



Georgia Dept of Early Care and Learning

BRIGHT FROM THE START

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CACFP Emergency Operating Costs During COVID-19: March 2021 Update

WHAT PROGRAM OPERATORS NEED TO KNOW

On January 26, 2021, USDA Food and Nutrition Services (FNS) notified State agencies that due to recently passed law, it was offering additional funds to State agencies administering the National School Lunch Program (NSLP), School Breakfast Program (SBP), and the Child and Adult Care Food Program (CACFP) to provide local operators with additional reimbursement for emergency operating costs they incurred during the public health emergency. These funds, also known as ‘emergency operating costs reimbursement,’ will be provided by way of two temporary reimbursement programs, the *School Programs Emergency Operational Costs Reimbursement Program* and the *Child and Adult Care Food Program Emergency Operational Costs Reimbursement Program*. Because GA DECAL neither implements NSLP nor SBP, this document will only address emergency operating costs through the CACFP.

To participate in the *Child and Adult Care Food Program Emergency Operational Costs Reimbursement Program*, State agencies must opt-in by submitting an application and implementation plan to FNS. **GA DECAL submitted its application, and it was approved by FNS.** Implementation plans must be submitted by May 10, 2021.

AM I ELIGIBLE TO RECEIVE EMERGENCY OPERATING COSTS REIMBURSEMENT?

CACFP Emergency Operational Costs Reimbursement Program eligibility is limited to institutions, day care homes and unaffiliated centers that filed valid CACFP claims for any of the months of **September – December 2020** or have provided assurance to the administering State agency that they will file a claim within the first 90 days after the end of the public health emergency. Any institution meeting the statutory definition for “institution” specified in Section 17(a)(2) of the National School Lunch Act and 7 CFR 226.2, in addition to day care homes and unaffiliated centers, may be eligible to receive payments. Institution means a sponsoring organization, childcare center, at-risk afterschool care center, outside-school hours care center, emergency shelter, or adult day care center which enters into an agreement with the State agency to assume final administrative and financial responsibility for Program operations.

HOW WILL MY REIMBURSEMENT BE CALCULATED?

The payment calculations for centers and homes will be based on CACFP meal reimbursements. The payment calculations for sponsoring organizations of *day care homes* will be based on the amount of

administrative payments paid to the sponsor. As indicated below, sponsoring organizations of unaffiliated centers may retain up to 15 percent of the reimbursements paid to its sponsored sites to cover administrative expenses, subject to an agreement between the sponsor and the unaffiliated center.

Payments to eligible recipients may be made for each of the following months that a claim was filed - **March, April, May, and June 2020**. The amount of funding will be determined by multiplying the difference between the claiming month's reimbursement for meals and snacks from March – June 2019 and the claiming month's reimbursement from 2020 by 55 percent. When calculating the payment amount for March 2020 only, after conducting the calculation as described in the previous sentence, the resulting amount is then divided by two.

HOW WILL PAYMENTS BE MADE TO SPONSORED CACFP FACILITIES?

The procedures for calculating and making payments will vary by the *type* of facility:

Affiliated centers – DECAL will calculate the reimbursement for sponsored facilities on behalf of their sponsoring organizations. Payments will be provided directly to sponsoring organizations for distribution to their facilities.

Unaffiliated centers - DECAL will calculate the reimbursement for sponsored facilities on behalf of their sponsoring organizations. The sponsoring organization may retain up to 15 percent of the reimbursement to cover administrative expenses, subject to an agreement between the sponsoring organization and the unaffiliated center.

Daycare homes - DECAL will calculate the reimbursement for day care homes on behalf of their sponsoring organizations and payments will be made directly to the sponsoring organization for distribution to the sponsored daycare homes.

WHAT IF I DID NOT OPERATE IN 2019?

Institutions not yet operating during the reference period March – June 2019 are considered “new” institutions. Reimbursement will be calculated by determining the average total reimbursement amount received in January 2020 and February 2020 and will include further calculation similar to the guidance outlined in the previous question above.

HOW WILL MY REIMBURSEMENT BE DISTRIBUTED?

Program operators do not need to apply to either DECAL or FNS to receive a payment. Payments will be approved and processed by DECAL in the same manner as a traditional monthly claim. Additionally, DECAL will calculate reimbursement for sponsored facilities on behalf of their sponsoring organizations. The sponsoring organizations will in turn, distribute the funds to their facilities. While there is no set date yet, USDA recommends that state agencies start disbursing funds by June 30, 2021.

For additional information on CACFP Emergency Operating Costs, please visit:

- [SP 06-2021, CACFP 05-2021 Child Nutrition Program Emergency Operating Costs During COVID-19: Implementation Guidance for State Agencies](#)
- [Q&A for Program Reimbursement for Emergency Operational Costs for Child Nutrition Programs during the COVID-19 Pandemic](#)
- [2021-02-7 CACFP Emergency Operational Cost Formula Calculations](#)

- [SP 09-2021, CACFP 07-2021 Child Nutrition Emergency Operational Costs Reimbursement Programs: State Agency Implementation Plan Template and Q&A Guidance](#)
- [Q&A #2 – Child Nutrition Emergency Operational Costs Reimbursement Programs \(Appendix A\)](#)

Additional detailed information is forthcoming.