



Arizona Department of Education

Health and Nutrition Services Division

HNS# 31-2020

MEMORANDUM

To: Local Educational Agencies Operating the National School Lunch Program

From: Melissa Conner, Associate Superintendent
Arizona Department of Education, Health and Nutrition Services Division

Original Signed

Date June 18, 2020

Subject: One-Time Flexibility for SY 2020-2021 State Match Reporting Requirements for Districts and Charter Schools

The purpose of this memorandum is to notify all School Food Authorities (SFAs) operating the National School Lunch Program (NSLP) about the one-time flexibility available for School Year (SY) 2020-2021 only, regarding the State match reporting requirement. In order to meet the State match reporting requirement as listed in CFR Title 7, §210.17(a), districts budget and expend Maintenance & Operations(M&O) and Capital Outlay funds, which is reported on the Food Service Annual Financial Report (FSAFR). Charter schools' budget and expend State Equalization Assistance funds for the purpose of State match requirements and reporting to the USDA. This amount is reported in Section E of the FSAFR (State Equalization Assistance Expended for Food Service).

The amount of State match funding required for each district and charter is equal to 30% of the total number of lunches served in the previous school year, multiplied by the paid lunch reimbursement rate for that year. For SY 2020, the paid lunch reimbursement rate was either \$0.32 or \$0.34 depending on the School Food Authorities eligibility for the low or high rate of reimbursement per meal, plus the additional \$0.07 received by districts and charter schools who have obtained menu certification, if applicable.

Since the COVID-19 pandemic and unexpected school closures caused many districts and charter schools to transition to emergency feeding through the Summer Food Service Program (SFSP) in March of 2020, many districts' and charter schools' total lunches for the SY 2019-2020 NSLP were less than those served in SY 2018-2019. Due to this unique situation, School Nutrition Programs is providing a flexibility for calculating the State match requirement which will be budgeted and expended from either M&O and Capital Outlay funds for districts, or State Equalization Assistance funds for charter schools in SY 2020-2021. Districts and charter schools may use either the total number of NSLP lunches served in SY 2018-2019 or SY 2019-2020,

Page 1 of 2

Kathy Hoffman, Superintendent of Public Instruction

1535 West Jefferson Street • Phoenix Arizona 85007 • (602) 542-5460 • www.azed.gov

whichever is higher, multiplied by their SY 2019-2020 paid lunch reimbursement rate. 30% of this number will be the amount of State match funding to be allocated for SY 2020-2021. This flexibility is only for budgeting State match for SY 2020-2021 and will revert to the original formula in future years. The intent of the flexibility in calculating State match is to ensure available funding in SY 2020-2021 is not unnecessarily impacted by the COVID-19 pandemic and unexpected school closures which occurred in SY 2019-2020.

Please contact your SNP or the Business & Operations Specialist, Andrea Coffman, via email at andrea.coffman@azed.gov with questions concerning this guidance. Your assigned SNP Specialist can be found at the top of the Sponsor application in CNPWeb. You may also send an email to ADESchoolNutrition@azed.gov or call 602-542-8700, option 2.

This institution is an equal opportunity provider.