



Arizona Department of Education
Health & Nutrition Services Division

HNS # 16-2021

MEMORANDUM

To: Local Educational Agencies

From: Melissa Conner, Associate Superintendent

Date: June 17, 2021

Subject: P-EBT Local Level Administrative Cost Grant Awards (Rescinds HNS #12-2021)

Original Signed

The Arizona Department of Education (ADE) has received guidance on additional flexibilities related to the Local Level Pandemic Electronic Benefit Transfer (P-EBT) Administrative Cost Grant award payments. This memorandum rescinds memorandum HNS #12-2021 issued by ADE on May 13, 2021. The United States Department of Agriculture (USDA) has approved a simplified method of disbursing payment of local level P-EBT administrative funds.

In response to feedback regarding the potential administrative complexities with identifying, gathering, and reporting local costs, USDA has developed optional strategies intended to simplify the administration of this grant. The new flexibility allows ADE to provide a fixed amount of administrative funding to support local level activities associated with P-EBT using a streamlined payment amount in lieu of collecting itemized cost information from each Local Educational Agency (LEA).

ADE will use the following payment scale provided by USDA to calculate and disburse payments for all LEAs. Payment amounts are based on the number of eligible children served by the LEA, as indicated by student eligibility reported to the Arizona Department of Economic Security as of May 13, 2021.

Number of P-EBT Eligible Children in LEA	Streamlined Funding Amount per LEA
Less than 1,000	\$614
1,001 – 5,000	\$3,063
5,001 – 1,000,000+	\$5,814

The new methodology does not preclude ADE from issuing additional payments to LEAs that experienced costs higher than the amounts established by USDA. Any LEA that experienced actual costs in excess of the set payment amount in the table above may submit a request for additional payment. The request for additional payment must be supported by documentation of actual P-EBT related costs which include limited salaries of personnel, supplies, support services (including contracts for staffing or system-related work which shows clear allocation to the FY 2021 P-EBT program), or other expenses associated with the FY 2021 P-EBT program.

Other more specific examples outlined below are not meant to be exhaustive, rather they are intended to reflect possible costs local entities may incur to administer the FY 2021 P-EBT program:

- Staff time for reporting student-level eligibility or schools' learning models to ADE.
- Designated staff to respond to parent requests and questions about eligibility and student schedules.
- Collecting and processing school meal applications specifically to establish eligibility for P-EBT.

Unallowable costs are those expenses that:

- 1) are not necessary or reasonable for the administration of the FY 2021 P-EBT program; and
- 2) expenses already reimbursed under another Federal award.

If the LEA's P-EBT administrative expenditures exceed the eligible amount listed in the table and can be supported with documentation of those additional expenses, ADE will reimburse the amount in excess if the LEA submits a survey request and supporting documentation by July 15, 2021. To request additional funds, complete the survey titled [Additional Reimbursement for Local Level Pandemic Electronic Benefit Transfer \(P-EBT\) Administrative Cost Grant](#). A Program Specialist may contact you for additional information prior to approving the additional funding.

Please contact the P-EBT hotline at (602) 542-8700, option 4, for questions regarding P-EBT.

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