

COVID-19

ESTIMATED FINANCIAL EFFECT on Sponsors Operating the National School Lunch Program in Florida

July 21, 2020

for School Year 2019-2020



Average days
schools were closed:

55



Estimated decrease in meals
served (March-May):

87.9

million meals

a 61.2% decrease from 2019



Estimated loss in meal
reimbursements to sponsors:

\$199.1

million



Estimated loss
of sales revenues:

\$62.7

million



Total estimated revenue loss
from meal reimbursements and
sales combined:

\$261.9

million



Total estimated loss to the
districts' fund balances:

\$159

million

Sponsors of the National School Lunch Program are reimbursed for each breakfast, lunch and snack served that meet federal nutrition guidelines and meal components. The price per meal reimbursed ranges based on a child's eligibility status (free, reduced or paid). Reimbursements range from \$0.31 to \$2.20 for each eligible breakfast served, \$0.32 to \$3.50 for each lunch served and \$0.08 to \$0.94 for each snack served. The National School Lunch Program in Florida in SY19-20 had over 400 sponsors with more than 4,000 sites serving meals every day to students.

STUDENT ENROLLMENT - FLORIDA

Florida has a high percentage of students who qualify for free or reduced-price meals in the National School Lunch Program (approximately 71%).

Meal Service Type	Total State Enrollment (SY 19-20)	Free and Reduced-Price Meal Enrollment (SY 19-20)	% of Free and Reduced-Price Meal Enrollment (SY 19-20)
Breakfast	2,900,626	2,064,439	71%
Lunch	2,918,280	2,073,674	71%
Snack	2,125,138	2,091,308	98%



Reimbursement to Sponsors

MARCH-MAY, 2019 AND 2020 COMPARISON

Statewide, sponsors saw a loss of over \$199 million in claims compared to the same time frame last year (March-May).

School Type	March - May 2019 Sum of Total Amt Plus Additional	March - May 2020 Sum of Total Amt Plus Additional	Difference
Public School Districts and Lab Schools	\$332,169,551	\$155,456,330	(\$176,713,221)
Charter and Private Non-Profit Schools	\$28,254,663	\$5,779,002	(\$22,475,661)
GRAND TOTAL	\$360,424,214	\$161,235,332	(\$199,188,882)



Total Estimated Loss in Revenue

The following table estimates what sponsors lost in meal claims by comparing what they received in meal reimbursement in 2019 to 2020 during the same time period. It also includes how much they are estimated to have lost in sales revenue by taking their total sales for SY 18-19, dividing by 180 for a daily sales figure and multiplying by 55 for the number of days closed.

These are estimations, as there is no way to know how many meals would have been served or how many sales would have been made had schools remained open.

	Loss in Claims Reimbursement	Loss in Sales	Total Loss in Revenue
Public School Districts	(\$176,586,726)	(\$58,929,380)	(\$235,516,106)
Charter, Lab and Private Schools	(\$22,602,156)	(\$3,869,006)	(\$26,471,162)
TOTAL	(\$199,188,882)	(\$62,798,386)	(\$261,987,268)



Estimated Impact to District Fund Balance

Districts generally carry positive cash balances in their non-profit food service account to cover up to three months of operating expenses. Through self-reported data, we are able to estimate the total non-profit food service account balance as of June 1, 2020. The total estimated loss to the districts' fund balances is \$159 million.

Fund Balance (Feb)	Claims (March-May)	Expenditures (March-May)	Total Fund Balance (June)	Change in Fund Balance (Feb to June)
\$384,706,291	\$155,350,342	\$309,303,996	\$225,304,203	(\$159,402,087)



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Florida Department of Agriculture and Consumer Services