



STATE OF HAWAI'I
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAI'I 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, Hawai'i 96813

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

Re: Hawai'i 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 Hawai'i 2025. In accordance with Section 93-16, Hawai'i 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.

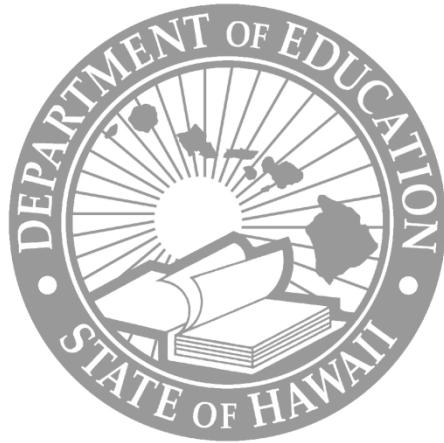
Sincerely,

A handwritten signature in black ink, appearing to read "T. Oyadomari-Chun".

Tammi Oyadomari-Chun
Deputy Superintendent of Strategy and Administration

TOC:sk

c: Legislative Reference Bureau
Hawai'i State Public Library System
University of Hawai'i
Hawai'i 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 Secondary	\$0.68 \$0.68	\$3.18 \$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.