

MEMORANDUM

TO: Vermont School Food Authorities and CACFP Sponsors
FROM: Rosie Krueger, State Director of Child Nutrition Programs
SUBJECT: Child Nutrition (CN) COVID-19 Emergency Operations Funding
DATE: July 20, 2021

Purpose

The Child Nutrition (CN) COVID-19 Emergency Operations Funding provides reimbursement to child nutrition program operators whose revenues declined or were temporarily interrupted during the early months of the pandemic due to COVID-19 related restrictions and closures. The reimbursement is intended to help address shortfalls and ensure program operators are in the best position to resume and continue serving their communities. These payments will cover the months of March 2020 – June 2020 and be determined by a statutory formula established by USDA. Reimbursement is available for all eligible program operators and no formal application process will be required to receive these funds.

This memo provides information on funds that will be available for eligible School Food Authorities and CACFP sponsors. A separate memo will be provided for eligible Day Care Home operators in the CACFP.

Eligibility Requirements

- Eligible recipients are current participating CACFP operators and School Food Authorities (SFAs) who whose revenues declined or were temporarily interrupted in all or some of the reimbursement months (March 2020 – June 2020) and had valid child nutrition program claims during March 2019 – June 2019 and have since resumed operations.
- Also eligible are newer program operators who had valid child nutrition claims during January 2020 and February 2020 and whose revenues declined or were temporarily interrupted in all or some of the reimbursement months (March 2020 – June 2020) and have since resumed operations.
- Child nutrition program operators who did not file claims during September 2020-December 2020 and have not yet resumed child nutrition program operations due to COVID-19 may still be eligible to receive these funds if the Program submits an assurance statement to the AOE attesting that they will resume claiming for any month that falls within 90 days of the end of the public health emergency, as declared by the



United States Department of Health and Human Services. Assurance statements may be submitted through this [attestation form](#). Program operators who plan to resume program operations after the public health emergency has ended will need to complete and submit this form to the AOE. If the Program does not submit a claim within 90 days of the end of the public health emergency, these funds must be returned to the AOE as these funds may only be used for the operation of child nutrition programs.

Payment (or Reimbursement) Calculations

The AOE has calculated the payment amounts due to each program operator. These amounts are shown on the linked [allocation table](#). Not all operators are eligible. Operators not listed on the attached tables are not eligible.

The value of the payment provided to each eligible recipient for the reimbursement months of March 2020, April 2020, May 2020, and June 2020 is calculated based on the total amount of reimbursements earned by recipients for meals served during the same reference months in 2019 (i.e., when calculating April 2020 payments, the reference month is April 2019). The total amount of applicable reimbursements or administrative funds earned during the reimbursement month in 2020 is first subtracted from the total reimbursements or administrative funds earned during the reference month. The difference between these two figures is multiplied by a factor of .55 (55 percent) to arrive at that month's payment amount. If the result of the program operator's payment calculation is a negative number, the payment available for that month is zero. When calculating payments for the month of March 2020 only, the result of the formulas described above are divided by two in order to determine the final payment amount. If program operators were a new program in 2020, therefore, not operating a child nutrition program in 2019, the payment calculation will utilize an alternative reference period. The reimbursement is based on the average amount for reimbursements earned by the new program operator in January 2020 and February 2020.

Accepting and Declining of Funds

If eligible program operators do not wish to receive funds, the organization must submit in writing to the AOE that they decline the funding by August 1, 2021. This can be done by completing the [Intent to Decline form](#) electronically. In addition, any sponsor that does not sign their grant agreement by September 15, 2021 will be assumed to decline their payment.

Note, if your organization has already received other federal funds (i.e. PPP loans) to assist with losses of revenue due to program closure, acceptance of these funds for the losses may bring the program out of compliance with regulations on those other federal funds. Please review restrictions on other federal funds you have received before accepting these funds.

Receipt of these funds requires entering into a grant agreement with the Agency. The Agency will send these grant agreements electronically in OneSpan (eSignature) to the Superintendent or Head of the organization between July 19 and July 30. The agreement will need to be signed electronically by the sponsor and by AOE. The funds due to eligible program operators will be automatically paid out within two weeks of execution of a grant agreement.

Child Nutrition Program staff will review use of these funds during Child Nutrition Program Administrative Reviews to ensure funding is used solely for the operation of the nonprofit foodservice. Funds provided to School Food Authorities must be deposited in the Nonprofit Food Service account and be used in accordance with normal program requirements.