

December 16, 2016

TO: Division Superintendents

FROM: Steven R. Staples, Superintendent of Public Instruction

SUBJECT: School Breakfast Program – Fiscal Year 2017 State Funding Incentive Payment for Increased Student Participation in 2015-2016

The General Assembly appropriated funds for state fiscal year 2017 (FY17) for the incentive program for improved student participation in school breakfast programs. This incentive funding is available to any school division that increased per student breakfast participation in school year (SY) 2015-2016 above the baseline established in school year 2003-2004 (base year). Each school division's baseline is unique to its base year breakfast participation.

Due to the significant increase in school breakfast program participation in 2015-2016, the current appropriation for this program is lower than the school division entitlements under the program formula. Additional funding must be appropriated to fully fund the FY17 entitlement amounts. School divisions will be notified later in the fiscal year if additional funding is made available to fully fund the actual division entitlements for FY17.

The level of funding is \$0.22 for each meal served above the base year number of meals served per student for each division. For FY17, actual student participation from school year 2015-2016 was compared to the base year to determine the level of funds earned. The attached spreadsheet (Attachment A) shows total incentive funding earned for each school division for FY17, as well as the proportionally reduced level of funding that equals the amount of funding currently appropriated for FY17.

The reduced level of funding equaling the current appropriation will be paid via electronic data interchange (EDI) on a semi-monthly recurring basis beginning on January 31, 2017. If additional funding becomes available later in the fiscal year, recurring payments will be adjusted in May or June 2017 to reflect the full FY17 funding earned by divisions. The payments will appear on the EDI notice as State School Breakfast Incentive Funds – revenue source code 240347.

These funds must be credited to the school nutrition program account and may not be used for any other purpose. The school nutrition program financial reports submitted to the Department of Education will be monitored to determine compliance with this provision.

Attachment B to this memorandum is a certification statement that is required to be signed and returned to the Department of Education no later than January 20, 2017. Signing and submitting this statement completes the documentation required to receive funds for this program. Any school division that does not complete the certification form and does not reflect the deposit of such funds to the school nutrition program account in their annual financial report submitted to the Department in July 2017, will be required to either return the funds directly to the Department or the funds will be recovered through a deduction from a future payment for Basic Aid. This certification statement should be submitted to:

Office of School Nutrition Programs Virginia Department of Education P.O. Box 2120 Richmond, VA 23218-2120

Please direct questions regarding the school breakfast program to Sandy Curwood, PhD, RDN, Director of School Nutrition Programs, at (804) 371-2339 or by email at sandra.curwood@doe.virginia.gov. Questions regarding the school breakfast incentive funding formula should be directed to the budget office staff at (804) 225-2025.

SRS/SCC/cc

Attachments:

- A. FY17 State Breakfast Incentive Funding Calculations and Payments (PDF)
- B. FY17 State Breakfast Incentive Funding Certification Statement (Word)