



State of Arizona
Department of Education

Tom Horne
Superintendent of
Public Instruction

April 25, 2005
CN #

TO: Food Service Directors of Public School Districts
Business Managers of Public School Districts

FROM: Mary Szafranski
Deputy Associate Superintendent
Health and Nutrition Services

SUBJECT: State Match Reporting Requirement

Health and Nutrition Services would like to provide clarification on the State Match Reporting requirement. In previous school year's, this office has provided each district with the amount of their state match requirement. We will no longer provide this amount; however the districts should budget and expend M&O and Capital Outlay funds for the purpose of state match reporting to the USDA.

To determine the districts state match amount, calculate 30% of the total number of lunches served in the previous school year then multiplied by the Paid Lunch reimbursement rate. For SY2005 the paid reimbursement rate was either .21 or .23 depending on the districts eligibility for the low or high rate.

The amount that the district budgets should be reported on Page 2 of the budget under the heading of Expenditures Budgeted in M&O for Food Service. **The amount expended will be verified by ADE on the Food Services Page of the Annual Financial Report which is submitted in October.**

If you have additional questions regarding the State Match requirement, please contact Carol Foxhoven at (602) 542-8724.