

From: Bushong, Linda (MDE) **On Behalf Of** Leikert, Howard (MDE)
Sent: Monday, October 14, 2013 1:47 PM
To: MDE-SchoolNutrition
Subject: Weekly News from MDE 101413

I am away on a business trip but thought I could use some time to send out some news.....and here it is:

1. Lapse in Funding – Attached is a Q&A distributed by USDA. It is good news in that they have available months of funding so we can continue feeding our students as we have been. Read for more details but it is about as good of news as we could expect!!
2. Non-Public and RCCI Administrators - The School Meals Program Year End Report (SM-4012-A/R) for School Year 2012-2013 is currently available and will be **due October 18, 2013**. You may access the report via the Michigan Education Information System (MEIS) website at <http://michigan.gov/meis>. Scroll to Child Nutrition Programs (CNP). Click "Year End Report School Meals Program SM-4012-A/R." The login page contains a Link to Instructions for the School Meals Program Year End Report. The information collected on this report will be used to ensure the ending balance in the non-profit food service fund does not exceed three months of operating expenses. Any school having a fund balance greater than the average of three months expenditures will be required to develop and submit to the Michigan Department of Education a spending plan for reducing the balance of the non-profit food service fund to an acceptable level during the following school year. If you are no longer responsible for submitting this report, please forward this message to the appropriate staff person. For security access, please contact Ruby Zavala at 517-373-0420 or zavalar1@michigan.gov.
If you have questions about the Year End Report, please contact Ruby Zavala at 517-373-0420 or zavalar1@michigan.gov.
3. Yogurt Promo - **WIN 4 TICKETS to watch the Detroit Lions take on the Tampa Bay Buccaneers on November 24 at Ford Field!** Don't miss out on this great opportunity to liven up school meals with yogurt. Kids love the creamy, delicious taste in these fun recipes. Go to www.mmm-yogurt.com to order your kit today. Each building in your district is eligible to order a kit brought to you by United Dairy Industry of Michigan. Each kit includes:
 - A full color, laminated, spiral bound, recipe book with 27 delectable, student tested recipes, marketing ideas and ways to incorporate Fuel Up to Play 60 Healthy Eating Plays
 - Consumer recipe card booklets to provide to students and families
 - 12 aprons to provide to students and staff (eight adult-sized and four youth-sized)

- One 11" x 14" "Today's Yogurt Feature" dry-erase wall cling featuring Roary, the official Detroit Lions mascot
- Three *mmm ... yogurt* posters to display

Drawings for the 4 pack of tickets will take place on October 18, 28, and November 12, 2013. Order early so your name is in each drawing. Questions? Contact UDIM at 1-800-241-MILK (6455).

4. Team Nutrition Video - What's a Cantina Bowl Action Station? Watch how NW Community Schools in Jackson offers students make-your-own meal bars to boost school lunch participation at <http://tinyurl.com/kcv9jvu>. Featuring Pattie Russell (Food Service Director), Kris Jones (Special Education Teacher), and Northwest High School, Jackson, Michigan.

Join the online conversation - like Michigan Team Nutrition on Facebook at www.facebook.com/michiganteamnutrition and follow on Twitter at <http://twitter.com/TeamNutritionMI>.

5. Food Inspections - The Food Safety and Inspection Service (FSIS) continues to inspect meat, poultry, and egg products as usual. See their website at www.fsis.usda.gov, which is up and running. In addition, folks can go to the recall/public health alert page for FSIS for more information at <http://www.fsis.usda.gov/wps/portal/fsis/topics/recalls-and-public-health-alerts/current-recalls-and-alerts>.

In addition, the Agricultural Marketing Service (AMS), which is fee-for-service, continues to be present to provide oversight when USDA Foods are produced.

FNS is in constant touch with the FSIS Recall Management Staff and there has been no food safety issue, except the Foster Farms public health alert. Foster Farms does not supply raw chicken (the subject of the public health alert) to USDA.

Short weekly news but wanted you all to know about the continued funding of our programs. Have a great week!

Howard Leikert, MBA, SMS

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“The MDE School Nutrition Programs team is committed to the success of child nutrition programs through training, support, and leadership by fostering partnerships to ensure the nutritional well-being of all students in Michigan.”

FY 2014 Lapse in Appropriations

Child Nutrition Program Questions and Answers

FY2013 Reimbursements:

Q. Can State Agencies (SAs) continue to receive reimbursements for program activities that occurred in FY2013?

A. Yes, FY2013 funds are available to pay reimbursement claims for all Child Nutrition Program activity prior to October 1, 2013.

FY2014 Program Funds

Q. What funds are available to support FY 2014 Child Nutrition program activities?

On October 3, USDA made FY2013 carryover funds available to SAs to support FY2014 program activities. We estimate that these funds are adequate to support program operations occurring in early October. We understand that while claims for October operations will not occur until November, SAs and program operators are concerned about late October operations if appropriations are not enacted soon.

USDA has determined that additional funding is currently available, and is sufficient to support program activity for several months in FY 2014. This funding is provided through a permanent appropriation supporting the Child Nutrition programs, and its availability to support Child Nutrition program obligations does *not* depend on further action by Congress.

Finally, once an appropriation is enacted, we expect that additional appropriated resources will also be available to support reimbursement for program operations.

Q. If States use their own funds to support Child Nutrition Program activities due to unavailability of federal funds, will States be reimbursed with Federal funds once such funding becomes available?

As noted above, federal resources are currently available to support Child Nutrition program obligations for several months in FY2014.

Q. Can the carryover funds provided on October 3 be used for all the Child Nutrition programs?

A. Carryover funds have been provided for the National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program and Special Milk Program (see below regarding funding for the Fresh Fruit and Vegetable Program). Funds have been allocated among SAs administering these programs, and among programs accounts, proportional to the amounts each agency/account would have received if there were a full year appropriation available. The one exception is the Summer Food Service Programs, which should not require FY2014 funds at this time.

Q. Can the funds be used for sponsor advances in the Child and Adult Care Food Program?

A. Consistent with program regulations, sponsor advances are an allowable use of these funds.

Fresh Fruit and Vegetable Program Funding

Q. Are there funds available for continued School Year (SY) 2013/14 operation of the Fresh Fruit and Vegetable Program (FFVP)?

A. Yes. States were notified of their total FFVP allocation amounts for SY 2013/14 in May 2013. The initial allocation of FFVP funds was provided in July for FY2013 activities, and these funds remain available to reimburse schools for FY2013 activities. State agencies received a portion of the remaining allocation for FY2014 activities on October 3. The balance of the SY2013/14 allocations is available and not dependent on further appropriations action by Congress. The remaining funds will be provided to SAs by USDA once the federal government reopens. Thus FFVP operations may continue as planned for SY2103/14.

State Administrative Expenses

Q. Can States utilize State Administrative Expense (SAE) funds during the federal government shutdown?

A. Yes, SAE grants are made available with a two year period of performance. Therefore, SAs may utilize funds remaining in their FY 2013 grants for FY2014 state administrative activities. Additionally, FNS has provided States with an initial allocation of FY2014 SAE funds equal to approximately 10% of the funds they would receive for the full fiscal year, based on the SAE funding formula. We anticipate that once an appropriation is enacted the remaining SAE funds will be allocated to SAs.

Q. Can States use CACFP audit funds at this time?

A. No, CACFP audit funds are provided to SAs as a single-year grant, thus they cannot utilize any remaining FY2013 funds. FY2014 audit funds will be provided when the federal government reopens. However, please note that SAE funds may be used for CACFP state administrative activities, including those typically funded with audit funds.

Q. Can States use funds provided through Section 201 of the Healthy, Hunger-Free Kids Act of 2010 for State program administration?

A. Yes, these funds are available to support many State administrative activities associated with the NSLP and SBP. Please see SP39-2013 for further details.

Program Administration During Furloughs

Q. Can households of furloughed employees be approved for free or reduced price school meal benefits? Should they be removed from the program when the furlough is over?

A. The income eligibility guidelines for free and reduced price school meals are based on annual income. While there is no prohibition on households with furloughed employees applying for benefits during a furlough, school food authorities (SFAs) should manage the application process in a manner which reflects their unique circumstances. During the furlough period, these households may not have information on the duration of the furlough or its ultimate impact on household income. Therefore, it is reasonable for SFAs to remind households that free or reduced price eligibility is intended to reflect actual annual income. School districts should urge any families who are approved for free or reduced-price meals based on their reduced income during a furlough period to terminate their free/reduced price status should the economic hardship they had anticipated due to the furlough be remedied by a return to work and/or restoration of pay for the furlough period.

In addition, families should be made aware that if they are selected for verification later in the school year, they will be required to produce documentation of *actual* income for the application month. School districts may choose to verify applications "for cause" if they have specific information indicating that the information on the application is not accurate.