

Food and Nutrition Service	DATE:	June 7, 2021
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1320 Braddock Place Alexandria VA 22314	SUBJECT:	Reimbursement for Meals and Snacks Served to Young Adults in the Child and Adult Care Food Program—Questions and Answers
	TO:	Regional Directors Special Nutrition Programs All Regions
		State Directors Child Nutrition Programs

All States

<b>Issuing Agency/Office:</b>	FNS/Child Nutrition Programs
	Reimbursement for Meals and Snacks Served to Young Adults in
Title of Document:	the Child and Adult Care Food Program—Questions and Answers
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Summary:	<ul> <li>(1) This memorandum provides clarification on additional questions related to the implementation guidance pursuant to the statutory requirements outlined in Section 1107 of the American Rescue Plan Act (Public Law 117-2). (2) This memorandum relates to requirements at 42 U.S.C. 1766(r) and 42 U.S.C. 1766(t) to allow emergency shelters to claim reimbursement for meals and snacks served to individuals under the age of 25. (3) This memorandum applies to administering State agencies and institutions operating the Child and Adult Care Food Program in emergency shelters.</li> </ul>
Disclaimer:	The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

This memorandum includes questions and answers to provide clarification to State agencies, emergency shelters, and emergency shelters that operate at-risk after school care centers regarding meals and snacks served to young adults in the Child and Adult Care Food Program (CACFP). It addresses requirements of section 1107 of the American Rescue Plan Act, Public Law 117-2, which raise the age limit to allow emergency shelters and at-risk centers to claim CACFP reimbursement for providing meals and snacks to individuals under age 25. USDA's Food and Nutrition Service (FNS) issued implementation guidance to State agencies, CACFP-08-2021, on April 9, 2021, <u>https://www.fns.usda.gov/cacfp/implementation-guidance-reimbursement-meals-and-snacks-young-adults</u>.

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FNS appreciates the exceptional effort of State agencies and local Program operators working to meet the nutritional needs of children and adult participants during a challenging time. State agencies are reminded to distribute this memorandum to Program operators immediately. Program operators should direct any questions concerning this guidance to their State agency. State agencies with questions should contact the appropriate FNS Regional Office.

Sincerely,

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Angela M. Kline Director Policy and Program Development Division

Attachment

### Reimbursement for Meals and Snacks Served to Young Adults In the Child and Adult Care Food Program Questions and Answers

The President signed into law the American Rescue Plan Act (ARP) of 2021 on March 11, 2021. Section 1107 of ARP authorizes reimbursement for meals and snacks that emergency shelters serve to individuals under the age of 25, from the date of enactment until the date the COVID-19 public health emergency is lifted. Section 1107 also authorizes reimbursement to at-risk afterschool centers operated by emergency shelters for meals and snacks they serve to individuals under the age of 25 who are receiving assistance, including non-residential assistance, during this same period. USDA's Food and Nutrition Service (FNS) issued implementation guidance to State agencies, CACFP-08-2021, on April 9, 2021, <a href="https://www.fns.usda.gov/cacfp/implementation-guidance-reimbursement-meals-and-snacks-young-adults">https://www.fns.usda.gov/cacfp/implementation-guidance-reimbursement-meals-and-snacks-young-adults.</a>

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# I. Emergency Shelters Participating in CACFP under ARP

## <u>Eligibility</u>

# 1. Can emergency shelters participate in CACFP as independent centers or must they participate through a sponsoring organization?

An emergency shelter may participate either as an independent institution, which makes an agreement directly with the State agency, or as a facility under a sponsoring organization.

### 2. Which types of emergency shelters are eligible to participate in CACFP under ARP?

Any public or private nonprofit organization, or its site, that provides temporary shelter and food services to homeless children (i.e., meets the regulatory definition of emergency shelter under 7 CFR 226.2), is eligible to participate in CACFP. Beginning March 11, 2021, and during the COVID-19 public health emergency, emergency shelters that meet this definition are also eligible to receive reimbursement for meals served to individuals under age 25. Emergency shelters participating in CACFP must serve children, which may include persons age 18 and under and persons with disabilities, as defined under 7 CFR 226.2. An emergency shelter may provide services to other adults; however, only the meals served to young people under age 25 are eligible for reimbursement.

# 3. Are emergency shelters that contract with and are operated by for-profit companies eligible for CACFP?

No, 7 CFR 226.2 defines an emergency shelter as a public or private nonprofit organization.

# 4. How can emergency shelters that are eligible to participate in CACFP also operate under ARP?

Emergency shelters must have valid agreements with the CACFP State agency to participate.<sup>1</sup> To receive reimbursement, emergency shelters must amend their current agreement or, if they are new to CACFP, apply and sign an agreement to operate the program. CACFP regulations at 7 CFR 226.11(a) allow payments to be made only to institutions operating under an agreement with the State agency, and only for the meal types that are specified in the agreement and served at approved emergency shelters. However, 7 CFR 226.11(a) also allows State agencies to establish policies that allow the reimbursement of eligible meals served in the calendar month preceding the calendar month in which the CACFP agreement is executed. For example, a State agency may allow an emergency shelter that enters into an agreement on June 30, to submit claims for reimbursement for meals served in both May and June. However, reimbursement cannot be paid until the agreement is signed.

## Meal Services

5. Do emergency shelters need to keep separate track of the number of young adults under age 25 receiving meals?

<sup>&</sup>lt;sup>1</sup> Except for the burden associated with reimbursement claims, which is included in Food Programs Reporting System (FPRS), OMB Control #0584-0594, expiration date 07/31/2023, all burden associated with the reporting, recordkeeping, and public disclosure requirements outlined in this memorandum will be included in an upcoming reinstatement request to 7 CFR part 226, Child and Adult Care Food Program (CACFP), OMB control number 0584-0055, expiration date 02/29/2020.

No, emergency shelters do not have to separately track participation of young adults from other meal service recipients. However, they must maintain records of daily attendance and meal counts.

### 6. How does an emergency shelter document that meals are served to eligible persons?

To support claims for reimbursement, emergency shelters must document that meals have been served to eligible residents under the age of 25, at the time of the meal service. At a minimum, emergency shelters must maintain meal counts, attendance, and a list of residents by name (or other identifier) and date of birth.

### 7. Which types of meals are emergency shelters allowed to claim?

Emergency shelters may claim reimbursement at the free rate for the number and types of meals that are specified in their agreements, which may include a maximum of three meals—breakfast, lunch, and supper—for each eligible resident each day.

# 8. Which meal pattern requirements apply to young adults under age 25 in an emergency shelter?

Emergency shelters must follow the meal pattern requirements for ages 13 through 18, under 7 CFR 226.20(c), when serving meals to young adults under age 25. It is important to remember that the meal pattern establishes the minimum requirements for a reimbursable meal or snack. Larger portions may be served to meet the nutritional needs of growing youths and young adults.

## 9. Is offer versus serve a meal service option for emergency shelters?

No, emergency shelters are not approved to use offer versus serve.

## <u>Reimbursement</u>

# 10. Can emergency shelters receive retroactive reimbursement for meals and snacks served to individuals under age 25, before FNS issued implementation guidance?

Yes, retroactive reimbursement back to March 11, 2021, is available to emergency shelters that have documentation to support the service of reimbursable meals and snacks to young adults under age 25.

## 11. How will retroactive reimbursements be processed?

For emergency shelters that have already submitted a March 2021 claim for reimbursement to the State agency, a revised March 2021 claim for reimbursement may be submitted to the State agency to include the additional meals served to these newly eligible participants. For the purposes of ensuring timely claims adjustments, State agencies should promptly inform all participating emergency shelters that retroactive reimbursements are available effective March 11, 2021 for reimbursable meals and snacks served to young adults under the age of 25 who are experiencing homelessness.

# 12. Can emergency shelters that have just submitted CACFP applications to their State agency claim reimbursement for the meals served since March 11, 2021, before they were approved to participate in CACFP?

Yes, 7 CFR 226.11(a) allows State agencies to establish policies that allow reimbursement for eligible meals served in the calendar month preceding the calendar month in which the CACFP agreement is executed. However, the agreement must be executed before the emergency shelter may receive program payment. New and existing CACFP emergency shelters must have meal service records that document meal counts, by type; demonstrate compliance with meal pattern requirements; and track food service revenues and expenditures to support claims for reimbursement.

## II. Emergency Shelters that Operate CACFP At-Risk Afterschool Programs

# <u>Eligibility</u>

## 13. Does ARP apply to at-risk afterschool programs operated by emergency shelters?

Yes, ARP allows participation of emergency shelters that are approved as at-risk centers and provide temporary housing or nonresidential services to young adults. Any public or private nonprofit emergency shelter that meets the regulatory definition of emergency shelter under 7 CFR 226.2 is eligible to participate in CACFP. To qualify as an at-risk center, the emergency shelter must meet the requirements under 7 CFR 226.17a(b) to provide meals or snacks under a program that is organized primarily to provide care to at-risk school children during after-school hours, weekends, or holidays during the regular school year; has organized regularly scheduled activities; and has an educational or enrichment purpose.

# 14. Are at-risk centers required to offer enrichment activities to young adults under age 25?

Yes, under 7 CFR 226.17a(b), at-risk centers must offer programs that include education or enrichment activities. ARP specifies that young adults receive assistance, including nonresidential assistance, from emergency shelters that participate in CACFP as at-risk centers. Examples of nonresidential services include, but are not limited to, enrichment

activities, education, job training, mentoring, crisis intervention, substance abuse treatment, housing support, and distribution of basic necessities.

# 15. Are at-risk centers that contract with and are operated by for-profit companies eligible for CACFP?

No, 7 CFR 226.2 defines an emergency shelter as a public or private nonprofit organization. Although for-profit at-risk centers are allowed to participate in CACFP, only at-risk centers that are emergency shelters are eligible to participate under ARP.

# 16. Which types of at-risk centers are eligible to participate in CACFP under this provision of ARP?

Eligible at-risk centers must meet the regulatory definition of emergency shelter under 7 CFR 226.2 and qualify as an at-risk center under 7 CFR 226.17a(b). At-risk centers participating in CACFP must serve children, which may include persons age 18 and under and persons with disabilities, as defined under 7 CFR 226.2. Emergency shelters that operate as at-risk centers may provide services to other adults; however, only the meals and snacks served to young people under age 25 are eligible for reimbursement.

# 17. How can at-risk centers operated by emergency shelters participate in CACFP under ARP?

At-risk centers must have valid agreements with the State agency to participate and receive reimbursement. The emergency shelter must amend its current agreement or, if it is new to CACFP, apply and sign an agreement to operate the at-risk afterschool program. CACFP regulations at 7 CFR 226.11(a) allow payments to be made only to institutions operating under an agreement with the State agency, and only for the meal types that are specified in the agreement and served at approved at-risk centers. However, 7 CFR 226.11(a) allows State agencies to establish policies that allow the reimbursement of eligible meals served in the calendar month preceding the calendar month in which the CACFP agreement is executed.

## Meal Services

# 18. How does an at-risk center document that meals are served to eligible persons under ARP?

To support claims for reimbursement under ARP, at-risk centers must document that meals have been served to individuals under the age of 25 at the time of the meal service. The at-risk center must maintain daily attendance records, sign-in sheets, or, with State agency approval, another method which results in accurate recording of daily attendance.

#### 19. Which types of meals are at-risk centers allowed to claim?

At-risk centers must follow the requirements under 7 CFR 226.17a(k), which allows only one at-risk afterschool snack and one at-risk afterschool meal to be claimed at the free rate of reimbursement.

# 20. Which meal pattern requirements apply to young adults under age 25 in an at-risk center?

At-risk centers must follow the meal pattern requirements for ages 13 through 18, under 7 CFR 226.20(c), when serving meals to young adults under age 25. It is important to remember that the meal pattern establishes the minimum requirements for a reimbursable meal or snack. Larger portions may be served to meet the nutritional needs of growing youths and young adults.

## 21. Is offer versus serve a meal service option for at-risk centers?

Yes, offer versus serve is an option for at-risk centers in CACFP. At-risk centers that choose to use this option should follow the guidance outlined in CACFP 05-2017: Offer Versus Serve and Family Style Meals in the Child and Adult Care Food Program, https://www.fns.usda.gov/cacfp/offer-versus-serve-family-style-meals-child-and-adult-care-food-program.

## **Reimbursement**

# 22. Can at-risk centers receive retroactive reimbursement for meals and snacks served to eligible adults, before FNS issued implementation guidance?

Yes, retroactive reimbursement back to March 11, 2021, is available to at-risk centers that have documentation to support the service of reimbursable meals and snacks to young adults under age 25.

#### 23. How will retroactive reimbursements be processed?

For at-risk centers that have already submitted a March 2021 claim for reimbursement to the State agency, a revised March 2021 claim for reimbursement may be submitted to the State agency to include the additional meals served to these newly eligible participants. For the purposes of ensuring timely claims adjustments, State agencies should promptly inform all participating at-risk centers that retroactive reimbursements are available effective March 11, 2021 for reimbursable meals and snacks served to young adults under the age of 25 who are experiencing homelessness.

# 24. Can at-risk centers that have just submitted CACFP applications to their State agency claim reimbursement for the meals served since March 11, 2021, before they were approved to participate in CACFP?

Yes, 7 CFR 226.11(a) allows State agencies to establish policies that allow reimbursement for eligible meals served in the calendar month preceding the calendar month in which the CACFP agreement is executed. However, the agreement must be executed before the at-risk center may receive program payment. New and existing CACFP at-risk centers must have meal service records that document meal counts, by type; demonstrate compliance with meal pattern requirements; and track food service revenues and expenditures to support claims for reimbursement.