



Estimated Funding Requirements Following Updated Nutrition Standards

Increased Costs at Breakfast

Given the 2025-2030 Dietary Guidelines for Americans' (DGAs) emphasis on protein with every meal, USDA's proposed rule to update school nutrition standards may require an increase in protein offered at breakfast. Under the current School Breakfast Program (SBP) meal pattern, schools must offer three food components: fruits, grains, and protein-rich milk. There is no required meat/meat alternate component at breakfast, although schools may choose to offer items such as eggs, yogurt, cheese, nut butters, or breakfast meats. Many schools serve these proteins as an option 2-3 days per week, while serving grain-only breakfasts the remaining days to offset the significantly higher cost of protein menu options. Grain-only breakfasts include whole grain and nutrient dense menu items such as cereals, muffins, granola bars, pancakes, or biscuits. These meals must also meet limits on calories, sodium, and added sugar.

If USDA were to require a dedicated protein component at breakfast—or require schools to replace a grain serving with a meat/meat alternate component—the cost of producing breakfast would increase. For school districts serving hundreds of thousands of breakfasts annually, even replacing a grain item with a single protein serving could add hundreds of thousands of dollars in annual operating costs.

Concerns: What Members are Saying

Support for protein with funding concerns	"We already serve protein-rich breakfast options and support giving students more opportunities to choose them. Our concern is that if a daily meat/meat alternate requirement is added, the federal reimbursement rate does not reflect the additional food costs that would come with serving those items every day." "Adding a required meat/meat alternate at breakfast may sound simple, but protein foods generally cost more than grain-based items. Without additional funding, school meal programs would be expected to absorb those costs within budgets that are already stretched." "Many districts have successfully incorporated eggs, yogurt, cheese, and other protein items into breakfast menus when it makes sense. The challenge is turning those options into a daily mandate without a corresponding increase in reimbursement to cover the higher cost of the meal."
Food, labor, and operational costs	"We can serve more protein at breakfast, but it comes with real costs. Eggs, yogurt, cheese, and other protein foods typically cost more than grain items, and they also require more handling, cold storage, packaging, and staff time. Those expenses add up quickly and are not covered under current federal funding levels."

Alternative service model feasibility	"Breakfast participation depends on service models like grab-and-go, breakfast in the classroom, and kiosk service. Adding a daily protein requirement would make those models more difficult to operate because protein items often require additional handling, packaging, refrigeration, and food safety controls."
Student acceptance and participation	"I'm concerned that we could end up spending significantly more on breakfast without seeing a corresponding increase in participation. If students don't choose the new protein items, districts will be left with higher costs but no additional revenue to offset them." "Just because a protein item meets a nutrition standard doesn't mean students will eat it. If a required meat/meat alternate component doesn't align with student preferences, we could see more food ending up in the trash and higher levels of waste in an already tight budget environment."
Menu planning and crediting flexibility	"One of the most important principles in school meals is flexibility. Many protein foods that could help meet a breakfast meat/meat alternate requirement are also significant sources of sodium, and it can be difficult to fit those items into menus while staying within existing nutrition standards." "We already serve a number of breakfast items that contain protein, but crediting combination foods is not always straightforward. Adding another required component could increase administrative complexity and make menu planning more challenging for districts that are already balancing multiple nutrition requirements."

BREAKFAST COST COMPARISON

Cost of a Current School Breakfast vs.
Breakfast with a Required Protein Component

CURRENT GRAIN-BASED BREAKFAST

2-Grain Muffin Meal



2-Grain Muffin



Pears (½ cup)



Apple Juice (½ cup)



1% Milk

COST COMPONENT	COST
Food Cost	\$2.02
Labor	\$0.68
TOTAL MEAL COST	\$2.70

+\$0.50

Additional Cost
Per Breakfast
Served

19%

increase over
the grain-based
breakfast
example

BREAKFAST WITH PROTEIN

Breakfast Sandwich Meal



Egg, Cheese &
Whole Grain
English Muffin



Pears (½ cup)



Apple Juice (½ cup)



1% Milk

COST COMPONENT	COST
Food Cost	\$2.10
Labor	\$1.10
TOTAL MEAL COST	\$3.20

WHY COSTS INCREASE



HIGHER FOOD COSTS

Protein entrées
cost more than
grain-based options.



MORE LABOR

Additional
preparation and
assembly time.



STORAGE & REFRIGERATION

Protein foods often
require cold storage
and handling.



FOOD SAFETY REQUIREMENTS

Additional monitoring
and handling
procedures.

National Cost Estimate

The breakfast cost estimates illustrate one component of the financial impact schools may face if USDA updates meal pattern requirements. School meal reimbursement rates are indexed annually to the Food Away From Home Consumer Price Index, but that index does not capture the unique cost structure of school nutrition programs which operate under federal meal pattern requirements, Buy American procurement rules, specialized K-12 product markets, and reimbursement rules that pay schools only after a reimbursable meal is served. These cost pressures will intensify if schools are expected to reduce reliance on ultra-processed foods, increase scratch or speed-scratch preparation, purchase more fresh and local products, and add more protein at breakfast.

The national estimate illustrated here is based on:

- Approximately 4.8 billion lunches served annually
- Approximately 2.6 billion breakfasts served annually
- An estimated additional \$0.50 per breakfast to support a required protein component, based on the cost comparison on the previous page
- An estimated reimbursement increase of \$0.45 per lunch and \$0.28 per breakfast to reflect the current cost of serving meals that meet existing federal standards

Covering current costs. The \$0.45 lunch and \$0.28 breakfast figures reflect the gap between current federal reimbursement rates and the actual cost of producing a reimbursable meal, informed by member-reported operational data. A majority of school nutrition directors report that current reimbursement does not cover the cost of producing a lunch, with costs driven by food, labor, equipment, procurement, staffing, and compliance with federal nutrition standards. Bringing reimbursement in line with the cost to serve a reimbursable meal represents approximately \$2.16 billion annually for lunch and \$728 million annually for breakfast, or \$2.89 billion combined, before any new requirements take effect.

Adding a breakfast protein requirement. A required protein component would add new costs on top of that baseline. As shown in the comparison on the previous page, serving a protein-based breakfast in place of a grain-based breakfast adds approximately \$0.50 per meal in food, labor, storage, and food safety costs — an estimated \$1.3 billion annually across the School Breakfast Program. Added to the \$728 million needed to bring breakfast reimbursement in line with current costs, total breakfast funding needs under the anticipated requirement reach approximately \$2 billion annually, or \$0.78 per breakfast served.

Cost Estimate (Based on one year)

Scenario	Meals Served Annually	Per-Meal Increase	Estimated Annual Cost
Lunch reimbursement increase	4.8 billion lunches	\$0.45	\$2.16 billion
Breakfast reimbursement increase	2.6 billion breakfasts	\$0.28	\$728 million
Subtotal: lunch + breakfast			\$2.89 billion
Additional breakfast protein support	2.6 billion breakfasts	Additional \$0.50	Additional \$1.30 billion
Total with breakfast protein requirement		Lunch \$0.45 + Breakfast \$0.78	\$4.19 billion