutritional intake for those participants. Children and older, low-income and impaired adults who participate in federally supported meal programs have been shown to have superior nutritional intake when compared against those who do not have access to the programs. Adequate nutrition is critical for the normal development of body and brain. Lunches provide 1/3 of the Recommended Dietary Allowance of necessary nutrients. Congress created these programs after investigation into the health of young men rejected in the World War II draft showed a connection between physical deficiencies and childhood malnutrition. These programs provide access to balanced, nutritious meals which include protein, whole grains, fruits, vegetables and milk. Consumption of meals containing adequate nutrition results in better health, improved academic performance, higher levels of concentration and fewer behavioral problems. Nutrition education provided by the program assists in developing lifelong healthy eating habits. Wellness policies help schools address obesity problems and promote physical activity. These programs assure adequate nutritional intake, including calories and nutrients. The programs prevent hunger and food insecurity.

Academic Performance

Children with adequate food perform better on tests of knowledge, have better classroom attention and higher cognitive function. Hungry children have more problems in the classroom and in learning. In Utah, 16% of children live in poverty. Most of the participants in these programs (especially the breakfast and summer programs) are from low income households. The food they receive helps to support their academic performance. Strong, healthy children are ready to learn and perform better in the classroom.

Improved Health

A diet consistent with the dietary guidelines for America is a contributing factor to overall health and a reduced risk of chronic disease. The meals are distributed daily to children, elderly low income and impaired adults. The lunches provide 1/3 of the minimum daily requirements for nutrients and calories. Participants with adequate nutrition have lower rates of disease. Getting children on a healthy path early in life helps to assure they remain healthy as adults. Fruit and vegetable consumption is important for weight management, optimal child growth and chronic disease prevention.

Food Security

Food security is defined as access by all people at all times to enough food for an active, healthy life. It includes the ready availability of nutritionally adequate and safe foods and an assured ability to acquire acceptable foods in socially acceptable ways. Participation in the feeding programs administered by the State office helps to shield children, elderly low income and impaired adults from the effects of a limited household food supply. The program serves nearly half of the meals eaten by program participants over the course of a week and promotes the food security of low income households. In addition, other household members may indirectly benefit if children's meals add to the household's overall food resources. The probability of children from lower income families participating in meal programs rises when local food prices increase. In summer, meals are available in low income communities and

provide higher food security for households with children.

Lower Obesity Rates

Families who are food secure have lower rates of obesity. When protein, fruits, vegetables, whole grains and milk are consumed in adequate amounts, participants have lower rates of obesity.

Child Privacy & Dignity Protected

For children in low-income households, meals are available at no-cost or reduced price. Because federal rules forbid public identification of these children, the privacy and dignity of the low income child is preserved. Not only can the child select a nutritious meal and eat with other students in a common lunchroom, fellow students don't know that child's family is low income.

Special Needs

Program guidance requires sponsors to attend to the needs of any program participants with disabilities. Meals can be modified to address any of their special dietary needs and program funds can be used to purchase any special foods. If a physician certifies the individual as having a disability, all meal modifications are valid program expenses.

Community Facility

Schools often serve as a hub for community activities. Lunchroom facilities and equipment can be used after school hours by other school or community organizations. In addition, schools often serve as emergency shelters in the event of weather related or other crisis. The equipment has been paid for using funds provided by our programs, however it can be used by others when needed. When a disaster has been declared, food located in school storerooms can be used by such organizations as the Red Cross and will be reimbursed to the school by the federal government.

Agricultural Subsidies

Foods used in the commodity program are purchased by the federal government to support the prices of agricultural products. Farmers who produce foods are guaranteed prices for their commodities which help to cover the cost of producing them. Warehousing foods in a central location and coordinating the delivery of food to schools provides for an economy of scale. Many schools are not large enough to receive a full truck of food, for example, and their orders are combined with the orders of other nearby schools to assure a full truck makes the trip and efficiently delivers the food.

Source and Amount of Funding (Education Fund, Federal Funds, Etc.):

State Education Funds	\$ 139,500.00
State Liquor Tax Funds	\$ 29,542,165.02
Federal Funds	<u>\$134,591,126.96</u>
Total Funding	\$164,272,791.98

Section Costs:

• Federal Personnel Costs	\$ 1,172,073.14
• State Personnel Costs	\$ 282,205.78
• Federal Travel Expenses	\$ 42,685.84
• State Travel Expenses	\$ 1,009.26
• Federal Current Expenses	\$ 416,850.52
	\$ 415,429.89

• State Current Expenses	\$ 33,663.75
• Federal Other Charges (capital outlays)	\$ 68,763.08
• State Other Charges (capital outlays)	\$ 151,197.44
• Federal Other Charges (Indirect costs)	\$ 36,404.54
• State Other Charges (Indirect costs)	<\$29,067.97>
• State Other Charges (Recovered Audit Findings-Liquor Tax)	\$132,774,656.27
• Federal Flow-thru	\$ 28,906,920.44
• State Flow-thru	\$ 164,272,791.98
Total Costs	

Implications if the Section were not to provide the above noted functions or programs:

USDA does not allow sponsors to self-administer the program without State office oversight. Without state administration, USDA would not allow the program to be administered in Utah, resulting in the loss of all program payments.

Directors at large districts make salaries far in excess of any State office salaries. They manage the school programs at all the schools in their districts. However, the cost of hiring any of them to assist with state program management would be cost prohibitive. There are for-profit entities assisting the *sponsors*, but they are very expensive and the result of their assistance does not necessarily result in a better run program (food service management companies and charter school management companies). Many times, reviews at these types of facilities result in the repayment of program funds and the need for additional sponsor training so the sponsors correctly supervise the actions of the entity they have hired to oversee their program operations. The USDA does not allow for-profit entities to self-manage the program; they may only participate under the auspices of a district and the district must retain responsibility for all program operations. There is also software used to assist sponsors in running these programs, however, it is also very expensive and is only used by the larger sponsors (PCS, RenWeb, Nutrikids, Minute Menu, etc.).

Without the programs administered by this office, the following would be the result:

Increased Costs

Sponsors would no longer be able to provide partial payment for salaries of school staff associated with this program (superintendents, principals, teachers, school secretaries, custodians). Schools would need to pay for these salaries using other funds.

Decreased Food Safety

The incidence of food poisoning would increase, as parents are often not aware of food safety when preparing meals at home. Transporting meals from home and keeping them hot enough or cold enough to prevent food borne illness is difficult. In the U.S., 5,000 people die each year from food poisoning. Poisoning sends 325,000 to the hospital each year. In Utah, the cost of foodborne illnesses cost an estimated \$1.185 billion. These rates would increase.

Decreased Sponsor Resources

Program costs include kitchen equipment, such as steamers, refrigerators and warming ovens. Without program revenue, it would not be possible to purchase quality equipment with which to prepare meals. Sponsors would need to find other revenue with which equipment purchases could be made for the kitchens (if schools, centers and day care homes could continue to offer meals at all).

Decreased Nutritional Quality of Meals

The sponsor's food service program costs would increase and the quality of the meals would decrease. Without the program guides to help them keep expenses low, costs would increase. Without uniform meal requirements, the quality of meals would be variable. This would be detrimental in multiple ways: variable program costs, quality and loss of any economy of scale in terms of food purchasing, contracts, and preparation. It is likely that the quality of meals offered would vary dependent upon the economic circumstances of the community. Low income communities would not be able to support a feeding program at all. High income communities would be able to offer programs for their children.

Increased Cost for Participants with Special Needs

The cost to children with special needs would increase. Without program requirements to provide accommodations, the manner in which a child's special dietary needs were addressed would be variable, dependent upon how the sponsor chooses to accommodate (or ignore) the needs.

Decreased Participant Privacy

The privacy of a low income child would be lost. If the sponsor was able to provide food at no cost to low income participants, it is unlikely they would do so in a way that no one else in the classroom knew the situation. Because it would be cost prohibitive to provide meals at no cost or low cost, these children would be at the mercy of the sponsor in terms of getting food during the school day if they were not able to bring food from home.

Job Losses

If the section did not provide the functions, the state and sponsors would lose \$161,681,576 in federal and state funding and \$15,911,796 in surplus food. That represents funding they use to purchase food, pay staff to prepare food, pay for direct expenses, such as equipment and payroll, and pay indirect expenses associated with the program. More than 2,150 school staff positions are funded through this program. More than 32 family day care home sponsors and their staff have positions paid for with these funds. Food banks and the regional food pantries receive \$510,848 to assist with program administration; without funding, those positions would be lost. Federal and state funds which pay the salaries of 22 state staff to administer the program would be lost.

Hunger

Sponsor ability to offer food to the children would be diminished. While sponsors could charge the full cost for meals, it is likely that families (particularly low income households) would not be able to pay for the meals. The full cost of a meal is estimated to be \$3.00-\$5.00. Most schools would not be able to provide additional funding to continue to offer the program. It is likely many schools would require households to send meals from home. Since high percentages (48-100%) of the meals in these programs are provided to those from low income households, it is likely the Utah children and adults in these households would go hungry. Child care centers and day care homes would continue to offer food to their clients, but the types of food would change from nutritious sources of protein, fresh fruits & vegetables, milk and whole grains to less expensive foods. Residential child care centers and homeless shelters would have to find other funding to provide food for their clients. Without the program, it is likely that many of the current programs would cease to exist and current participants would be hungry.

Increased Food Insecurity and Poverty

The 13% of Utah's population considered food insecure would lose access to low cost and free meals. Food insecurity is defined as limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in a socially acceptable way. In Utah, 16% of children live in poverty. The rate is highly variable, depending upon the county. In some areas, San Juan and Iron counties, for example, the child poverty rate are much higher (21-25%). Children in counties

with higher poverty rates would suffer food insecurity and poverty at higher rates. In 2011, census data reports 138,000 Utah children lived in poverty. Without these programs, that number would increase. Poverty is the main cause of food insecurity and hunger. Without these programs for support, rates of poverty, food insecurity and hunger in Utah would increase.

Food insecurity and poverty influences child health, growth and development. The effects of food insecurity on adults in households with children can adversely impact those children in a variety of ways, including decrease of parents' energy for providing care and developmental stimulation. Parental depression is associated with food insecurity and such depression has been linked with adverse impacts on parenting, parent-child interaction and attachment, child growth, development, health and well-being. The incidence of these would be expected to increase.

Increased Household Food Expenses

Without the feeding programs, family expenses would increase. In Utah, 37% of our population already spends more than 30% of their income on housing. With the budget for food increasing due to the lack of feeding programs, it is likely that more of our population would fall into poverty. When access to nutritious meals was terminated, parents would need to provide meals for their children or sponsors would need to come up with other methods of providing the meals. Children from low income households would face the biggest obstacles to healthy food choices and are at greatest risk for malnutrition. If parents were to supply the meals, the types of food provided would consist of low quality, low cost foods. Elderly low income and impaired adults who received program meals would need to obtain food from other places, such as food banks.

Increased Malnutrition

Children's health would deteriorate. Iron deficiency and iron deficiency anemia are the most prevalent nutritional deficiencies in the U.S. Iron deficiency in early life has been linked to persistent deficits in cognition, attention and behavior even after treatment. The prevalence of anemia among children under five years of age is 14%. This would increase. In the U.S., children hospitalized with primary diagnoses of nutritional deficiencies had an average cost of approximately \$16,000 per child. Just one of those diagnoses alone, protein-calorie malnutrition, cost Medicaid approximately 1.25 million. Food insecurity weakens the immune system and food insecure children are more vulnerable to infections, and end up hospitalized with illnesses that their food secure peers fight off successfully.

More frequent doctor's visits, and increases in other medical expenses present a heavy cost burden to families already strapped for financial resources. Many food insecure households cannot afford health insurance, meaning that the burden of their medical costs shifts onto state and federal taxpayers. The time cost associated with caring for an ill child means missed days of work for parents, presenting cost to employers and employees alike. In the worst circumstances, chronic illnesses in children from lower-income families may cause a parent to lose a job if the job does not allow for any or enough sick days.

Poor Academic Performance

Child hunger is an educational problem. Children who enter school without proper nourishment and support are at an early disadvantage and struggle to keep up with their more advantaged peers. One study found that kindergartners from food insecure homes not only entered school with lower math scores, but also learned less over the course of the school year.

Learning deficits in the earliest years of education have a cumulative effect as children continue through elementary school and beyond. Middle and secondary school year progress depends on students mastering basic skills and building on their knowledge over time. Food insecure children learn at a slower rate than their peers, and coupled with their initial delay, fall further and further behind as they

progress through the system.

Poor nutrition interferes with cognitive function and performance in the areas of language, concentration and attention and is associated with lower academic achievement. It is likely that if this meals program were not provided, children would attend class while hungry and would suffer performance deficits. Academic performance of the children would suffer.

Increased Obesity

Malnutrition has two faces in the United States: the under-consumption of nutrients needed to survive and over-consumption of foods that can lead to conditions such as overweight, high cholesterol and high blood pressure. Obesity rates would increase. Households with children are the group most likely to be food insecure. Children whose families are food insecure are more likely to be at risk of overweight (more than 85% of weight for age) or obesity. In Utah, 24.4% of the population is obese. Without feeding programs to provide nutritious meals, the consumption of low cost, low nutrition foods would increase. With the increased consumption of low cost, low nutrition foods, obesity rates would increase.

Adults who earn less than \$15,000 a year have an obesity rate of 33%. Nearly 33% of adults who did not graduate high school are obese. These rates would increase. Obesity is associated with increased rates of type 2 diabetes, coronary heart disease, stroke, hypertension, arthritis and obesity-related cancers. These problems of middle-age and older adults are being found at younger ages. Obese children display increases in blood pressure. Overweight adolescents have more Medicaid claims for diabetes, asthma and respiratory problems than normal weight adolescents. The total estimated medical cost in the U.S. for obesity related disease management among 6-17 year olds reached \$127 million in 2003 and continues to rise along with the prevalence of overweight and obesity within this age group. If obesity rates increase, for every 100,000 citizens, it is estimated that 8,658 citizens would have type 2 diabetes, 16,730 would have coronary heart disease or stroke, 17,790 would have hypertension, 12,504 would have arthritis and 2,468 would have obesity related cancers. The costs of disease due to obesity are very high and could be expected to increase.

Increase in Emotional and Cognitive Development Problems

Obesity has a substantial negative impact on the emotional and cognitive well-being of young children. Overweight and obese children are often stigmatized by their peers, and stigmatization can profoundly influence their psychological and social development. Overweight children become overweight adolescents. Poor body image can become a major focus during teen years, and leads to poor self-esteem, emotional health problems and issues with social adjustment. Obese girls are nearly twice as likely to have attempted suicide. Obese adolescents were more likely to perceive themselves as below average students, and boys were twice as likely to expect to quit school.

Productivity Decreases

Economic productivity would decrease. When obesity rates increase, productivity decreases. Obese women trying to transition from welfare to work were less likely to find employment and had lower monthly earnings than similar non-obese women. There was a 9% difference of wages. A one point increase in Body Mass Index (BMI) over time was associated with a \$1,000 decrease in net worth on average, holding other factors such as income constant. The major reason cited for this association was that overweight and obese adults tended to leave school earlier than their peers. Disease and simple inability to perform daily functions increases. If current obesity rates continue, estimates show the loss of economic productivity would be between \$390 billion and \$580 billion annually in the U.S. These costs would increase.

Increased School Dropout Rate

Utah's rate of dropouts is about 11% of the population. Children living in low income households perform poorly in academics. Hunger is one of the factors, poor nutrition is another, and other factors are family instability and neighborhood dynamics. One of the reasons many children cite for dropping out is that the family needed more income and they intended to work rather than attend school. Unfortunately, the jobs available to those without a high school degree are often low paying positions.

Increased need for Special Educational Services

Children from food insecure households are more likely to be judged to need special educational services. Children who are not only food insecure but also hungry are twice as likely as those who are not hungry to be receiving special education services and twice as likely to have repeated a grade. Special educational services cost an extra \$5,918 per pupil (SY 99-00). The cost of educating a special needs child is nearly double the annual expenditures for a child without special needs.

Decreased Lifetime Earnings

Lifetime earning capacity is determined largely by educational attainment. When human capital deficits (e.g., health problems) interfere with cognitive development, achievement of school readiness, learning or academic achievement, they can impact educational attainment and reduce one's earning capacity. Reduced earning capacity, in turn, reduces that person's lifetime earnings, and their economic contribution to the social and economic systems. These deficits can also have an impact on society and future generations, as suggested by the term "cycle of poverty," in which one generation's poverty present barriers to the next generation's achievement of its potential.

Loss of Community Capacity for Emergencies

Communities would lose gathering places in case of emergency. Without equipment or surplus food which can be used in case of a federally declared disaster, communities would need to find alternate sources of inexpensive food and the facilities to prepare the food.

Loss of Agricultural Price Security

Without agricultural crop support, prices would vary widely, dependent upon how well or how poorly crops and livestock did in a given year. The foods would not be available to reduce sponsor costs and the foods could cost more (or less) dependent upon how the crop fared that year. Ranchers and farmers would be paid less for their crops in good years and more for their crops in bad years.

Estimated Program or System Savings from Section Functions:**Low Meal Costs**

State agency staff pays sponsors for meals which meet the program requirements and for administrative expenses associated with running the meal programs. The program saved public schools, private non-profit schools, residential child care centers, camps, child care centers and day care homes and homeless shelters direct funding of \$ 161,681,576 for meals served during state FY 2011 and surplus food valued at \$15,911,796 for a total of \$177,593,372. These funds reduced the costs of serving meals to participants, paid for staff salaries, kitchen facilities, equipment and all direct expenses for food preparation. In addition, indirect expenses could also be charged to the program to the extent to which they could be attributed to program functions.

Efficient Operations

The program guides and training given by state staff allow the meals to be offered at the lowest possible cost to the sponsor. Participants in the programs receive state developed on-line training, access to program guides and manuals, and training in the use of those guides and manuals. The training assures

contracts obtain the lowest price possible for food, services and equipment, preparation methods are efficient. Program recipes assure food is not wasted and guides assure the needed quantity (and not more) is purchased and prepared.

Nutritious Meals

Oversight by state agency staff assures USDA program requirements are followed. Program rules, regulations and guidance describe the content of meals which are provided under these programs. The content is based on the Institute of Medicine and Dietary Guidelines for Americans. Participants receive 1/3 to 1/2 of their daily needs, depending upon which meals they eat. Participants receive adequate nutrition to support their health, and studies show participants have better attention, attendance and cognitive functions. They're ready to learn the materials presented in the classroom.

Food Security

State health department rules describe food safety requirements. USDA rules require sponsors to have Hazard Analysis Critical Control Point plans (HACCP). State staff oversight and monitoring assures program rules are followed.

The purpose of these programs is to alleviate problems of food insecurity. When nutritious meals are regularly available to program participants, it benefits the individual, their household, the school they attend and the community at large. Efficient administration assures this program works to prevent hunger in children, low income and impaired adults.

Estimated Program or System Cost Avoidance from Section Functions:

With competent state staff administration, the programs continue to be operated in the State of Utah.

With efficient state staff administration of the program, public and private non-profit schools, residential child care centers, day care centers, day care homes, adult day care centers and camps have lower operational expenses because they are reimbursed for meals and because they have the use surplus food to make healthy meals for their participants. Sponsors receive a total of \$161,681,576 in program funds and food which they would have to find alternate funding for or cease program operations (the amount does not include the value of surplus food). Since the cost of program meals is estimated between \$2-5 (depending upon the meal being replaced), the costs of offering meals would increase. For example, if only the lunches served in the National School Lunch Program (57,932,923 meals) are multiplied by \$3.00, it represents a figure of \$173,798,769 for which sponsors would have to seek funds elsewhere. Meals from Breakfast, Fresh Fruit & Vegetable Program, After School Snacks, Child and Adult Care, the Summer Program, and the Special Milk Program would also need be paid for with other funding. Other types of meals (breakfast, a.m. snack, child care and family day care lunches, fresh fruit & vegetable snacks, afternoon snacks, suppers, p.m. snacks, special milk) would need additional funds.

With trained staff and the instruction in the operation of efficient program operation to assist in controlling program costs and providing for nutritious meals on a uniform basis, school and center costs are lower.

Federal funds are used to provide meals for children in Residential Child Care Centers rather than state funds.

School costs for no-cost or low-cost meals are paid with federal funds. Without the programs, other funding sources would need to be found.

Food banks receive administrative funding and a significant quantity of surplus food warehoused and delivered by this department. Without the program, alternative administration funding and a source of food distribution would need to be located.

With the programs, the costs of malnutrition, hunger, and food insecurity are decreased.

Estimated Alternative Costs if the Section Functions or Programs were not performed:

The USDA has no provisions for a non-state agency to administer the programs. These programs would not exist if they were not sponsored by a state agency in Utah.

Surplus Foods

There are no alternative programs to provide food for low income children in schools, day care centers, day-care homes or for meals during the summer. There are no alternative methods of distributing federally purchased foods to schools or to the Utah Food Bank.

Meal Costs

Costs of providing low or no-cost meals to children without the payments provided by this program would be cost prohibitive. Schools could have meals catered or continue to provide the meals at full cost to students. The amount spent on food by families would increase.

Nutrition

Schools and child care facilities would no longer have requirements for nutritious meals, nor would they have the money, meaning the quality of meals provided would deteriorate. Inexpensive meals would consist of low cost food with little nutritious content. Fruits and vegetables would not be provided.

Rates of malnutrition would increase. Rates of obesity and chronic disease, including diabetes, heart disease and cancer, would increase. Chronic disease rates are already higher in low income counties in Utah. Those rates would increase. Malnutrition in children results in stunted growth, and mental and physical disabilities.

Without nutritional support, low income children's academic performance would decline. Drop-out rates would increase. In Utah, 5-11% of students drop out of school. Students who do not complete their high school education are very costly to the State. Estimates show they earn \$7,536 less each year than students who complete high school.

Health

The life expectancy and health of low income individuals is less than that of middle and high income Americans. Low income Americans are more likely to use prescription and non-prescription medications, have higher rates of tobacco use and higher rates of obesity. For white females without a high school diploma, they average a lifespan is five years shorter and for white males it was three years shorter when compared to those with a diploma. The cost of a year of quality life is estimated at \$50,000 per individual. Although overall, Utah has very long life expectancy, there is great disparity in our state dependent upon the living conditions of the individual.

Obesity is an important factor in preventable death in the United States. The highest rates of obesity occur among population groups with the highest poverty rates. Most of the participants in the federal feeding programs are low income. In Utah, adolescents (grades 9-12), 10.5% were overweight and 6.4% were obese. Childhood overweight/obesity leads to adult overweight/obesity. In Utah, 56.9% of adults

were overweight and 22.5% of adults were obese. Children who are obese at age six are 50% more likely to be obese as adults. Among overweight children, ages 10-15, 80% were obese at age 25. Children who are obese are more than twice as likely to die before the age of 55. Around 70% of obese youths have at least one additional factor for cardiovascular disease. Obesity shortens people's lives by three to 12 years when compared to normal weight peers. An obese person's yearly medical expense is estimated to be \$4,871 when compared to \$3,442 for a patient at a healthy weight.

Of children who are diagnosed with diabetes, 85% are obese. In 2002, the medical costs of diabetes per person were estimated to be \$13,243 per person (versus \$2,560 per person for those without diabetes).

Heart disease and cancer rates are higher in people who are overweight and obese. The antioxidants present in fruits and vegetables are protective. Diets which are of poor quality lack potassium, calcium, vitamins A, C, and D. Overweight and obese children often show signs of blood vessel damage, which is a precursor to heart disease. The cost of ongoing care for one person with heart disease is 4.8 million over a lifetime (this figure includes diagnostic tests, surgery, hospital and doctor visits, physical therapy, drugs, and ongoing care). Adequate nutrition lowers the rates of preventable disease in all age groups. The incidence and prevalence of preventable diseases in Utah would increase without programs to assure access to nutritious meals, especially for the low-income population.

Food Safety

Food poisoning rates would increase. Currently, CDC estimates that each year roughly 1 in 6 Americans (or 48 million people) gets sick, 128,000 are hospitalized, and 3,000 die of foodborne diseases.

Equipment & Community Functions

Schools are the center of some small town activities. The school kitchen is often used for community functions and serves as an emergency shelter in times of need. Without program support to purchase equipment for the kitchens, the community would lack the capability to prepare food

Summary of Costs and Benefits:

Without these programs, sponsors would lose \$177,593,372 in cash and the value of food. Over 2,204 jobs would be lost. Schools, residential child care institutions, camps, child care centers, day care homes, summer programs and the Utah food bank costs would be far higher if they had to self-fund the programs. Without funding, many programs would simply cease to exist. Children, low income senior citizens and adults with special needs would likely go hungry. Food insecurity would increase, child academic progress would suffer and a host of problems associated with poor health, hunger and poverty in Utah would increase. The State costs to administer this program are only \$774,745.

One in seven Utah households struggles with hunger. The programs administered by the staff of this department provide funds for sponsors to offer low-cost and no-cost meals to Utah's children, senior citizens and adults with special needs to protect them from experiencing hunger. Sponsor management and training by twenty-two State office staff assures the programs operate in a cost-efficient manner, following the applicable federal rules, regulations, guidance and policy and benefiting from the program aids and training. Through this program, public and private non-profit schools, residential child care centers, child care centers, day care homes, camps, food banks and homeless shelters received \$177,593,372 in cash and the value of food for meals offered in their programs. The payment for meals, food provided and the oversight and training for efficient administration of the program help to assure Utah's children, low income seniors and adults with special needs are well-fed, healthy and ready to learn. The State office staff administers, trains, oversees and makes payments to the sponsors at a cost of \$774,745. The USDA has no provision for a non-state agency to administer the programs; if state

funding was not available, the program would not exist and federal funds would not be available.

Totals	
Costs	\$ 774,745. (State costs only; no Federal flow through)
Benefits	\$ 177,593,372.
Benefit/Cost Ratio	229/1