




STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of School Child Nutrition Programs (including the Special Milk Program)

FROM: Shannon Yearwood, Bureau Chief 
Bureau of Child Nutrition Programs

DATE: August 3, 2023

SUBJECT: Operational Memorandum No. 18-23
State Transition Assistance for Breakfast and Lunch Expenses (STABLE)
Attestation Statement Due August 18, 2023

Pursuant to Public Act No. 23-204 (Connecticut State Budget), \$16 million of federal American Rescue Plan Act (2021) funds has been allocated for “Free Meals for Students” to the Connecticut State Department of Education (CSDE) for school year (SY) 2023-24. Through working with the Governor’s Office and legislative leadership, these funds will be used to support households by allowing the provision of 1) breakfast meals at no cost to all students in non-Community Eligibility Provision (CEP) schools participating in the School Breakfast Program (SBP) and 2) lunch meals at no cost for students eligible for reduced-price meals in non-CEP schools that are participating in the National School Lunch Program (NSLP). For SY 2023-24, under the NSLP and SBP, free and reduced-price meal eligibility will be determined for each individual student. Meals will be reimbursed based on a student’s approved eligibility (free, reduced-price, and paid).

For purposes of this grant, these funds will be referred to as *State Transition Assistance for Breakfast and Lunch Expenses* (STABLE) funds. The STABLE funds will reimburse SFAs the difference between the federal reimbursement rate for free SBP meals and the federal reimbursement rate for reduced-price and paid SBP meals, and the difference between the federal reimbursement rate for reduced-price and paid NSLP meals.

Eligible SFAs

For purposes of this grant, SFAs in good standing are eligible to receive the funds for their approved sites if they: 1) participated in the NSLP and/or SBP during SY 2022-23 (including all sites operating under interschool agreements); and 2) are participating in NSLP and/or the SBP during SY 2023-24. SFAs that are not eligible to receive STABLE funds include sites participating in the CEP for SY 2023-24, new NSLP sponsors in SY 2023-24, and new SBP sites in SY 2023-24.

Payments

After processing the monthly claims for reimbursement, the CSDE will determine each SFA's STABLE funds monthly reimbursement payment. The SFA's STABLE funds reimbursement payment will be paid using the same process already in place to pay the SFA's monthly claims for reimbursement.

The Disbursement of Funds (DOF) module in the Child Nutrition Programs Online Application and Claiming System (CNP System) will allow each SFA to see their monthly reimbursement payment. The example below indicates how the CSDE will determine each SFA's STABLE funds payment.

Example of STABLE funds payment

ABC School District is in good standing and has six sites that will be operating the SBP and NSLP in SY 2023-24. All six sites operated in SY 2022-23 offering breakfast and lunch. Three sites will be participating in the CEP in SY 2023-24 and are not eligible to receive STABLE funds.

The ABC School District submits their September monthly claim for reimbursement in accordance with the monthly claiming schedule. The chart below shows what the CSDE will reimburse the ABC School District for the NSLP and SBP based on the number of reduced-price and paid breakfast meals claimed and the number of reduced-priced lunch meals claimed for September at the six eligible sites.

Lunch meal category	Federal per meal reimbursement regular rate for lunch (SY 2023-24)	STABLE funds lunch reimbursement rate	Number of lunch meals served in September	STABLE funds reimbursement per lunch meal
Free meals	\$4.25	\$0.00	2,750	\$0.00
Reduced-price meals	\$3.85	\$0.40	800	\$320.00
Paid meals	\$0.40	\$0.00	6,500	\$0.00
Total lunch reimbursement:				\$320.00

Breakfast meal category	Federal per meal reimbursement regular rate for breakfast (SY 2023-24)	STABLE funds breakfast reimbursement rate	Number of breakfast meals served in September	STABLE funds reimbursement per breakfast meal
Free meals	\$2.28	\$0.00	800	\$0.00
Reduced-price meals	\$1.98	\$0.30	125	\$37.50
Paid meals	\$0.38	\$1.90	350	\$665.00
Total breakfast reimbursement:				\$702.50

In this example, the CSDE will reimburse the ABC School District \$1,022.50 for eligible lunch and breakfast meals claimed in September.

September total STABLE funds lunch reimbursement	\$320.00
September total STABLE funds breakfast reimbursement	\$702.50
Total:	\$1,022.50

Use of Funds

STABLE Funds may only be used by SFAs to provide free breakfast meals to all students and free lunch meals to those students with an approved reduced-price meal eligibility status. STABLE funds cannot be used at schools that do not participate in the NSLP or in CEP schools. For additional guidance on the proper use of STABLE funds, refer to *Attachment 1: Questions and Answers: State Transition Assistance for Breakfast and Lunch Expenses funds for School Year 2023-24*.

CSDE Monitoring

The CSDE will monitor each SFA’s STABLE funds reimbursement to ensure compliance with the STABLE funds requirements pursuant to 2 CFR §200.332, and consistent with other school nutrition program funds, through existing oversight measures used in the Administrative Review process for school nutrition programs. STABLE funds may be subject to future external audit activity under standard auditing practices.

Attestation

All eligible NSLP sponsors **must attest to the CSDE** that they understand the STABLE funds requirements to serve all SBP meals at no cost and eliminate the household share for all reduced-price lunch meals for the duration of SY 2023-24 by completing and submitting the [STABLE Funds Attestation](#) by **August 18, 2023**.

Questions may be directed to your [CSDE school nutrition consultant](#).

SY:saa

Attachments (3)

Important: This is a numbered Connecticut State Department of Education (CSDE) operational memorandum that contains important program information. Please read carefully and retain for future reference. All CSDE operational memoranda are posted on the CSDE's [Operational Memoranda for School Nutrition Programs](#) webpage.

Attachment 1

**State Transition Assistance for Breakfast and Lunch Expenses (STABLE)
Funds: Question and Answers for School Food Authorities**

This document includes questions and answers regarding Connecticut’s STABLE funds for school food authorities (SFAs) that operate the National School Lunch Program (NSLP) and School Breakfast Program (SBP). For more information, refer to the Connecticut State Department of Education’s (CSDE) [Operational Memorandum No. 18-23: State Transition Assistance for Breakfast and Lunch Expenses \(STABLE\) Funds](#).

Contents

General Questions2

Use of Funds4

Claiming.....5

Free and Reduced-price Eligibility6

Miscellaneous.....7

STABLE Funds Question and Answers for SFAs

General Questions

1. **Are State Transition Assistance for Breakfast and Lunch Expenses (STABLE) funds an extension of the School Meals Assistance Revenue for Transition (SMART) funds?** No. The SMART funds concluded in school year (SY) 2022-23. The STABLE funds apply to SY 2023-24 and is a State of Connecticut program established through Public Act No. 23-204 (Connecticut State Budget) and funded through the American Rescue Plan Act (ARPA) 2021.

The STABLE funds allow eligible school food authorities (SFAs) to provide one SBP meal per student per school day at no cost to all students participating in the SBP and one NSLP meal per school day at no cost for students approved for reduced-price meals that are participating in the NSLP. The STABLE funds reimburse SFAs the difference between the federal reimbursement rate for free SBP meals and the federal reimbursement rate for reduced-price and paid SBP meals. Additionally, the STABLE funds reimburse SFAs the difference between the federal reimbursement rate for reduced-price and paid NSLP meals.

2. **Who is eligible to receive STABLE funds?** SFAs in good standing that participated in the NSLP and SBP during SY 2022-23 and are participating in the NSLP and/or the SBP in SY 2023-24 are eligible to receive STABLE Funds.

Sites participating in the Community Eligibility Provision (CEP) for SY 2023-24, new NSLP sponsors, and new SBP sites are not eligible to receive STABLE funds. By federal law, CEP schools must offer breakfast and lunch at no cost and are not allowed to collect free and reduced-price meal applications.

3. **What if some of the SFA's schools are CEP and some are not? Are the non-CEP schools eligible for STABLE funds?** Yes. While schools participating in CEP are not eligible, non-CEP schools participating in NSLP and/or SBP are eligible for STABLE funds.
4. **Are private schools and endowed academies eligible to receive STABLE funds?** Yes. Private schools and endowed academies participating as a sponsor, or through an interschool agreement in the NSLP and/or the SBP during SY 2022-23 and are participating in the NSLP and/or the SBP in SY 2023-24 are eligible to receive STABLE funds.
5. **Are residential child care institutions (RCCIs) eligible to receive STABLE funds?** RCCIs that are strictly residential programs are not eligible. However, RCCIs participating in NSLP and/or SBP that operate programs with day students are eligible for STABLE funds to serve one SBP meal per student per school day and one NSLP meal per school day served to students eligible for reduced-price meals at no cost to day students.

STABLE Funds Question and Answers for SFAs

6. **Are new NSLP sponsors (SY 2023-24) eligible for STABLE funds?** No. New NSLP sponsors are not eligible for STABLE funds.
7. **Will new sites starting a SBP in SY 2023-24 be eligible for STABLE funds?** No. Only SBP sites that offered breakfast through the SBP in SY 2022-23 will be eligible for STABLE Funds.
8. **Can a representative of a food service management company sign the Attestation Statement to participate in the STABLE the funds?** No. One of the authorized signers of the CNP Permanent Agreement must sign the Attestation Statement.
9. **Can the food service director sign the Attestation Statement on behalf of the SFA?** No. The food service director is never an authorized signer.
10. **Is this “universal free meals?”** No. STABLE funds support one SBP meal per student per school day at no cost for all students and one NSLP meal per school day at no cost for students approved as eligible for reduced-price meals.
11. **Are all SFAs required to participate in the STABLE funds?** No. Although all SFAs operating NSLP and/or SBP in SY 2023-24 are strongly encouraged to participate in STABLE funds and offer one SBP meal per student at no cost for every student per school day and one NSLP meal per school day served to students eligible for reduced-price meals at no cost, it is not a requirement. All eligible SFAs must opt in or opt out of the STABLE funds by **August 18, 2023**, using the [STABLE Funds Attestation Statement](#).
12. **How long are STABLE funds projected to last?** While STABLE fund reimbursements are subject to the availability of funds, they are projected to provide reimbursement for one SBP meal per student per school day and one NSLP meal per school day served to students approved for reduced-price meals to cover the federal reimbursement differentials for SY 2023-24.
13. **How will SFAs receive the STABLE funds?** STABLE funds will be transmitted to SFAs in the same way as federal claims for reimbursement. These funds must be maintained and accounted for separately in the SFA’s nonprofit school food service account.
14. **What Child Nutrition Programs can STABLE funds be used for?** STABLE funds may only be used to support serving one reduced-price NSLP meal and one SBP meal per student per school day at no cost to students enrolled in non-CEP schools. Funds cannot be used for the Afterschool Snack Program (ASP), Fresh Fruit and Vegetable Program (FFVP), Special Milk Program (SMP), Summer Food Service Program, (SFSP), Seamless Summer Option (SSO) of the NSLP, a la carte, the Child and Adult Care Food Program (CACFP) At-Risk Afterschool Meals Program, or any other programs.

STABLE Funds Question and Answers for SFAs

15. **Will accepting STABLE funds impact School Breakfast Grant funds, Healthy Food Certification funds, or State Match funds?** No. Accepting STABLE Funds will not impact an SFA's eligibility to receive additional state grant funding.

Use of Funds

16. **Will STABLE funds be allocated annually?** STABLE funds are a one-year legislative appropriation from the American Rescue Plan Act (ARPA) funds allocated to Connecticut.
17. **Can SFAs still sell a la carte items if the SFA accepts STABLE funds?** Yes. However, STABLE funds cannot be used for a la carte items and can only be used to support providing USDA reimbursable meals through the SBP and NSLP.
18. **Can SFAs receive partial payment from students eligible for paid or reduced-price meals breakfast meals?** No. Households cannot be charged any cost for the first reimbursable SBP meal served to each student each school day.
19. **Can SFAs receive partial payment from students eligible for reduced-price lunch meals?** No. By opting in to receive STABLE funds, students eligible for reduced-price school meals cannot be charged any cost for the first reimbursable lunch meal served each school day per student.
20. **Can SFAs use STABLE funds to pay down student debt for charged reimbursable meal debt or a la carte charges?** No. Student debt for meals or a la carte items is an unallowable charge to the nonprofit school food service account (NSFSA). Funds from the NSFSA cannot be used to cover costs related to the bad debt, such as continued legal and collection costs.
21. **Can SFAs use STABLE funds to cover only reduced-price breakfast meals?** No. STABLE funds must be used to cover the cost of one reimbursable paid or reduced-price breakfast meal per student per school day in all the SFA's schools participating in SBP.
22. **Can SFAs use STABLE funds to cover paid lunch meals?** No. STABLE funds cannot be used to cover the cost of any reimbursable paid lunches in the SFA's schools.
23. **Can funds be used for some NSLP sites and not all? What if all the schools in the district do not participate in NSLP?** SFAs participating in STABLE funds agree to use STABLE funds to provide one SBP meal per student per school day at no cost to all students participating in the SBP at all of the SFA's SBP participating sites. SFAs participating in STABLE funds also

STABLE Funds Question and Answers for SFAs

agree to use STABLE funds to pay the student share of one NSLP meal per student per day for students approved for reduced-price school meals at all of the SFA's sites participating in NSLP (not including CEP sites) throughout the duration of SY 2023-24. STABLE funds cannot be used at schools that do not participate in the NSLP and/or the SBP.

24. **Are there any restrictions on the usage of funds?** Expenses must comply with the cost principles of 2 CFR Part 200 Subpart E. Costs charged to the NSFSA must be necessary, reasonable, allocable (direct or indirect), and consistently treated as direct or indirect.
25. **Can SFAs use STABLE funds to provide second meals?** No. STABLE funds cannot be used to provide second meals to students eligible for free, reduced-price, or paid meals.
26. **Can SFAs use STABLE funds to make adult meals free or no cost?** No. STABLE funds may only be used to support providing one SBP meal per student per school day at no cost to all students participating in the SBP and to cover the student share of costs for one NSLP meal per student approved for reduced-price meals per school day.
27. **Can SFAs accept STABLE funds if the SFA has funds in excess of the 3 months' average operating costs?** Yes. To maintain the SFA's nonprofit status, sections 7 CFR 210.14(b) and 7 CFR 210.19(a)(1) of the NSLP regulations require that the fund balance (net cash resources) of the NSFSA cannot exceed three months' average expenditures as of June 30 of each year. SFAs that exceed three months' average expenditures must submit a [Plan for Reducing Excess Operating Balance](#) to the CSDE to indicate how the excess balance will be spent to maintain the SFA's nonprofit status. Expenditures must make improvements to the USDA school nutrition programs such as improving food quality and replacing or purchasing necessary equipment.

Claiming

28. **Do SFAs claim all meals as free?** No. While all students will be receiving one SBP meal per student per school day and students eligible for reduced-price meals will be receiving one NSLP meal per student per school day at no cost, all SBP and NSLP meals must be claimed based on a student's approved eligibility status (free, reduced-price, or paid).
29. **What rate will the meals be reimbursed?** The STABLE funds will reimburse the SFA the difference between the Federal reimbursements rates for SBP free meals and the SBP reduced-price and paid reimbursement rates and the NSLP reduced-price and NSLP paid reimbursement rates established for SY 2023-24. Reimbursement will reflect the SFAs Federal severe need eligibility for lunch and/or breakfast as applicable.

STABLE Funds Question and Answers for SFAs

30. **Will use of STABLE funds impact a SFA's Federal severe need eligibility for lunch and breakfast?** No. Because breakfast and lunch meals will still be claimed by individual student eligibility (free, reduced-price, and paid), use of STABLE funds to provide breakfast meals at no cost to all students participating in the SBP and lunch for all students approved for reduced-price meals participating in the NSLP, the STABLE funds will not impact Federal severe need eligibility. Schools are eligible for the Federal severe need breakfast reimbursement rate if 40 percent or more of NSLP lunches served to students at school during the second preceding school year were at the free or reduced-price rate (42 U.S.C. 1773(d) and 7 CFR 220.9(d)). SFAs are eligible for severe need lunch reimbursement rates if 60 percent or more of the NSLP lunches served in the second preceding school year were at the free or reduced-price rate (42 U.S.C. 1753(b)(2)).

Free and Reduced-price Eligibility

31. **Are SFAs still required to collect and process free and reduced-price applications?** Yes. SFAs must have a plan in place to encourage parents/guardians to submit applications, especially during the carryover period. Outreach is very important to avoid excessive charging of meals.
32. **Will all CSDE public release statements and meal application materials/notification letters be updated to reflect the transitional free meal plan?** Yes. The appropriate forms will be updated by the CSDE and sponsors will be notified when the updated forms are available.
33. **Are SFAs required to check the direct certification list?** Yes. The SFA's direct certification contact must check the list weekly to see if a match was conducted. This will help to ensure that all eligible children are directly certified for free or reduced-price meals.
34. **Are SFAs required to complete Verification?** Yes. Since applications are being collected and processed, the formal verification process is still required and the FNS 742 Verification Summary Report will need to be completed. As a reminder, the formal verification process begins on October 1. An application may be *verified for cause* at any time a determining official questions income or household size. For more information, refer to the USDA's [Eligibility Manual for School Meals](#).

STABLE Funds Question and Answers for SFAs

Miscellaneous

35. **How is Paid Lunch Equity (PLE) impacted by STABLE funds?** The STABLE funds do not impact the PLE requirements. Based on OM No 13-23 Paid Lunch Equity: Guidance for School Year 2023-24, school food authorities (SFAs) with a positive or zero balance in the nonprofit school food service account (NSFSA) as of June 30, 2022, are exempt from the PLE pricing requirements of 7 CFR 210.14(e) for SY 2023-24. Only SFAs that had a negative balance in the NSFSA as of June 30, 2022, shall be required to establish prices for paid lunches according to the PLE regulations. Note: If the documented weighted average student lunch price was a minimum of \$3.56 for SY 2022-23, the SFA is not required to complete the PLE tool or request an exemption for SY 2023-24.
36. **Will this impact a SFAs meal charging policy?** Yes. SFAs must create or update any policies and procedures related to the collection of unpaid meal charges for students who are served lunch meals, are not eligible for free meals but do not have money in their account or in hand to cover the cost of the meal at the time of service. For more information, refer to [Operational Memorandum No. 11-22: Connecticut Statutory Requirements for Unpaid Meal Charges in Public Schools](#).

STABLE Funds Question and Answers for SFAs

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotope, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted 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; or
2. fax: (833) 256-1665 or (202) 690-7442; or
3. email: program.intake@usda.gov

This institution is an equal opportunity provider.

The Connecticut State Department of Education is committed to a policy of equal opportunity/affirmative action for all qualified persons. The Connecticut Department of Education does not discriminate in any employment practice, education program, or educational activity on the basis of race; color; religious creed; age; sex; pregnancy; sexual orientation; workplace hazards to reproductive systems, gender identity or expression; marital status; national origin; ancestry; retaliation for previously opposed discrimination or coercion, intellectual disability; genetic information; learning disability; physical disability (including, but not limited to, blindness); mental disability (past/present history thereof); military or veteran status; status as a victim of domestic violence; or criminal record in state employment, unless there is a bona fide occupational qualification excluding persons in any of the aforementioned protected classes. Inquiries regarding the Connecticut State Department of Education's nondiscrimination policies should be directed to: Attorney Louis Todisco, Connecticut State Department of Education, by mail 450 Columbus Boulevard, Hartford, CT 06103-1841; or by telephone 860-713-6594; or by email louis.todisco@ct.gov.