

Commissioner's Memo
7/23/2020

Reimbursement Rates for Child Nutrition Programs 2020-2021 School Year; Non-Reimbursable Meal Prices

Memo Information

Memo Number	CNU-21-002
Memo Date	7/23/2020
Memo Type	Regulatory
Unit	Child Nutrition
Regulatory Authority	7 CFR 210.4, 210.6, 220.6 Healthy Hunger-Free Kids Act of 2010
Response Required	NO
Attention	Superintendents; Principals; General Business Managers; Child Nutrition Directors/Managers

Primary Contact Information

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Memo Text

ATTENTION: SUPERINTENDENTS, PRINCIPALS, CHILD NUTRITION DIRECTORS, GENERAL BUSINESS MANAGERS, CO-OP DIRECTORS

Reimbursement rates for the National School Lunch Program (NSLP), School Breakfast Program (SBP), and Afterschool Snack program for the 2020-2021 school year are as follows:

	Regular Breakfast	*Severe Need Breakfast	Regular Lunch	*Safety Net Lunch	Afterschool Snacks
Free	\$1.89	\$2.26	\$3.51	\$3.53	\$0.96
Reduced	\$1.59	\$1.96	\$3.11	\$3.13	\$0.48
Paid	\$0.32	\$0.32	\$0.33	\$0.35	\$0.08

*Special Reimbursement Rates

Severe Need Breakfast

Severe need breakfast rates are approved on a by school basis. Districts must apply each year to receive the severe need breakfast rate. Any school in the district that served forty percent (40%) or more lunches during the 2018-2019 school year (second preceding year) at the free or reduced rate receive an additional thirty-seven cents (\$.37) reimbursement on all free and reduced priced breakfast served during the 2020-2021 school year.

The severe need application process is complete for the 2020-2021 school year. Districts who qualify for severe need for the 2020-2021 school year are notified via email.

Safety Net Lunch

School districts that served sixty percent (60%) or more of the total lunches to students eligible for free or reduced price meals in the 2018-2019 school year (second preceding year) are designated as "Safety Net" districts and will receive two cents (\$.02) additional reimbursement for each reimbursable lunch served. A list of districts approved for Safety Net reimbursement is attached.

Performance Based Reimbursement (PBR)

The PBR is an automatic payment for those districts that have completed the meal certification process. The PBR rate is \$.07 per lunch meal served for the 2020-2021 school year. The additional PBR will be included in each monthly claim.

Afterschool Snack Area Eligible

An afterschool snack program site is Area Eligible if it is located at a school where fifty percent (50%) of enrolled students are eligible for free or reduced price meals. Area eligible sites will claim all afterschool snacks served at the free rate. Schools that do not qualify for area eligibility must claim students based on their free, reduced, or paid eligibility status.

Value of United States Department of Agriculture (USDA) Donated Foods

The national average minimum value of USDA donated foods, or cash in lieu thereof, per lunch under the NSLP shall be 24.50 cents for the period July 1, 2020, through June 30, 2021.

Non-Reimbursable Meal Prices (Adult, Contract, & Second Meals)

It is recommend that school districts adjust non-reimbursable meal prices charged for participation in the NSLP or SBP by the amount of increased free reimbursement plus the USDA donated food rate for the 2020-2021 school year.

All non-reimbursable meals must be priced to cover the entire cost to produce the meal which includes food, labor, and other operating costs. Pricing of non-reimbursable meals is monitored during the Administrative Review process.

See the example for lunch prices below:

1. The current Free Reimbursement Rate (\$3.51 or \$3.53) +
2. The Performance Based Reimbursement (\$.07) +
3. The USDA donated food rate for school lunch (\$0.2450)

$$\$3.53 + \$.07 + \$.2450 = \$3.845 \text{ rounded up to } \$3.85 \text{ per meal}$$

The price for a non-reimbursable breakfast should be at least the amount of the free reimbursement rate. The free reimbursement rate for 2020-2021 is \$1.89 for regular and \$2.26 for severe need breakfast.

If you have any questions, please contact your Area Specialist at 501-324-9502.

Attachments

- [2020-2021_Safety_Net_School_District_090218.pdf](#)