

April 14, 1970

Mrs. Willard W. Rindlaub
1156 Kensington Road
West Englewood,
New Jersey 07666

Dear Mrs. Rindlaub:

Thank you for your letter of March seventeenth requesting additional information about the operation of the National School Lunch Program.

The answer to your first question is that all State Agencies not only match, but far exceed, the government's requirements for State matching requirements for funds. The enclosed table, SL-3-69, compiled by USDA lists the matching amount required (column 2) compared to the estimated total income from sources within States (column 3). However, if you view columns 4, 5, and 6 of the enclosed table you will note that the vast majority of these funds represent children's lunch payments. Inclusion of such income is permissible under the National School Lunch Act and program regulations. In keeping with the President's philosophy of greater State involvement and responsibility, the Congress is presently considering legislation which, among other things, provides for the first time that State revenues (other than revenues derived from the program) be appropriated or utilized specifically for program purposes. The amount of State revenues that must be appropriated or utilized for program purposes is, under this legislation, set forth as a percentage of the matching requirement beginning at 4 percent of the matching requirement in fiscal year 1972 and increasing to 10 percent over a period of eight years.

There are in the Federal regulations for the National School Lunch Program (copy enclosed) detailed responsibilities of both State Agencies and the U.S. Department of Agriculture concerning program supervision and administration. Section 210.17 covers the responsibility of the State Agencies to provide

the U. S. Department of Agriculture the opportunity to conduct full scale administrative analyses and audits; Section 210.14 of the regulations covers the State Agency responsibility to conduct administrative reviews of at least one-third of its participating schools each school year.

In addition to program regulations, various policy instructions are issued concerning program administration. The enclosed FNS(CN) Instruction 782-3, Revision 2, has recently been issued to strengthen and expand the enforcement and monitoring of the requirement of participating schools to provide free and reduced price lunches and other meals according to their official policy statements. This Instruction is much more comprehensive and definitive as to the requirements of the Federal, State, and local authorities in this area of program administration than were earlier instructions in existence when additional Section 32 funds were first made available for the provision of additional free and reduced price meals for needy children. Indications that these funds are being used more effectively this fiscal year are reflected in the greatly increased number of free and reduced price meals being served this school year over last. U. S. Department of Agriculture figures indicate that at present about 21 percent of all lunches served are served free or at a reduced price, compared to about 15 percent last school year.

The above described administrative and audit surveillance (including program audits by the independent Office of the Inspector General and the General Accounting Office) over the years has not revealed any diversion of program funds to non-program purposes. When we assess the use of program funds we must keep in mind the Congressional intent as spelled out in the enabling legislation, that all public and nonprofit private schools of high school grade and under and all attending children (from affluent, middle income and poor families) are eligible for program benefits. What is desperately needed now is a conscientious outreach effort by local school officials and school patrons to deliver program benefits to needy children by installing food delivery systems in the "have not" schools and to search out the needy students in participating schools and insure their participation in the programs. Articles such as you are preparing for the National Council of Women Bulletin could be an effective means of promoting this objective.

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We do not have at present any projection as to the degree of activity by food service management companies in the program nor the probable sites of their operations. However, there are several instances where school officials procure "off-site" meals or partial meals from caterers. This, however, has never been prohibited by program regulations. Buffalo, New York, is a good example, and the Banquet Foods Company merchandises a full line of frozen partial meals to school lunch programs on a national basis.

Thank you for your interest and be assured that we will continue our efforts to keep organized groups and concerned individuals informed about these national programs.

Sincerely,

John R. Price
Executive Secretary
Council for Urban Affairs

JRP: cm

Enclosures
cc: central files