

Commissioner's Memo  
8/4/2021

## Child Nutrition Emergency Operating Costs Reimbursement

### Memo Information

Memo Number **FIN-22-008**

Memo Date 8/4/2021

Memo Type Regulatory

Unit Fiscal & Administrative Services

Regulatory Authority Section 722 of PL 116-260 the Consolidated Appropriations Act, 2021; SP 06-201 Child Nutrition Program Emergency Operating Costs During COVID-19: Implementation Guidance for State Agencies

Response Required NO

Attention Superintendents; Assistant Superintendent; General Business Managers; Bookkeepers; Child Nutrition Directors/Managers

### Primary Contact Information

Name Sheila Chastain

Phone Number 501-324-9502

Email [sheila.chastain@ade.arkansas.gov](mailto:sheila.chastain@ade.arkansas.gov)

### Secondary Contact/s Information

Name Bianca Porter

Phone Number 501-683-1287

Email [bianca.porter@ade.arkansas.gov](mailto:bianca.porter@ade.arkansas.gov)

OR

Name Amy Thomas

Phone Number 501-682-3636

Email [amy.thomas@ade.arkansas.gov](mailto:amy.thomas@ade.arkansas.gov)

### Memo Text

Section 722 of the Consolidated Appropriations Act, 2021 offers additional funds to State Agencies administering the National School Lunch Program (NSLP) and School Breakfast Program (SBP) to provide local operators of those programs with additional reimbursements for emergency operating costs they incurred during the public health emergency.

Local operators administering the school meal program shall receive these funds for estimated shortfalls incurred during the months of March – June 2020. The amount of funding provided to each program operator was determined by a statutory formula established under the Act. This program is being implemented with all program operators statewide having equal access.

REIMBURSEMENT CALCULATION:

Each district's allocation is calculated by comparing meal reimbursement amounts for March – June 2020 and March – June 2019 and applying the following formula:

$$(\text{March 2019 reimbursement} - \text{March 2020 reimbursement}) \times 0.55 = \text{RESULT} / 2$$

$$(\text{April 2019 reimbursement} - \text{April 2020 reimbursement}) \times 0.55$$

$$(\text{May 2019 reimbursement} - \text{May 2020 reimbursement}) \times 0.55$$

$$+ \underline{(\text{June 2019 reimbursement} - \text{June 2020 reimbursement}) \times 0.55}$$

LEA total payment

\*\*If the result of any individual monthly sub-result is negative, then there is no additional reimbursement payment for that month.

DISTRICTS RECEIVING FUNDS:

A complete list of district allocations is posted to the Arkansas Department of Education, Division of Elementary and Secondary Education website at:

<https://dese.ade.arkansas.gov/Offices/fiscal-and-administrative-services/school-funding/allocations>

CODING/TRACKING/REPORTING OF FUNDS:

These funds should be receipted into fund 8056 using revenue code 45556. Expenditures should be recorded directly to this account. Allowable expenses for these funds includes allowable items in regular food service accounts including food, labor, supplies, and equipment necessary for the operation of the child nutrition program. No transfers out of this fund are allowed. Also, districts should not use itself as a vendor to pay out of this fund to any of its other accounts (i.e. regular food service, general operating, etc.)

PERIOD OF AVAILABILITY OF FUNDS:

These funds are subject to a very short timeframe and should be expended as quickly as possible. All funds are being disbursed upfront and must be liquidated by January 31, 2022. Any funds remaining as of that date must be returned as expired to DESE.

DESE staff recognizes the challenges districts will encounter while meeting this condensed timeline. Some suggestions for rapid depletion of funds include, but are not limited to:

- Distribute food service payroll to SOF 8056 for an approximate number of pay periods that will use the funding.
- Purchase non-perishable supplies for the food service department at any and all schools in the district.
- Purchase any needed equipment replaces/upgrades that will benefit the food service department into the future.