

# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

**Additional Guidance Under Development – Check dates for the latest version**

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). The following information and FAQs are based on current USDA guidance, which is subject to change. Updates since the previous posting are highlighted. Click on an individual topic or question in the Table of Contents to navigate the document.

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## Emergency Operational Cost Reimbursement Program

### Background and Purpose

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

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.

### Calculating Payments

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 anytime during the reference period.

**Affiliated Site:** A center legally affiliated with the sponsoring organization or a location where the food service program itself and all associated activities, including meal preparation and distribution, are operated and managed solely by the sponsoring organization’s staff.



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## Emergency Operational Cost Reimbursement Program

**Unaffiliated Site:** A center or site at which meals are prepared, distributed, and accounted for by staff at the center/site under the oversight of a legally distinct sponsoring organization. **NOTE:** Sponsors of unaffiliated sites that do not pass funds through to sites under normal CACFP operation, but instead bear all financial responsibility at the sponsor level, will be treated as a sponsor of affiliated sites for the purpose of the EOC program.

### School Programs Payment Calculation Examples<sup>1</sup>

School program reimbursements are for meals and supplements (snacks) provided through the NSLP, SBP, SSO and/or SFSP. SFAs that operate CACFP, such as the At-risk program, may be eligible for additional reimbursement under the *CACFP Emergency Operational Cost Reimbursement Program*. Note: Additional reimbursements under this program for SFSP meals are only available to SFAs that operated SFSP. TDA will calculate the emergency operational cost reimbursements for SFAs and disburse any funds due directly to the eligible SFA.

#### SFA Overview: “New” and “All Other”

“New” SFAs		“All Other” SFAs	
<b>April 2020 payment = ((Average of January and February 2020 <a href="#">reimbursement amounts</a>) – April 2020 reimbursement amount) x .55</b>		<b>April 2020 payment = (April 2019 <a href="#">reimbursement amount</a> – April 2020 reimbursement amount) x .55</b>	
<b>January 2020 reimbursements = \$10,000:</b> <ul style="list-style-type: none"> <li>NSLP = \$6,000</li> <li>SBP = \$4,000</li> <li>SFSP = \$0</li> </ul>	<b>Average of January + February reimbursements = \$11,000</b>  <b>April 2020 payment</b> = \$11,000 - \$6,000 = \$5,000 x .55 = <b>\$2,750 payment</b>	<b>April 2019 reimbursements = \$10,000</b> <ul style="list-style-type: none"> <li>NSLP = \$6,000</li> <li>SBP = \$4,000</li> <li>SFSP = \$0</li> </ul>	<b>April 2020 payment</b> = \$10,000 - \$6,000 = \$4,000 x .55 = <b>\$2,200 payment</b>
<b>February 2020 reimbursements = \$12,000</b> <ul style="list-style-type: none"> <li>NSLP = \$7,000</li> <li>SBP = \$5,000</li> <li>SFSP = \$0</li> </ul>			
<b>Average = \$11,000</b>			
<b>April 2020 reimbursements = \$6,000</b> <ul style="list-style-type: none"> <li>NSLP = \$1,000</li> <li>SBP = \$500</li> <li>SFSP = \$4,500</li> </ul>		<b>April 2020 reimbursements = \$6,000</b> <ul style="list-style-type: none"> <li>NSLP = \$1,000</li> <li>SBP = \$500</li> <li>SFSP = \$4,500</li> </ul>	



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## Emergency Operational Cost Reimbursement Program

### SFA March Examples

<b>“New” SFAs in March</b>		<b>“All Other” SFAs in March</b>	
<b>March 2020 payment = ((Average of January and February 2020 <u>reimbursement amounts</u>) – March 2020 reimbursement amount) x .55)/2</b>		<b>March 2020 payment = ((March 2019 <u>reimbursement amount</u> – March 2020 reimbursement amount) x .55)/2</b>	
<b>January 2020 reimbursements = \$10,000:</b> <ul style="list-style-type: none"> <li>• NSLP = \$6,000</li> <li>• SBP = \$4,000</li> <li>• SFSP = \$0</li> </ul> <b>February 2020 reimbursements = \$12,000</b> <ul style="list-style-type: none"> <li>• NSLP = \$7,000</li> <li>• SBP = \$5,000</li> <li>• SFSP = \$0</li> </ul> <b>Average = \$11,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,500 = (\$5,500 x .55) = \$3,025/2 = <b>\$1,512.50 payment</b>	<b>March 2019 reimbursements = \$10,000</b> <ul style="list-style-type: none"> <li>• NSLP = \$6,000</li> <li>• SBP = \$4,000</li> <li>• SFSP = \$0</li> </ul>	<b>March 2020 payment</b> = \$10,000 - \$6,000 = (\$4,000 x .55) = \$2,200/2 = <b>\$1,100 payment</b>
<b>March 2020 reimbursements = \$5,500</b> <ul style="list-style-type: none"> <li>• NSLP = \$1,000</li> <li>• SBP = \$500</li> <li>• SFSP = \$4,000</li> </ul>		<b>March 2020 reimbursements = \$6,000</b> <ul style="list-style-type: none"> <li>• NSLP = \$1,000</li> <li>• SBP = \$500</li> <li>• SFSP = \$4,500</li> </ul>	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### SFA Multi-Month Example

This example walks through a full, multi-month payment calculation for an SFA that was operating in all four reference months (March, April, May, and June 2019). To complete the payment calculation, TDA calculates the payment amount separately for each month, and then the calculated amount for each reimbursement month is added together to determine the final additional reimbursement amount that will be disbursed to eligible SFAs.

March	<b>March 2019 reimbursements = \$10,000</b> <ul style="list-style-type: none"> <li>NSLP = \$6,000</li> <li>SBP = \$4,000</li> <li>SFSP = \$0</li> </ul> <b>March 2020 reimbursements = \$6,000</b> <ul style="list-style-type: none"> <li>NSLP = \$3,000</li> <li>SBP = \$2,100</li> <li>SFSP = \$900</li> </ul>	<b>March 2020 payment</b> $= \$10,000 - \$6,000$ $= (\$4,000 \times .55)$ $= \$2,200/2$ $= \text{\$1,100 payment}$
April	<b>April 2019 reimbursements = \$10,000</b> <ul style="list-style-type: none"> <li>NSLP = \$6,000</li> <li>SBP = \$4,000</li> <li>SFSP = \$0</li> </ul> <b>April 2020 reimbursements = \$6,000</b> <ul style="list-style-type: none"> <li>NSLP = \$1,000</li> <li>SBP = \$500</li> <li>SFSP = \$4,500</li> </ul>	<b>April 2020 payment</b> $= \$10,000 - \$6,000$ $= \$4,000 \times .55$ $= \text{\$2,200 payment}$
May	<b>May 2019 reimbursements = \$6,500</b> <ul style="list-style-type: none"> <li>NSLP = \$4,000</li> <li>SBP = \$2,000</li> <li>SFSP = \$500</li> </ul> <b>May 2020 reimbursements = \$7,000</b> <ul style="list-style-type: none"> <li>NSLP = \$1,000</li> <li>SBP = \$500</li> <li>SFSP = \$5,500</li> </ul>	<b>May 2020 payment</b> $= \$6,500 - \$7,000$ $= -\$500 \times .55$ $= -\$275 \text{ (negative number)}$ $= \text{\$0}^*$ <i>* When the calculation results in a negative number, the SFA will receive \$0 for that month. <a href="#">See below for additional information.</a></i>
June	<b>June 2019 reimbursements = \$9,000</b> <ul style="list-style-type: none"> <li>NSLP = \$5,000</li> <li>SBP = \$1,000</li> <li>SFSP = \$3,000</li> </ul> <b>June 2020 reimbursements = \$8,000</b> <ul style="list-style-type: none"> <li>NSLP = \$750</li> <li>SBP = \$0</li> <li>SFSP = \$7,250</li> </ul>	<b>June 2020 payment</b> $= \$9,000 - \$8,000$ $= \$1,000 \times .55$ $= \text{\$550 payment}$
<b>Total payment:</b> March (\$1,100) + April (\$2,200) + May (\$0) + June (\$550) = <b>\$3,850</b>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### SFA Partially “New” Example

This example walks through the scenario where an SFA may have operated for some, but not all the months in March through June 2019. If this is the case, a combination of both calculations is used. For example, for an SFA that operated in May and June 2019 but not March and April 2019, TDA will use the “new” formula for March and April reimbursements, and the formula for “all other” operators for May and June. TDA calculates all payments on a per month basis.

March “New”	<b>March 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 reimbursements = \$10,000</li> <li>February 2020 reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>March 2020 reimbursements = \$5,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,000 = (\$6,000 x .55) = \$3,300/2 = <b>\$1,650 payment</b>
April “New”	<b>April 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 reimbursements = \$10,000</li> <li>February 2020 reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>April 2020 reimbursements = \$6,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>April 2020 payment</b> = \$11,000 - \$6,000 = \$5,000 x .55 = <b>\$2,750 payment</b>
May “All Other”	<b>May 2019 (operating)</b> <ul style="list-style-type: none"> <li>May 2019 reimbursements = \$11,200</li> <li>May 2020 reimbursements = \$5,000</li> </ul>	<b>May 2020 payment</b> = \$11,200 - \$5,000 = \$6,200 x .55 = <b>\$3,410 payment</b>
June “All Other”	<b>June 2019 (operating)</b> <ul style="list-style-type: none"> <li>June 2019 reimbursements = \$10,500</li> <li>June 2020 reimbursements = \$5,500</li> </ul>	<b>June 2020 payment</b> = \$10,500 - \$5,500 = \$5,000 x .55 = <b>\$2,750 payment</b>
<b>Total payment: March (\$1,650) + April (\$2,750) + May (\$3,410) + June (\$2,750) = \$10,560</b>		





# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Program Payment Calculation Examples<sup>ii</sup>

#### CACFP Institutions<sup>iii</sup>

Additional reimbursements are for meals and supplements (snacks) provided by eligible institutions under the *CACFP Emergency Operational Cost Reimbursement Program*. TDA will calculate the emergency operational cost reimbursements for CACFP operators and disburse any funds due directly to the eligible institutions. More information on the [definition of institution is found below](#).

#### CACFP Overview: “New” and “All Other”

“New” CACFP CEs		“All Other” CACFP CEs	
April 2020 payment = ((Average of January and February 2020 <a href="#">meal reimbursement amounts</a> ) – April 2020 meal reimbursement amount) x .55		April 2020 payment = (April 2019 <a href="#">meal reimbursement amount</a> – April 2020 meal reimbursement amount) x .55	
January 2020 meal reimbursements = \$10,000: February 2020 meal reimbursements = \$12,000	Average of January + February reimbursements = \$11,000  April 2020 payment = \$11,000 - \$6,000 = \$5,000 x .55 = \$2,750 payment	April 2019 meal reimbursements = \$10,000	April 2020 payment = \$10,000 - \$6,000 = \$4,000 x .55 = \$2,200 payment
Average = \$11,000		April 2020 meal reimbursements = \$6,000	
April 2020 reimbursements = \$6,000			



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP (Institutions) March Examples

<b>"New" CACFP CEs in March</b> <b>March 2020 payment = ((Average of January and February 2020 <a href="#">meal reimbursement amounts</a>) – March 2020 meal reimbursement amount) x .55)/2</b>		<b>"All Other" CACFP CEs in March</b> <b>March 2020 payment = ((March 2019 <a href="#">meal reimbursement amount</a> – March 2020 meal reimbursement amount) x .55)/2</b>	
January 2020 meal reimbursements = \$10,000: February 2020 meal reimbursements = \$12,000  Average = \$11,000	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,500 = (\$5,500 x .55) = \$3,025/2 = <b>\$1,512.50</b> payment	March 2019 meal reimbursements = \$10,000	<b>March 2020 payment</b> = \$10,000 - \$5,500 = (\$4,500 x .55) = \$2,475/2 = <b>\$1,237.50</b> payment
<b>March 2020 meal reimbursements = \$5,500</b>		<b>March 2020 meal reimbursements = \$5,500</b>	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP (Institutions) Multi-Month Example

This example walks through a full, multi-month payment calculation for a CACFP CE that was operating in all four reference months (March, April, May, and June 2019). To complete the payment calculation, the payment amount is calculated separately for each month, and then the calculated amount for each reimbursement month is added together to determine the final payment amount.		
<b>March</b>	March 2019 meal reimbursements = \$10,000 March 2020 meal reimbursements = \$5,000	<b>March 2020 payment</b> = \$10,000 - \$5,000 = (\$5,000 x .55) = \$2,750/2 = <b>\$1,375</b> payment
<b>April</b>	April 2019 meal reimbursements = \$10,000 April 2020 reimbursements = \$6,000	<b>April 2020 payment</b> = \$10,000 - \$6,000 = \$4,000 x .55 = <b>\$2,200</b> payment
<b>May</b>	May 2019 meal reimbursements = \$6,500 May 2020 meal reimbursements = \$7,000	<b>May 2020 payment</b> = \$6,500 - \$7,000 = -\$500 x .55 = -\$275 (negative number) = <b>\$0*</b>  <i>* When the calculation results in a negative number, the CE will receive \$0 for that month. <a href="#">See below for additional information.</a></i>
<b>June</b>	June 2019 meal reimbursements = \$9,000 June 2020 meal reimbursements = \$8,000	<b>June 2020 payment</b> = \$9,000 - \$8,000 = \$1,000 x .55 = <b>\$550</b> payment
<b>Total payment:</b> March (\$1,375) + April (\$2,200) + May (\$0) + June (\$550) = <b>\$4,125</b>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP (Institutions) Partially “New” Example

This example walks through the scenario where a CE may have operated for some, but not all the months in March through June 2019. If this is the case, a combination of both calculations is used. For example, a CE that operated in May and June 2019 but not March and April 2019 will use the “new” formula for March and April reimbursements, and the formula for “all other” operators for May and June. All payments are calculated on a per month basis		
March “New”	<b>March 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>March 2020 meal reimbursements = \$5,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,000 = (\$6,000 x .55) = \$3,300/2 = <b>\$1,650 payment</b>
April “New”	<b>April 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursement = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>April 2020 meal reimbursements = \$6,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>April 2020 payment</b> = \$11,000 - \$6,000 = \$5,000 x .55 = <b>\$2,750 payment</b>
May “All Other”	<b>May 2019 (operating)</b> <ul style="list-style-type: none"> <li>May 2019 meal reimbursements = \$11,200</li> <li>May 2020 meal reimbursements = \$5,000</li> </ul>	<b>May 2020 payment</b> = \$11,200 - \$5,000 = \$6,200 x .55 = <b>\$3,410 payment</b>
June “All Other”	<b>June 2019 (operating)</b> <ul style="list-style-type: none"> <li>June 2019 meal reimbursements = \$10,500</li> <li>June 2020 meal reimbursement = \$5,500</li> </ul>	<b>June 2020 payment</b> = \$10,500 - \$5,500 = \$5,000 x .55 = <b>\$2,750 payment</b>
<b>Total payment:</b> March (\$1,650) + April (\$2,750) + May (\$3,410) + June (\$2,750) = <b>\$10,560</b>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### Unaffiliated Sites

TDA will calculate the additional reimbursements using the applicable statutory formula for each unaffiliated site under a sponsoring organization. Once the sponsoring organization receives the disbursed funds from TDA, the sponsoring organization must calculate and provide individual payments for their unaffiliated sites. The sponsoring organization **may retain up to 15 percent of the payment** to cover administrative expenses, subject to the agreement between the sponsoring organization and the unaffiliated center.

### CACFP Unaffiliated Sites Overview: “New” and “All Other”

<b>“New” CACFP Unaffiliated Site</b> <b>April 2020 payment provided to unaffiliated site = ((Average of January and February 2020 <a href="#">meal reimbursement amounts</a>) – April 2020 meal reimbursement amount) x .55) x .85</b>		<b>“All Other” CACFP Unaffiliated Site</b> <b>April 2020 payment provided to unaffiliated site = ((April 2019 <a href="#">meal reimbursement amount</a> – April 2020 meal reimbursement amount) x .55) x .85</b>	
<b>January 2020 meal reimbursements = \$11,000:</b> <b>February 2020 meal reimbursements = \$12,000</b>  <b>Average = \$11,500</b>	<b>Average of January + February reimbursements = \$11,500</b>  <b>Percentage retained by sponsoring organization = 15%<sup>iv</sup></b>  <b>Percentage provided to unaffiliated center = 85%</b>	<b>April 2019 meal reimbursements = \$11,000</b>	<b>Percentage retained by sponsoring organization = 15%<sup>v</sup></b>  <b>Percentage provided to unaffiliated center = 85%</b>
<b>April 2020 reimbursements = \$5,500</b>	<b>April 2020 payment</b> = \$11,500 - \$5,500 = (\$6,000 x .55) = \$3,300 x .85 = <b>\$2,805 payment</b>	<b>April 2020 meal reimbursements = \$5,500</b>	<b>April 2020 payment</b> = \$11,000 - \$5,500 = (\$5,500 x .55) = \$3,025 x .85 = <b>\$2,571.25 payment</b>
<b>April 2020 payment retained by sponsoring organization = ((Average of January and February 2020 meal reimbursement amount – April 2020 meal reimbursement amount) x .55) x .15</b>  <b>In this example, the 15% retained by the sponsoring organization is \$495.</b>		<b>April 2020 payment retained by sponsoring organization = ((April 2019 meal reimbursement amount – April 2020 meal reimbursement amount) x .55) x .15</b>  <b>In this example, the 15% retained by the sponsoring organization is \$453.75.</b>	
<b>In this example, TDA would pay the sponsoring organization \$3,300 for April 2020.</b> The sponsoring organization is responsible for calculating the amount of money that it is required to pay to its unaffiliated site based on the formula used in this example.		<b>In this example, TDA would pay the sponsoring organization \$3,025 for April 2020.</b> The sponsoring organization is responsible for calculating the amount of money that it is required to pay to its unaffiliated site based on the formula used in this example.	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Unaffiliated Sites March Examples

<b>“New” CACFP Unaffiliated Site in March</b> <b>March 2020 payment provided to unaffiliated center = (((Average of January and February 2020 <u>meal reimbursement amounts</u>) – March 2020 meal reimbursement amount) x .55)/2) x .85</b>		<b>“All Other” CACFP Unaffiliated Site in March</b> <b>March 2020 payment provided to unaffiliated center = (((March 2019 <u>meal reimbursement amount</u> – March 2020 meal reimbursement amount) x .55)/2) x .85</b>	
<b>January 2020 meal reimbursements = \$10,000:</b> <b>February 2020 meal reimbursements = \$12,000</b>  <b>Average = \$11,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>Percentage retained by sponsoring organization = 15%<sup>vi</sup></b>  <b>Percentage provided to unaffiliated center = 85%</b>	<b>March 2019 meal reimbursements = \$10,000</b>	<b>Percentage retained by sponsoring organization = 15%<sup>vii</sup></b>  <b>Percentage provided to unaffiliated center = 85%</b>
<b>March 2020 meal reimbursements = \$5,500</b>	<b>March 2020 payment</b> = \$11,000 - \$5,500 = ((\$5,500 x .55)/2) = \$1,512.50 x .85 = <b>\$1,285.63 payment</b>	<b>March 2020 meal reimbursements = \$5,000</b>	<b>March 2020 payment</b> = \$10,000 - \$5,000 = (\$5,000 x .55)/2) = \$1,375 x .85 = <b>\$1,168.75 payment</b>
<b>March 2020 payment retained by sponsoring organization = (((Average of January and February 2020 meal reimbursement amount – March 2020 meal reimbursement amount) x .55)/2) x .15</b>  In this example, the 15% retained by the sponsoring organization is <b>\$226.88</b> .		<b>March 2020 payment retained by sponsoring organization = (((March 2019 meal reimbursement amount – March 2020 meal reimbursement amount) x .55)/2) x .15</b>  In this example, the 15% retained by the sponsoring organization is <b>\$206.25</b> .	
In this example, TDA would pay the sponsoring organization <b>\$1,512.50 for March 2020</b> . The sponsoring organization is responsible for calculating the amount of money that it is required to pay to its unaffiliated site based on the formula used in this example.		In this example, TDA would pay the sponsoring organization <b>\$1,375 for March 2020</b> . The sponsoring organization is responsible for calculating the amount of money that it is required to pay to its unaffiliated site based on the formula used in this example.	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Partially “New” Unaffiliated Site Example

This example walks through the scenario where an unaffiliated site may have operated for some, but not all the months in March through June 2019. If this is the case, a combination of both calculations is used. For example, an unaffiliated site that operated in May and June 2019 but not March and April 2019 will use the “new” formula for March and April reimbursements, and the formula for “all other” operators for May and June. All payments are calculated on a per month basis.

<b>March “New”</b>	<b>March 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>March 2020 meal reimbursements = \$5,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,000 = ((\$6,000 x .55)/2) = \$1,650 x .85 = <b>\$1,402.50 payment</b>
<b>April “New”</b>	<b>April 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>April 2020 meal reimbursements = \$6,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>April 2020 payment</b> = \$11,000 - \$6,000 = (\$5,000 x .55) x .85 = \$2,750 x .85 = <b>\$2,337.50 payment</b>
<b>May “All Other”</b>	<b>May 2019 (operating)</b> <ul style="list-style-type: none"> <li>May 2019 meal reimbursements = \$11,200</li> <li>May 2020 meal reimbursements = \$5,000</li> </ul>	<b>May 2020 payment</b> = \$11,200 - \$5,000 = (\$6,200 x .55) x .85 = \$3,410 x .85 = <b>\$2,898.50 payment</b>
<b>June “All Other”</b>	<b>June 2019 (operating)</b> <ul style="list-style-type: none"> <li>June 2019 meal reimbursements = \$10,500</li> <li>June 2020 meal reimbursements = \$5,500</li> </ul>	<b>June 2020 payment</b> = \$10,500 - \$5,500 = (\$5,000 x .55) x .85 = \$2,750 x .85 = <b>\$2,337.50 payment</b>

**Total payment provided to unaffiliated site:** March (\$1,402.50 + April (\$2,337.50) + May (\$2,898.50) + June (\$2,337.50) = **\$8,976**

Percentage retained by sponsoring organization = 15%<sup>viii</sup>

Percentage provided to unaffiliated site = 85%

The sum of payments for all four months represents the total payment amount the sponsoring organization owes to the unaffiliated site. In this example, the maximum percentage that may be retained by the sponsoring organization is 15%, and the remaining 85% must be provided to the unaffiliated site. In this example, replace .85 with .15 to calculate the amount of additional funding that may be retained by the sponsoring organization.



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### Sponsoring Organizations of Day Care Homes

Qualifying sponsoring organizations of day care homes are eligible to receive additional reimbursements based on their **administrative funds only**. To calculate the amount which a sponsoring organization is eligible to receive, TDA will use the same calculations that apply to institutions; however, **administrative funds** are used in the calculation as opposed to reimbursements for CACFP meals and supplements as shown in the [multi-month example below](#). Detailed information on what is included in the calculation of emergency costs for sponsoring organizations of day care homes is [provided below](#).

NOTE: Eligible sponsoring organizations of day care home will receive a single disbursement of emergency funding costs (additional reimbursement) from TDA that includes:

- **Administrative funds**
  - This disbursement may be retained in whole by the sponsoring organization.
- **CACFP meal reimbursements**
  - The sponsoring organization is responsible for disbursing the additional reimbursements owed to the individual day care home under its sponsorship.
  - Note: No percentage of the calculations for additional CACFP meal reimbursement is to be retained by the sponsoring organization. [Additional information is provided below under “CACFP Day Care Homes](#).

TDA will provide guidance on how sponsoring organization are expected to provide additional reimbursements to the day care homes under their sponsorship as well as information on how TDA will make disbursements of these emergency funds to eligible sponsoring organizations.





# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### *Sponsoring Organization of Day Care Homes Multi-Month Example*

This example walks through a full, multi-month payment calculation for a sponsoring organization of a day care home (DCH) that was operating in all four reference months (March, April, May, and June 2019). TDA will calculate the payment amount for each month separately, and then the calculated amount for each reimbursement month is added together to determine the final payment amount owed to each eligible sponsoring organization. **This calculation is based on the sponsoring organization's administrative funds earned during the reference and reimbursement months. These are the only payments that sponsors of day care home may retain for their own use.** While sponsors of day care homes will receive the calculated payments for further disbursement to their sponsored day care homes (which are calculated based on claims from CACFP meals and supplements), **none** of those funds may be kept by the sponsoring organization.

March	March 2019 administrative payment = \$5,000 March 2020 administrative payment = \$4,000	<b>March 2020 administrative payment</b> = \$5,000 - \$4,000 = (\$1,000 x .55) = \$550/2 = <b>\$275</b> payment
April	April 2019 administrative payment = \$5,500 April 2020 administrative payment = \$5,000	<b>April 2020 administrative payment</b> = \$5,500 - \$5,000 = \$500 x .55 = <b>\$275</b> payment
May	May 2019 administrative payment = \$6,000 May 2020 administrative payment = \$5,200	<b>May 2020 administrative payment</b> = \$6,000 - \$5,200 = \$800 x .55 = <b>\$440</b> payment
June	June 2019 administrative payment = \$4,000 June 2020 administrative payment = \$3,500	<b>June 2020 administrative payment</b> = \$4,000 - \$3,500 = \$500 x .55 = <b>\$275</b> payment
<b>Total payment:</b> March (\$275) + April (\$275) + May (\$440) + June (\$275) = <b>\$1,265</b>		
<i>Note: If the calculation results in a negative number for a given month, the sponsoring organization will receive \$0 for that month. <a href="#">See below for additional information</a></i>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Day Care Homes

TDA will calculate the emergency operational cost reimbursements for eligible CACFP day care homes and disburse the additional reimbursements to their sponsoring organization. TDA will provide guidance on how sponsoring organization must provide these emergency funds to the eligible day care homes under their sponsorship. The funds that sponsoring organizations must provide to day care homes under their sponsorship is separate from the [administrative funding payments to sponsoring organizations of day care homes](#), and no percentage of these calculations is to be retained by the sponsoring organization.

### CACFP Day Care Homes Overview: “New” and “All Other”

“ <a href="#">New</a> ” CACFP Day Care Homes		“ <a href="#">All Other</a> ” CACFP Day Care Homes	
April 2020 payment = (Average of January and February 2020 <a href="#">meal reimbursement amounts</a> ) – April 2020 meal reimbursement amount) x .55		April 2020 payment = (April 2019 <a href="#">meal reimbursement amount</a> – April 2020 meal reimbursement amount) x .55	
January 2020 meal reimbursements = \$10,000: February 2020 meal reimbursements = \$12,000  Average = \$11,000	Average of January + February reimbursements = \$11,000  April 2020 payment = \$11,000 - \$6,000 = \$5,000 x .55 = <b>\$2,750</b> payment	April 2019 meal reimbursements = \$10,000  April 2020 meal reimbursements = \$6,000	April 2020 payment = \$10,000 - \$6,000 = \$4,000 x .55 = <b>\$2,200</b> payment
April 2020 reimbursements = \$6,000			
In this example, TDA would pay the sponsoring organization of the day care home <b>\$2,700 for April 2020</b> . The sponsoring organization is responsible for disbursing the full amount to the day care home.		In this example, TDA would pay the sponsoring organization of the day care home <b>\$2,200 for April 2020</b> . The sponsoring organization is responsible for disbursing the full amount to the day care home.	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Day Care Homes March Examples

<b>"New" CACFP Day Care Homes in March</b> <b>March 2020 payment = ((Average of January and February 2020 <a href="#">meal reimbursement amounts</a>) – March 2020 meal reimbursement amount) x .55)/2</b>		<b>"All Other" CACFP Day Care Homes in March</b> <b>March 2020 payment = ((March 2019 <a href="#">meal reimbursement amount</a> – March 2020 meal reimbursement amount) x .55)/2</b>	
<b>January 2020 meal reimbursements = \$10,000:</b> <b>February 2020 meal reimbursements = \$12,000</b>  <b>Average = \$11,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,500 = (\$5,500 x .55)/2 = \$3,025/2 = <b>\$1,512.50 payment</b>	<b>March 2019 meal reimbursements = \$10,000</b>	<b>March 2020 payment</b> = \$10,000 - \$5,500 = (\$4,500 x .55)/2 = \$2,475/2 = <b>\$1,237.50 payment</b>
<b>March 2020 meal reimbursements = \$5,500</b>		<b>March 2020 meal reimbursements = \$5,500</b>	
In this example, TDA would pay the sponsoring organization of the day care home <b>\$1,512.50 for March 2020</b> . The sponsoring organization is responsible for disbursing the full amount to the day care home.		In this example, TDA would pay the sponsoring organization of the day care home <b>\$1,237.50 for March 2020</b> . The sponsoring organization is responsible for disbursing the full amount to the day care home.	



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Multi-Month Day Care Home Example

This example walks through a full, multi-month payment calculation for a day care home that was operating in all four reference months (March, April, May, and June 2019). TDA will calculate the payment amount for each month separately, and then the calculated amount for each reimbursement month is added together to determine the final payment amount.		
<b>March</b>	March 2019 meal reimbursements = \$10,000 March 2020 meal reimbursements = \$5,000	<b>March 2020 payment</b> = \$10,000 - \$5,000 = (\$5,000 x .55) = \$2,750/2 = <b>\$1,375</b> payment
<b>April</b>	April 2019 meal reimbursements = \$10,000 April 2020 meal reimbursements = \$6,000	<b>April 2020 payment</b> = \$10,000 - \$6,000 = \$4,000 x .55 = <b>\$2,200</b> payment
<b>May</b>	May 2019 meal reimbursements = \$6,500 May 2020 meal reimbursements = \$7,000	<b>May 2020 payment</b> = \$6,500 - \$7,000 = -\$500 x .55 = -\$275 (negative number) = <b>\$0*</b>  <i>* When the calculation results in a negative number, the CE will receive \$0 for that month. <a href="#">See below for additional information.</a></i>
<b>June</b>	June 2019 meal reimbursements = \$9,000 June 2020 meal reimbursements = \$8,000	<b>June 2020 payment</b> = \$9,000 - \$8,000 = \$1,000 x .55 = <b>\$550</b> payment
<b>Total payment:</b> March (\$1,375) + April (\$2,200) + May (\$0) + June (\$550) = <b>\$4,125</b>  In this example, TDA would pay the sponsoring organization <b>\$4,125 for the months of March 2020 through June 2020</b> . The sponsoring organization must provide the individual payment for each eligible day care home under its sponsorship. The sponsoring organization is a “pass-through” for these additional reimbursement payments to their sponsored day care homes based on claims for CACFP meal reimbursements - <b>none of these funds may be kept by the sponsoring organization.</b>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### CACFP Partially “New” Day Care Homes

This example walks through the scenario where a day care home may have operated for some, but not all of the months in March through June 2019. If this is the case, a combination of both calculations is used. For example, a day care home that operated in May and June 2019 but not March and April 2019 will use the “new” formula for March and April reimbursements, and the formula for “all other” operators for May and June. All payments are calculated on a per month basis

<b>March “New”</b>	<b>March 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>March 2020 meal reimbursements = \$5,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>March 2020 payment</b> = \$11,000 - \$5,000 = (\$6,000 x .55) = \$3,300/2 = <b>\$1,650 payment</b>
<b>April “New”</b>	<b>April 2019 (not operating)</b> <ul style="list-style-type: none"> <li>January 2020 meal reimbursements = \$10,000</li> <li>February 2020 meal reimbursements = \$12,000</li> </ul> <b>Average = \$11,000</b>  <b>April 2020 meal reimbursements = \$6,000</b>	<b>Average of January + February reimbursements = \$11,000</b>  <b>April 2020 payment</b> = \$11,000 - \$6,000 = \$5,000 x .55 = <b>\$2,750 payment</b>
<b>May “All Other”</b>	<b>May 2019 (operating)</b> <ul style="list-style-type: none"> <li>May 2019 meal reimbursements = \$11,200</li> <li>May 2020 meal reimbursements = \$5,000</li> </ul>	<b>May 2020 payment</b> = \$11,200 - \$5,000 = \$6,200 x .55 = <b>\$3,410 payment</b>
<b>June “All Other”</b>	<b>June 2019 (operating)</b> <ul style="list-style-type: none"> <li>June 2019 meal reimbursements = \$10,500</li> <li>June 2020 meal reimbursements = \$5,500</li> </ul>	<b>June 2020 payment</b> = \$10,500 - \$5,500 = \$5,000 x .55 = <b>\$2,750 payment</b>
<b>Total payment owed to day care home: March (\$1,650) + April (\$2,750) + May (\$3,410) + June (\$2,750) = \$10,560</b>		



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### Frequently Asked Questions

The following FAQs are based on current USDA guidance, which is subject to change. Updates since the previous posting are highlighted. To navigate the FAQs, click on an individual question in the Table of Contents above to navigate to the answer.

#### 1. Who is eligible to receive payments?

Emergency cost funds allocated to TDA may only be made available to a Child Nutrition Program participant. Therefore, any program operator who has terminated their Program agreement, either with TDA or a sponsor, is ineligible to receive payment.

#### School Programs

School Programs Emergency Operational Costs Reimbursement Program eligibility is limited to SFAs that currently have a Permanent Agreement with TDA to operate the School Nutrition Programs and meet one of the following criteria:

- filed valid NSLP/SBP meal claims for reimbursement for any of the months of September – December 2020, or later; or
- have provided assurance to TDA that they will file a claim for reimbursement during the first full semester/term (or equivalent) occurring after the end of the public health emergency [as discussed below](#).

Note: In submitting a valid claim for reimbursement via TX-UNPS, the CE must certify that all reimbursement claims (i.e., original and adjusted claims) are correct and that records are available to support all claims. The CE is not permitted to submit estimated claims.

SFAs that operate child care centers, at-risk afterschool care programs, or any other component of the CACFP are eligible as an institution for additional reimbursement under the *CACFP Emergency Operational Costs Reimbursement Program*.

#### CACFP

*CACFP Emergency Operational Costs Reimbursement Program* eligibility is limited to institutions, day care homes, and unaffiliated centers that currently have a Permanent Agreement with TDA or an agreement with a TDA-approved CACFP sponsor to operate CACFP, and meet one of the following criteria:



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

- filed valid CACFP claims for reimbursement for any of the months of September – December 2020, or later; or
- have provided assurance to TDA that they will file a claim for reimbursement within the first 90 days after the end of the public health emergency [as discussed below](#).

**Institution means** a sponsoring organization, child care 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.

Note: In submitting a valid claim for reimbursement via TX-UNPS, the CE must certify that all reimbursement claims (i.e., original and adjusted claims) are correct and that records are available to support all claims. The CE is not permitted to submit estimated claims.

## 2. What is included in the payment calculations?

### School Programs

Additional program reimbursements are for **meals and supplements (snacks)** provided through the NSLP, SBP, SSO, and/or SFSP. SFAs that operate CACFP, such as the At-risk program, may be eligible for emergency operations costs under the *CACFP Emergency Operational Cost Reimbursement Program*.

All other school program reimbursements, such as those under the Special Milk Program, Fresh Fruit and Vegetable Program, and funds received through grant opportunities (NSLP Equipment Assistance Grants) are **not included** in the reimbursement calculation. In addition, the value of USDA Foods is not included in the payment calculation.

Examples of payment calculations for the *School Programs Emergency Operational Cost Reimbursement Program* [are provided above](#).

NOTE: **Non-school entities** operating SFSP are NOT eligible to receive payments under the *Emergency Costs Reimbursement Programs*.

### CACFP

Additional reimbursement calculations for the *CACFP Emergency Operational Cost Reimbursement Program* are based on the type of institution or facility:

- **CACFP meal reimbursements** (7 CFR 226.11, 226.12 and 226.13) if you are a:



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

- Sponsoring organization of centers; independent child care centers, at-risk afterschool care centers, outside-school-hours care centers, emergency shelters, or adult day care centers; or day care homes
- **CACFP Administrative funds** (7 CFR 226.12) if you are a:
  - Sponsoring organization of day care homes

Examples of payment calculations for the *CACFP Emergency Operational Cost Reimbursement Program* [are provided above](#).

The value of cash in lieu for USDA Foods is **not** included in the payment calculation.

NOTE: **Non-school entities operating SFSP** are NOT eligible to receive payments under the *Emergency Costs Reimbursement Programs*.

### 3. Do Child Nutrition Program reimbursements paid with funds made available to States through the CARES Act need to be deducted when calculating payment amounts?

No. Only the program reimbursements specified under the statute and [detailed above](#) must be considered for the purposes of calculating payments to eligible program operators.

### 4. Are school and CACFP program operators eligible for additional reimbursement payments if their net cash resources are positive, or in the case of SFAs, if they currently have a three-month operating balance as described in 7 CFR 210.19(a)(1)?

Yes. The current balance of a program operator's nonprofit food service account **is not taken into consideration** under the calculation formula outlined in statute and guidance from USDA. However, it is reasonable that in many cases, a program operator with strong financial performance throughout most of 2020 may be entitled to very modest payments, if any, based on how the statutory formula is used to calculate emergency cost payments. If payments would result in excess balances, TDA will provide technical assistance to those program operators to ensure a reasonable and timely expenditure of their excess funds.

### 5. What happens if the payment calculation for an eligible program operator in a given month results in a negative number?

For any eligible SFA or CACFP recipient, if the payment calculation for any given month in the [reimbursement period](#) of March, April, May, and June 2020 results in zero or a negative number, **no payment will be provided for that month**.





# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

In other words, if the program operator had higher claims in March, April, May, or June of 2020 than in the same month in 2019 (or [alternative period](#)), then the program operator will not receive additional reimbursement for that month.

Negative Number Calculation Example	
<b>April 2019 Reimbursements = \$7,000</b> <b>April 2020 Reimbursements = \$ 7,500</b>	<b>April 2020 payment</b> = \$7,000 - \$7,500 = - \$500 x .55 = - \$275 (negative number) <b>Total April payment = \$0</b>

### 6. What are the allowable uses for the emergency funds?

All additional reimbursement payments made to eligible Child Nutrition Program operators must be deposited to that program operator's nonprofit food service account and will be subject to the same performance/allowable cost rules as other reimbursement funds in accordance with normal program requirements. Emergency funds are subject to all local, state, and federal procurement requirements in 2 *CFR 200 Part E, Cost principles*, as well as procurement requirements for the individual grant which may be detailed in the Regulations, Administrator's Reference Manual (ARM) or Handbook for the program.

Operators wishing to spend emergency funds on items or services requiring Specific Prior Written Approval (SPWA) should submit requests via TX-UNPS as they normally would; however, approved SPWA requests to use emergency funds will not be added to the budget ([see below](#) for more information on budget amendments). TDA will provide further instructions on what information to include when submitting SPWA requests to use emergency funds.

The emergency funds may also be used to reimburse any non-child nutrition funding source(s) used to supplement the program operator's nonprofit food service account **during the defined [reimbursement period](#)** (March 2020 through June 2020) to offset the impact of COVID-19 operations on that account.

The program operator must maintain documentation supporting these reimbursements for future audit or oversight purposes.



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### 7. How do I account for the emergency funds received? For example, am I required to amend my budget?

Recipients of emergency funds should not amend their budgets in TX-UNPS as this is a one-time payment. However, recipients must maintain adequate documentation of the amount of money received, when it was received, where it was deposited, how the money was used (receipts, proof of payout to applicable sites, etc. - reminder: all funds must be spent on allowable costs/items/services and all standard program rules apply). TDA must ensure that any money received by a sponsor was either utilized for allowable purposes [as described above](#) or disbursed to eligible sites.

### 8. Will the payments be assigned a Catalog of Federal Domestic Assistance (CFDA) number?

Yes. These reimbursement programs may be cited under the following CFDA numbers:

#### School Programs:

- 10.555

#### CACFP:

- 10.558

### 9. Do CE's need to do anything to apply to receive the payments?

No. Eligible CE's do not have to request payment or opt in to receive a payment. TDA will calculate and disburse additional reimbursement payments to CE's in accordance with the implementation plan it submits to USDA. In certain circumstances, TDA may have to contact program operators if there are questions about their participation impacting calculations or disbursement of funds. The timelier CE's can provide this information to TDA, if asked, the sooner disbursements will be made to eligible CE's.

As discussed below in the [FAQs](#) and illustrated in the [CACFP Program Payment Calculation Examples](#), sponsoring organizations must provide individual payments to unaffiliated centers and day care homes under their sponsorship and are responsible for contacting any potentially eligible but currently non-operational sites that are or were under their sponsorship to determine if those sites intend to begin operating after the pandemic. Refer below for more detailed instructions on disbursement to sites.



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### 10. How will payments be made to eligible program operators?

#### School Programs

Additional reimbursement payments will be made directly by TDA to any SFA that has a Permanent Agreement in place with TDA and meets the eligibility criteria described in this document.

#### CACFP

Additional reimbursement payments will be made by TDA directly to any CE that has a Permanent Agreement in place with TDA and meets the eligibility criteria described in this document.

[As shown in the payment calculations above](#), the procedures TDA uses to calculate and make payments for eligible sponsored facilities will vary by the type of facility. Sponsored facilities that are eligible for payments under the *CACFP Emergency Operational Costs Reimbursement Program* will be paid as follows:

- **Affiliated centers:** Additional reimbursement payments will be provided directly to sponsoring organizations (CEs) for distribution to their facilities.
- **Unaffiliated centers that normally receive monetary reimbursement from their sponsors\*:** Sponsoring organizations must provide individual payments to the unaffiliated sites that were under their sponsorship during the reimbursement period. TDA has calculated the sponsor payment by site and by month for the reimbursement period. This is published on the EOC page of [squaremeals.org](http://squaremeals.org), and sponsors must utilize it. The site payment amount represents the total amount of reimbursement prior to any sponsor administrative funds are taken out. The sponsoring organization **may retain up to 15 percent of the payment to cover administrative expenses**, subject to their current or most recent agreement between the sponsoring organization and the unaffiliated site.
  - For example, if the sponsoring organization's agreement with the site is to retain 15 percent for administrative funds, the disbursement to the unaffiliated center for the month of April 2020 would be:
    - April 2020 payment = ((April 2019 reimbursement amount – April 2020 reimbursement amount) x .55) x .15

**\*NOTE:** Sponsors of unaffiliated sites that **do not** pass monetary reimbursement to their sites (all food and other operational expenses are handled by the sponsor) will receive one lump sum payment calculated using the methodology for sponsors of affiliated centers.



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

- **Day care homes:** TDA will calculate the individual payments for day care homes based on the formula [outlined in the payment calculations above](#). The additional reimbursement payment will be disbursed by TDA to the provider's **current** sponsoring organization, which must provide individual payments to the eligible day care homes under its sponsorship.

Examples of payment calculations to [unaffiliated centers](#) and [day care homes](#) for the *CACFP Emergency Operational Cost Reimbursement Program* [are provided above](#).

### 11. How will I know how much reimbursement to distribute to my sites/providers?

- **CEs of affiliated sites and unaffiliated sites that normally do not receive monetary reimbursement:** CEs will receive one lump sum payment and may utilize the funds in accordance with program regulations.
- **CEs of unaffiliated sites that do normally receive monetary reimbursement:** TDA has performed and published the calculations by site for sponsors of unaffiliated sites. TDA will make a lump sum payment to CEs similarly to how the CE typically receives claims payments. The initial distribution will include all payments for sites that are currently participating and/or filed a valid claim anytime from September 2020 to April 2021. A subsequent payment will be distributed to sponsors to account for sites that submitted an assurance statement; an updated report will be provided to show how this money should be disbursed.

### 12. In the current reports posted to SquareMeals.org showing site reimbursement eligibility, what does it mean if a site in that report shows a \$0.00 reimbursement amount?

TDA's [preliminary reports on SquareMeals.org](#) reflect projected reimbursement to each site. Sites showing a \$0.00 amount, however, does **not** necessarily mean that those sites are ineligible for reimbursement. These \$0.00 amounts may be adjusted in the future based on recent claiming and/or receipt of an opt-in assurance statement. Therefore, sponsors should not work from these reports to determine which sites require assurance statements. Sites should not be discouraged from considering the assurance based on the award amount of \$0.00. [See below for more on the process for obtaining assurance statements](#).

### 13. May CEs request a revision of the payment amount(s) calculated by and offered to them by TDA?

TDA will consider requests from CEs who seek a revision of their calculated payment amounts on a case-by-case basis. However, per USDA guidance, it is at TDA's discretion to revise any calculations. In the case that a sponsored day care home or unaffiliated center disputes a payment amount calculated by their sponsoring



# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

organization, the sponsoring organization should notify TDA, which will review the calculation and revise at its discretion.

### 14. How will TDA validate that sponsors have accurately disbursed payments to their sites?

Sponsors are required to maintain all documentation pertaining to the distribution of emergency operational costs to their sites. This documentation must be available during an Administrative Review. Additionally, TDA will investigate any inquiries from individual sites that did not receive money but felt they should have.

### 15. What if a day care home provider or sponsored CACFP site operated under one sponsor during the reimbursement period but has subsequently begun operating under another sponsor?

For day care home providers, TDA has identified the **current** sponsor of eligible day care home providers and will disburse payments to those current sponsors. The **current** sponsoring organization is responsible for disbursing the payment to the site, even if the site was not under its sponsorship during the reimbursement period.

For unaffiliated centers, TDA will calculate the payment due each eligible site by month and disburse those payments to the organization that was sponsoring the site during the reimbursement period. Sponsors must make reasonable effort to contact these sites (1) to confirm that they are currently under another organization's sponsorship and (2) to retrieve contact information and preferred payment method.

If a site on the list is non-responsive or the sponsor is able to confirm that the site does not currently have an agreement with another sponsor to operate CACFP, the sponsor must return those funds to TDA [as described below](#).

### 16. Which CNP operators must provide TDA with an assurance statement to receive a payment?

To meet *Emergency Operational Cost Reimbursement Program* eligibility requirements, program operators must provide TDA with an assurance statement that they will file a claim for reimbursement within the required time period **if they did not file any valid claims** from September 2020 through April 26, 2021. Note that sponsors of unaffiliated sites must seek assurance statements from any centers or providers who meet these criteria. [Refer below for more information on this process.](#)

As a reminder, assurance statements require that a program operator who has temporarily paused their Child Nutrition Program operations to resume by filing a claim no later than:



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## Emergency Operational Cost Reimbursement Program

### School Program:

- A month that occurs during the first full semester or equivalent term following the end of the public health emergency.

### CACFP:

- A month occurring within 90 days after the conclusion of the public health emergency.

### 17. What are the documentation requirements and process for acquiring assurance statements?

On July 6, 2021, TDA contacted all sponsors with a list of unaffiliated sites that have not filed a claim any month from September 2020 to April 2021 but are listed as potentially eligible to receive additional reimbursement. Sponsors are required to make reasonable effort to contact the sites on this list with either a link to the online assurance statement form or a PDF of the form.

Reasonable effort includes but is not limited to email or letter to the site's representative using the contact information provided by the site to the Sponsor. Notification should include the disclaimer that TDA may seek recovery of funds should the program operator fail to resume operations within the applicable timeframe specified in statute. Sponsors should verify that an authorized representative for the site has completed the statement and provided sufficient contact information.

Sponsors **must** attempt to contact each site on the list, even if the sponsor has reason to believe that the site no longer plans to operate. Documentation (such as copies of emails or letters) must be maintained and be available upon request to show sufficient proof of attempting to contact these sites.

As mentioned above, sponsors should not rely on preliminary eligibility reports posted on SquareMeals as justification for not contacting a site. While these reports show \$0.00 owed to some sites on the assurance statement site lists, these amounts will be recalculated should an opt-in assurance statement be received.

Sponsors were required to send TDA a list of all sites for which they have received an assurance statement by November 15, 2021. A tracking log is available on SquareMeals.org that allows the sponsor to list all sites that submitted an assurance statement as well as the dates submitted.

### 18. Can a sponsor request additional time to acquire assurance statements from sites?

Yes, contact [EOC@TexasAgriculture.gov](mailto:EOC@TexasAgriculture.gov) for an extension.



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## Emergency Operational Cost Reimbursement Program

- 19. What if there are sites on the assurance statement list that I believe should not be there, such as sites not under my sponsorship during Program Year 2020? What if there are sites that I believe are missing from the list?**

If there are sites that you believe should not be on the assurance list (for example, sites not under your sponsorship during Program Year 2020), or if there are currently non-operational sites missing from the list that were under your sponsorship during the reimbursement period, notify TDA via

[EOC@TexasAgriculture.gov](mailto:EOC@TexasAgriculture.gov) with the list of applicable sites.

- 20. What if I know that some sites on the assurance statement list are not planning on operating or are operating currently under another sponsor?**

A belief that a site is no longer in operation and does not plan on continuing operations is not a reason to forego seeking an assurance statement. Sponsors should notify TDA via the assurance statement tracking log of any sites submitting an opt-in assurance statement that the sponsor otherwise believed to be permanently closed and document the reason.

Similarly, even if you believe the site has begun operating under another sponsor, you should contact the site to obtain an assurance statement. Note on the tracking log if the site appears to already be operating.

- 21. Per Agreement with my sites, my sponsoring organization only provides meals for sites and is responsible for all administrative costs; therefore, the sites are never reimbursed monetarily in a typical Program Year. Do I need assurance statements from each of those sites, and are those sites eligible for reimbursement?**

If your sites received no monetary reimbursement during the reimbursement period, then those sites are not eligible for additional reimbursement, and no assurance statement is required. **However**, if you have this agreement with your unaffiliated sites, you **must** notify TDA as soon as possible via [EOC@TexasAgriculture.gov](mailto:EOC@TexasAgriculture.gov) with the list of applicable sites. Reimbursement for sponsors with these agreements will be calculated using the affiliated site model.





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- 22. If a Child Nutrition program operator suspended operations in one Child Nutrition Program but has since resumed operations in another Child Nutrition Program (or Programs), is an assurance statement still required?**

### School Programs

For cases in which an SFA switched from NSLP/SBP to SFSP operations under the applicable COVID-19 nationwide waiver, no assurance statement is necessary to receive a payment under the *School Programs Emergency Operational Costs Reimbursement Program*.

NOTE: SFAs that suspended their CACFP at-risk afterschool operations while maintaining other CNP meal service, must provide an assurance statement [as described above](#).

### CACFP

To receive a payment under the *CACFP Emergency Operational Costs Reimbursement Program*, CACFP operators that have temporarily paused their CACFP participation must provide an assurance statement, regardless of whether they were actively participating in other CNPs during the applicable timeframe. This includes CACFP operators of any type that are temporarily operating SFSP under the nationwide waiver, and SFAs who have suspended their CACFP at-risk afterschool operations while maintaining other Child Nutrition Program meal service.

- 23. Once I receive a payment from TDA, how long do I have to distribute funds to my sites?**

Sponsors are strongly encouraged to distribute funds to its sites within five working days of receiving payment to align with regulatory requirements for standard reimbursements. The sponsor may take additional time if they are verifying a site's continued participation in the Child Nutrition program or waiting for payment instructions for sites that are no longer under their sponsorship. If there are any complications surrounding eligibility of any sites or complications related to distributing funds to your sites, please contact TDA for technical assistance.

- 24. What if once I receive payment to distribute to a site, I am unable to contact the site, or the check is returned? What if I receive a payment by mistake?**

Any money that cannot be disbursed to a site after a reasonable attempt must be returned to TDA. The full EOC calculated amount for that site must be returned, including the sponsor administrative funds where





# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

applicable. Similarly, if a site or sponsor receives payment that they are not entitled to, the money must be returned.

CEs that need to return funds should mail a check and the appropriate remittance form ([located on the SquareMeals EOC page](#)) to TDA. Note if there is any uncertainty about a payment received, please contact TDA via [EOC@TexasAgriculture.gov](mailto:EOC@TexasAgriculture.gov).

### 25. What if a site that provides an assurance statement receives payment but fails to begin operation within the required timeframe following the end of the public health emergency?

TDA recognizes that circumstances may arise in which planned continuance of operation might not be feasible. Sites that received money but are not planning to operate per their assurance statement should contact TDA to determine the best way to return the money. Sponsors aware of sites that did not begin operation despite submitting an assurance statement and receiving payment should notify TDA for further investigation.

## Additional Resources

### TDA Resources:

- COVID-19 Emergency Operating Costs Reimbursement Program [Webpage](#).<sup>ix</sup>
- Emergency Operational Cost Reimbursement Program One-Pager ([pdf](#))<sup>x</sup>
- School Operators: [Webinar](#)<sup>xi</sup> and [Slide Deck](#)<sup>xii</sup>
- CACFP Operators: [Webinar](#)<sup>xiii</sup> and [Slide Deck](#)<sup>xiv</sup>

### USDA Resources:

- SP 06-2021, CACFP 05-2021, [Child Nutrition Program Emergency Operating Costs During COVID-19: Implementation Guidance for State Agencies](#) (January 26, 2021)<sup>xv</sup>
- [Q&A for Program Reimbursements for Emergency Operational Costs for Child Nutrition Programs During the COVID-19 Pandemic](#) (January 26, 2021)<sup>xvi</sup>
- [School Programs Emergency Operational Costs Reimbursement Program – Payment Calculation Examples](#) (February 11, 2021)<sup>xvii</sup>
- [CACFP Emergency Operational Costs Reimbursement Program – Payment Calculation Examples](#) (February 11, 2021)<sup>xviii</sup>



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## Emergency Operational Cost Reimbursement Program

### 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.

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## Emergency Operational Cost Reimbursement Program

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To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: <https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint>, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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# Guidance and Frequently Asked Questions

## Emergency Operational Cost Reimbursement Program

### Endnotes

<sup>i</sup> The examples are provided for illustrative purposes only. All payment amounts have been simplified and none of the examples are based on actual claims data.

<sup>ii</sup> The examples are provided for illustrative purposes only. All payment amounts have been simplified and not of the examples are based on actual claims data.

<sup>iii</sup> Institutions include sponsoring organizations, independent child care centers, adult care centers, outside-school-hours care centers, at-risk afterschool care centers, or emergency shelters

<sup>iv</sup> Note that the .85 is being used as an example only, and the percentage ultimately retained by the sponsoring organization may vary.

<sup>v</sup> Note that the .85 is being used as an example only, and the percentage ultimately retained by the sponsoring organization may vary.

<sup>vi</sup> Note that the .85 is being used as an example only, and the percentage ultimately retained by the sponsoring organization may vary.

<sup>vii</sup> Note that the .85 is being used as an example only, and the percentage ultimately retained by the sponsoring organization may vary.

<sup>viii</sup> Note that the .85 is being used as an example only, and the percentage ultimately retained by the sponsoring organization may vary.

<sup>ix</sup>

<https://squaremeals.org/FandNResources/CoronavirusUpdateforContractingEntities/EmergencyOperationalCostReimbursementProgram.aspx>

<sup>x</sup>

[https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/4\\_8\\_21%20CN%20Emergency%20Operational%20Cost%20Reimbursement%20One%20Pager\\_FN.pdf](https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/4_8_21%20CN%20Emergency%20Operational%20Cost%20Reimbursement%20One%20Pager_FN.pdf)

<sup>xi</sup> <https://www.youtube.com/watch?v=vatfPQjagII>

<sup>xii</sup>

[https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/COVIDRelief\\_EmergencyCosts\\_SchoolOps\\_210203\\_REV%2004.pdf](https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/COVIDRelief_EmergencyCosts_SchoolOps_210203_REV%2004.pdf)

<sup>xiii</sup> <https://www.youtube.com/watch?v=PUr2GkYBioU>

<sup>xiv</sup>

[https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/COVIDRelief\\_EmergencyCosts\\_CACFPops\\_210204\\_REV%2001.pdf](https://squaremeals.org/Portals/8/files/H1N1/Coronavirus/COVIDRelief_EmergencyCosts_CACFPops_210204_REV%2001.pdf)

<sup>xv</sup> [https://fns-prod.azureedge.net/sites/default/files/resource-files/SP06\\_CACFP05\\_2021s.pdf](https://fns-prod.azureedge.net/sites/default/files/resource-files/SP06_CACFP05_2021s.pdf)

<sup>xvi</sup> [https://fns-prod.azureedge.net/sites/default/files/resource-files/SP06\\_CACFP05\\_2021%20Attachment%202.pdf](https://fns-prod.azureedge.net/sites/default/files/resource-files/SP06_CACFP05_2021%20Attachment%202.pdf)

<sup>xvii</sup> <https://fns-prod.azureedge.net/sites/default/files/resource-files/2021-02-11-School-Meal-Programs-Formula-Calculations.pdf>

<sup>xviii</sup> <https://fns-prod.azureedge.net/sites/default/files/resource-files/2021-02-7-CACFP-Formula-Calculations.pdf>

