

Child Nutrition

Emergency Operational Cost Reimbursement Program

Background:

Section 722 of the Consolidated Appropriations Act, 2021 provides additional funds to State agencies that administer the National School Lunch Program (NSLP), School Breakfast Program (SBP), and the Child and Adult Care Food Program (CACFP). USDA will provide these funds to TDA through two temporary reimbursement programs:

- School Programs Emergency Operational Cost Reimbursement Program
- Child and Adult Care Food Program (CACFP) Emergency Operational Costs Reimbursement Program

Purpose:

Using a statutory formula, the emergency operational costs are designed to provide additional reimbursements for eligible school food authorities (SFAs) and CACFP operators whose revenues declined or were interrupted during the early months of the COVID-19 public health emergency. During this time, many program operators experienced significant loss in revenue and in many cases were forced to expend their savings, draw funds from other sources, and cut or suspend operations. This federal relief is intended to help address such shortfall.



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

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Food and Nutrition Division
 COVID-19

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Calculating Payments – The Statutory Formula

Financial relief is provided based on loss of revenue due to the COVID-19 public health emergency. It allows eligible operators to receive:

- 55% of the difference between reimbursements from the months of April, May, and June 2020, and the same months in 2019 (or Alternative Period for “new” CEs), and
- For March 2020 calculations, the payment is half of 55% of the difference between March 2020 and March 2019 (or Alternative Period for “new” CEs).



Terminology

- **Reimbursement Period:** March, April, May and/or June 2020
- **Reference Period:** March, April, May and/or June 2019
- **Alternative Period:** January and February 2020
- **“New” Program Operator:** A CE that was not yet operating during the reference period (March – June 2019) for any given month.
- **“All Other” Program Operators:** CEs operating at any time during the reference period.

Key Dates

February 25, 2021	May 10, 2021	June 30, 2021	September 30, 2021	January 31, 2022
TDA’s initial application to USDA is due – TDA submitted the plan February 2.	TDA’s implementation plan due to USDA.	USDA recommended date to begin disbursement of funds to CEs.	All funds must be obligated to program operators.	All funds must be distributed by this date.

Please refer to www.SquareMeals.org/coronavirus for the latest information.



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