

REPORT: COVID-19 Increases School Meal Budget Deficits in California

Schools Face **Increased Costs, Lower Revenues**

When schools physically closed in March 2020, school nutrition professionals rose to the challenge of feeding millions of students in a time of massive economic crisis. However, providing emergency school meals has increased costs and complicated logistics at a time when revenue has dropped—causing budget deficits that could amount to **over half a billion dollars**. A vast majority of surveyed school food service directors warn that without additional funding, they will be forced to use school districts' general funds, setting off a cascade of deficits.



The Center for Ecoliteracy and the School Nutrition Association surveyed more than **140 school districts** across California in the fall of 2020. Findings from these surveys show that budget deficits for school nutrition programs are worsening:

THE FACTS

	2019–2020 School Year (Last Year)	2020–2021 School Year (This Year)
School districts reporting or projecting a net loss	64%	84%
School districts with a net loss that have enough in reserve to cover the loss	54%	18%
Estimated statewide deficit	-\$355 million	-\$558 million

Note: Current relief funding will not cover these deficits. The \$192 million of state relief funding expires in August 2020, doing little to cover the deficits in the 2020–21 school year. Federal funding relief is restricted to March–June 2020, with no funding currently available for the 2020–21 school year.

IN THEIR OWN WORDS: Food Service Directors Speak to the Importance of Additional Relief Funding

Supporting Communities, Preventing Hunger



“If our budget collapses, so will our department. Our community is very low income and relies on school meals! If our department is cut, the quality of school meals will suffer and so will the children who rely on them.”

Protecting School Budgets



“If funding has to be diverted from the General Fund to Food Services — jobs, student enrichment programs, and other community services supported by the General Fund will be lost.”

Keeping Frontline Staff Employed



“Additional funding to make us whole would mean no layoffs next year for the school nutrition employees who stayed through this entire crisis and worked with the public. Please take care of them.”

REFERENCES

Results about the percentage of school districts reporting net losses and whether their reserves would be enough to cover these losses are California specific data extracted from the [School Nutrition Association’s larger nationwide survey](#).

Key findings on estimated statewide budget deficits are from [the Center for Ecoliteracy’s survey from December 2020](#).