TO: Child and Adult Care Food Program Institutions

FROM: Mary Ann Chartrand, Director
Grants Coordination and School Support

DATE: July 19, 2005

SUBJECT: New Reimbursement Rates - Effective July 1, 2005

The following reimbursement rates are in effect for the period of July 1, 2005 through June 30, 2006:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>BREAKFAST</th>
<th>LUNCH/SUPPER</th>
<th>SNACK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A</td>
<td>$1.27</td>
<td>$2.32</td>
<td>$.63</td>
</tr>
<tr>
<td>Category B</td>
<td>$.97</td>
<td>$1.92</td>
<td>$.31</td>
</tr>
<tr>
<td>Category C</td>
<td>$.23</td>
<td>$.22</td>
<td>$.05</td>
</tr>
</tbody>
</table>

An additional $.1750 cash-in-lieu of commodities is paid for each lunch and supper served.

The July 2005 Claim for Reimbursement will reflect the new rates.

If you have any questions regarding this memorandum, please contact:

Jacki Higdon, Financial Administrative Assistant – Fiscal Management
Grants Coordination and School Support
Michigan Department of Education
P. O. Box 30008
Lansing, MI 48909
(517) 373-7391

Please keep this memorandum on file or in a notebook for quick and easy reference!

Attachment
# Fiscal Year 2006 Reimbursement Computation Worksheet

**Claim Month ____________________  Year __________________**

<table>
<thead>
<tr>
<th>Meal Type</th>
<th>Category</th>
<th>Number of Reimbursable Meals Served</th>
<th>Reimbursement Rate (effective through 6/30/2006)</th>
<th>Meal Reimbursement</th>
<th>Non-reimbursable meals/snacks (Does not include Program Adults)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast</td>
<td>A*</td>
<td>x 1.27</td>
<td></td>
<td></td>
<td>Number</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>x .97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C</td>
<td>x .23</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Total Breakfast Reimbursement

| Lunch | A*       | x 2.32                              |                                        |                   |   |  |   |
|       | B        | x 1.92                              |                                        |                   |   |  |   |
|       | C        | x .22                               |                                        |                   |   |  |   |

2. Total Lunch Reimbursement

| Supper | A* •     | x 2.32                              |                                        |                   |   |  |   |
|        | B        | x 1.92                              |                                        |                   |   |  |   |
|        | C        | x .22                               |                                        |                   |   |  |   |

3. Total Supper Reimbursement

| Snack | A* •     | x .63                               |                                        |                   |   |  |   |
|       | B        | x .31                               |                                        |                   |   |  |   |
|       | C        | x .05                               |                                        |                   |   |  |   |

4. Total Snack Reimbursement

<table>
<thead>
<tr>
<th>Cash-in-Lieu</th>
<th>Total Number of Lunches</th>
<th>Total Number of Suppers</th>
</tr>
</thead>
</table>

5. Lunches + Suppers x .1750 (cash-in-lieu)

6. TOTAL Meal Reimbursement (1+2+3+4+5)

7. Value of non-reimbursable meals
   (Totals of the far right columns of this form-
   breakfast, lunch, supper, snack)

8. Food Service Operation Expenses
   (Line 6 minus line C of the claim
   minus Line 7 of this form)

**VALUE OF CLAIM FOR REIMBURSEMENT:**
(The lesser of line 6 or line 8 of this form.)

**Notes:**
- * Include meals and snacks served to children in homeless shelters
- ** Include “at-risk”