



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE DEPUTY SUPERINTENDENT OF STRATEGY AND ADMINISTRATION

December 29, 2025

The Honorable Ronald D. Kouchi, President
and Members of the Senate
415 South Beretania Street
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of Representatives
415 South Beretania Street
State Capitol, Room 431
Honolulu, Hawaii 96813

Re: Hawaii State Department of Education Annual Report on Meal Cost

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, a copy of the Meal Cost report is being transmitted, pursuant to Senate Concurrent Resolution 134, Session Laws of Hawaii 2025. In accordance with Section 93-16, Hawaii Revised Statutes, the report may also be viewed electronically at: <https://hawaiipublicschools.org/data-reports/legislative-reports/>

Should you have any questions, please contact Ken Kakesako, Director of the Policy, Innovation, Planning and Evaluation Branch, Office of Strategy, Innovation and Performance, via email at ken.kakesako@k12.hi.us or by phone at (808) 282-3430.

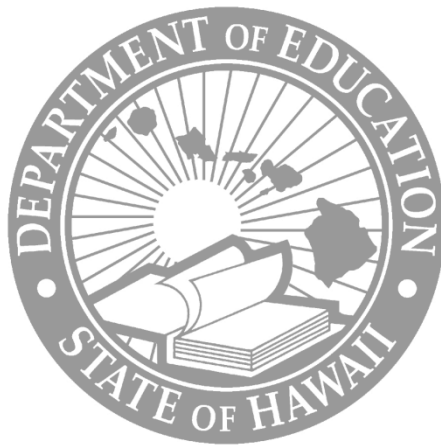
Sincerely,

A handwritten signature in black ink, appearing to read "T. Chun", is written over a horizontal line.

Tammi Oyadomari-Chun
Deputy Superintendent of Strategy and Administration

TOC:sk

c: Legislative Reference Bureau
Hawaii State Public Library System
University of Hawaii
Hawaii State Board of Education
Deputy Superintendent of Operations



State of Hawai'i
Department of Education

Report on Meal Cost

December 2025

Senate Concurrent Resolution No. 134 (2025) requires the Hawai'i State Department of Education to report on its cost of producing school meals.

Hawai'i State Department of Education Meal Cost Report

Introduction

The Hawai'i State Department of Education (Department) is committed to ensuring all students in Hawai'i have access to nutritious, affordable meals that support their learning and overall well-being. This report responds to the Legislature's request for a detailed cost breakdown of school meals and data on the number of meals served, based on Senate Concurrent Resolution No. 134. The intent is to provide transparency regarding the true cost of producing meals and to inform decision-making on pricing, funding, and policy to best serve Hawai'i's students and families.

The Department currently participates in federally funded programs, including the National School Lunch Program and School Breakfast Program, which reimburse schools for qualifying meals. However, the actual cost of producing meals exceeds both the reimbursement rates and the amounts charged to families. This report presents the current and projected costs of producing meals, outlines the factors contributing to those costs, and details the number and type of meals served.

Current Meal Prices

| | |
|-------------------------------|--------|
| Breakfast PreK-12 | \$1.10 |
| Student second breakfast meal | \$3.50 |
| Adult breakfast | \$3.50 |
| Lunch PreK-8 | \$2.50 |
| Lunch 9-12 | \$2.75 |
| Entree | \$2.25 |
| Student second lunch meal | \$7.50 |
| Adult Lunch | \$7.50 |

Cost Breakdown of Producing School Meals

| | 2024-25 Actual | 2025-26 Projected | 2026-27 Projected |
|--|-------------------|----------------------|----------------------|
| All Ingredients (Food)* | \$70,104,160 | \$69,654,648 | \$73,137,380 |
| Local Ingredients (Included in total above) | \$5,029,704 | \$10,835,167 | \$14,627,476 |
| Operational Costs (Labor) | \$75,740,496 | \$72,733,122 | \$76,369,778 |
| Beverage Costs (Milk only) | \$7,259,011 | \$7,739,405 | \$8,126,376 |
| Materials and Supply Costs | \$13,097,796 | \$10,587,851 | \$11,117,243 |
| Logistical & Distribution Costs | \$194,539 | \$167,612 | \$167,612 |

*Expenditures for juice and water are included in "All Ingredients (Food)" costs, since reporting systems do not allow for disaggregation.

The delivery charges from all our food vendors are incorporated into the total invoices and are thus included in the food cost instead of in the Logistical & Distribution Costs. The Logistical & Distribution Costs represent costs related to equipment since the equipment companies bill separately.

Number of Student Meals Provided

| | 2024-25 | 2025-26 | 2026-27 |
|--|---------------|---------------|---------------|
| Full Priced Meals | \$7,057,968 | \$7,128,548 | \$7,271,119 |
| Reduced Price Meals | \$1,272,188 | \$1,297,632 | \$1,310,608 |
| Free Meals | \$11,070,029 | \$11,180,729 | \$11,292,537 |
| Total Meals subject to federal reimbursement | \$19,400,185 | \$19,606,909 | \$19,874,264 |
| Total student meals not subject to federal reimbursement (2nd meals) | 58,307 | 58,890 | 59,479 |
| Total Student Meals | 19,458,492 | 19,665,799 | 19,933,743 |
| Other Meals (not subject to federal reimbursement. i.e. adult, vended meals) | 1,160,108 | 1,171,709 | 1,183,426 |
| Total Cost of All Student Meals | \$166,396,002 | \$160,874,656 | \$168,918,389 |

Other meals are not included in the Total Student Meals numbers. Since these meals are made with the same ingredients and menus as student meals, their costs are part of DOE's total food service expenses.

Current Revenue per Lunch Meal 2025-26

| | Federal Reimbursement | Cash Sales | Total Revenue per Meal |
|-----------------|-----------------------|------------|------------------------|
| Free | \$6.09 | \$0.00 | \$6.09 |
| Reduced Price | \$5.69 | \$0.00 | \$5.69 |
| Paid Elementary | \$0.68 | \$2.50 | \$3.18 |
| Paid Secondary | \$0.68 | \$2.75 | \$3.43 |

Current Revenue per Breakfast Meal 2025-26

| | Federal Reimbursement | Cash Sales | Total Revenue per Meal |
|---------------|-----------------------|------------|------------------------|
| Free | \$3.18 | \$0.00 | \$3.18 |
| Reduced Price | \$2.88 | \$0.00 | \$2.88 |
| Paid | \$0.51 | \$1.10 | \$1.61 |

Findings and Recommendations

The Department's analysis indicates that the cost of producing school meals significantly exceeds both meal charges and federal reimbursement levels. The Department also analyzes differences in the cost of food between islands due to differences in vendors, items, distributors and transport. Rising food, labor, and logistical costs contribute to this gap. While incremental price increases have been proposed to meet statutory requirements, these increases would create financial burdens for Hawai'i's working families.

To address this challenge, the Department recommends:

1. Enhanced state support: Consideration of additional appropriations to offset the true costs of meal production.

2. Expansion of federal program utilization: Maximizing federal reimbursements by increasing participation in programs such as the Community Eligibility Provision.
3. Local procurement strategies: Expanding the procurement of locally sourced foods through detailed communication of usage forecasts to farmers, ranchers, and food processors, in coordination with distributors, across six islands, to strengthen Hawai'i's agricultural economy and reduce reliance on imported goods.
4. Improved reporting systems: Establishing standardized menus, itemized cost tracking, and transparent reporting to ensure accountability and inform future policy decisions.
5. Consolidated food production: Moving towards regional kitchens that feature innovative recipes emphasizing local ingredients, will allow the state to leverage economies of scale.

Conclusion

Providing nutritious school meals is essential for student success and for addressing food insecurity across Hawai'i. While the Department faces significant financial challenges in meeting rising costs, this report demonstrates a commitment to transparency and collaboration with the Legislature. By working together, we can ensure Hawai'i's keiki continue to have equitable access to healthy meals that support their learning, health, and future.