

State and Federal Funds Available for School Breakfast

School districts operating the School Breakfast Program receive a federal reimbursement for every breakfast served. The amount of federal reimbursement provided for each breakfast depends on the household income of the student who is eating.¹ School districts also receive a state reimbursement for breakfasts served to low-income students.²

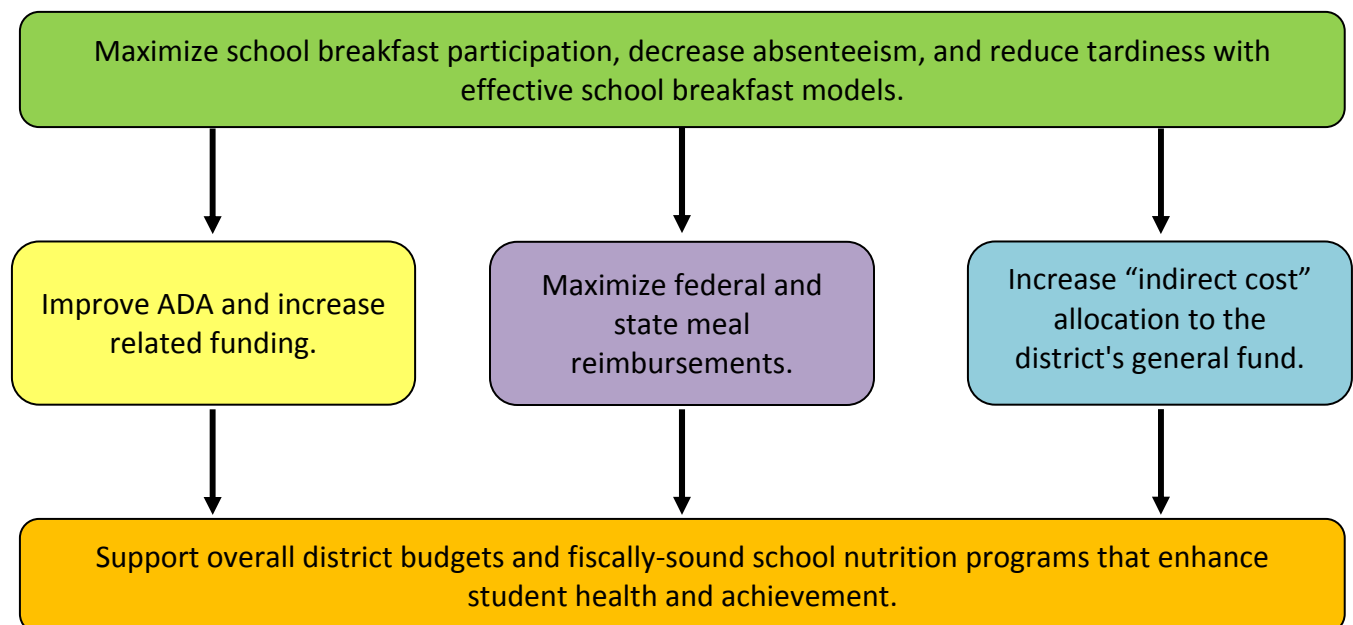
If school breakfast participation equaled school lunch participation among low-income students, California's public school districts would have received an additional \$300 million in federal meal reimbursements during the 2008-09 school year.³

Effective School Breakfast Programs Increase District Revenue

Effective school breakfast programs are known to decrease absenteeism and tardiness,^{4,7} which improves average daily attendance (ADA) and consequently increases ADA-related funding.

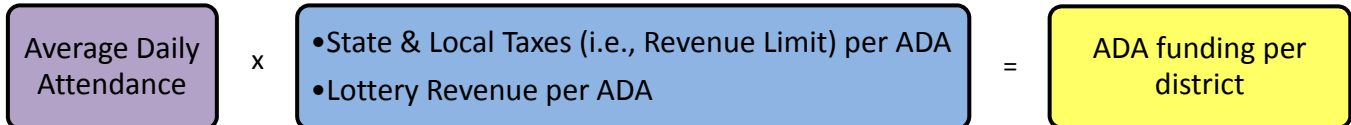
Additionally, increasing school breakfast participation increases the number of per-meal reimbursements a district receives. With additional per-meal reimbursements a district can:

- Eliminate or mitigate encroachment on the general fund if nutrition programs previously operated at a loss.
- Increase the allocation made to the general fund by the nutrition services department for indirect costs.
- Increase its ability to procure, store, prepare, and serve nutritious foods that may otherwise be cost-prohibitive, such as additional servings of fresh produce.



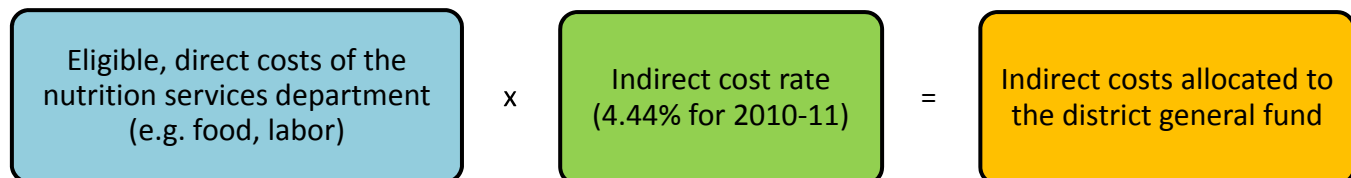
School Breakfast and ADA Funding

The amount of general purpose funding a district receives from state and local taxes is calculated using the district's average daily attendance (ADA).^{8,9} ADA is also used in calculating state lottery funding¹⁰ for each district. School districts operating effective school breakfast programs that decrease absenteeism and tardiness can increase ADA-related funding.

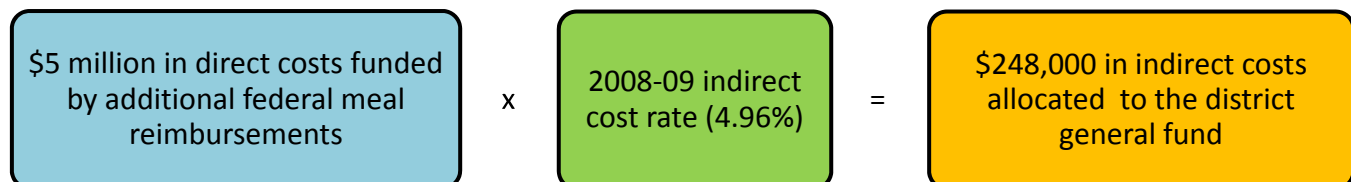


School Breakfast and Indirect Costs

A nutrition services department contributes to its district's general fund through allocations for indirect costs. Indirect costs include district-wide administrative expenses such as payroll and personnel services.¹¹ Indirect costs are calculated as a percentage (the indirect cost rate) of total direct expenditures for a given department.¹² As determined by the California Department of Education, the 2010-11 indirect cost rate for nutrition services departments is 4.44%.^{13,a}



During the 2008-09 school year, one anonymous school district in California would have received an additional \$5 million in federal meal reimbursements if school breakfast participation equaled school lunch participation among the district's low-income students. Assuming that all of these additional reimbursements would have funded direct costs, such as labor and food, the nutrition services department would have contributed \$248,000 in indirect costs to the district's general fund.



^a In 2010-11, any given school district will use the 4.44% indirect cost rate or a CDE-approved rate based on the district's fiscal data, if the latter rate is less than the former.

Economies of Scale

Increasing school breakfast participation can decrease the per-meal costs for a school district. Some school districts can increase participation while keeping certain direct costs, such as labor and equipment, relatively stable.^{14, 15} This increases the per-meal profit margin and helps ensure fiscally-secure school nutrition programs. For districts in which participation grows so significantly that additional direct costs are incurred, increased revenue from federal and state meal reimbursements would help cover the increased expenditures.

Increasing School Breakfast Participation

The majority of schools that offer breakfast only do so at one time and place – in the cafeteria before the school day begins. But school breakfast works best if served when and where students are able and willing to eat. The Classroom Breakfast, Second Chance Breakfast, and Grab n’ Go Breakfast service models are known to increase school breakfast participation.

Classroom Breakfast (CB) often increases school breakfast participation to nearly 100 percent. With this model, breakfast is served, eaten, and cleared during the first 10-15 minutes of class while teachers conduct administrative activities or begin the day’s lessons. CB helps ensure that all students start the school day well nourished and ready to learn.

With the Second Chance Breakfast (2CB) model, a school breakfast is offered during morning recess or snack/brunch break. 2CB is effective for serving students who, due to family schedules or transportation issues, are not able to eat in the morning before school begins. 2CB is also effective for students who are not hungry first thing in the morning, but do get hungry before lunch. 2CB helps bring the health and academic benefits of breakfast to all students.



Have Questions?

- For more information about school breakfast and the BreakfastFirst Campaign, please:
 - Visit www.BreakfastFirst.org
 - Contact Tia Shimada (tia@cfpa.net or 510.433.1122 ext 109), Ellen Braff-Guajardo (ellen@cfpa.net or 510.301.0824), or Nicola Edwards (nicola@cfpa.net or 213.482.8200)

References

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- 2) California Department of Education, *Child Nutrition Program meal program reimbursement rates* <http://www.cde.ca.gov/ls/nu/rs/>.
- 3) California Food Policy Advocates analysis of 2008-09 SY data provided by the California Department of Education. Available at: <http://www.breakfastfirst.org/districtdata/index.shtml>
- 4) Murphy, J. M., & Pagano, M. (2001). *Effects of a universally free, in-classroom school breakfast program, final report from the third year of the Maryland Meals for Achievement Evaluation* (p 7). Boston, MA: Massachusetts General Hospital.
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