



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the National School Lunch Program (NSLP) and School Breakfast Program (SBP)

FROM: Shannon K. Yearwood, Bureau Chief *Shannon K. Yearwood*
Bureau of Child Nutrition Programs

DATE: August 7, 2024

SUBJECT: Operational Memorandum No. 16-24: State Transition Assistance for Reduced-price (STAR) Funds for School Year 2024-25
Attestation Statement Due August 23, 2024

For the 2024-25 school year, as a result of [Section 242 of Public Act 24-81](#) the Connecticut State Department of Education (CSDE) will cover the cost to families for one breakfast and one lunch per day for students who qualify for reduced-price meals through the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). This means that schools participating in NSLP and/or SBP will not charge families for the reduced-price portion of these meals.

State Transition Assistance for Reduced-price (STAR) funds will provide payments to SFAs for the difference between the federal reimbursement rates for free meals and the reimbursement rates for reduced-price breakfasts (\$0.30) and lunches (\$0.40). SFAs will determine individual student eligibility for free, reduced-priced, and paid students and submit claims for reimbursement accordingly.

Eligible SFAs

SFAs will receive STAR funds for their approved sites if:

- The SFA is participating in NSLP and/or the SBP during SY 2024-25 (including all sites operating under interschool agreements).
- The SFA is not participating in the Community Eligibility Provision (CEP) for SY 2024-25.
- The SFA is a public school, charter school, or Residential Child Care Institution (RCCI) with students enrolled in a day program.

Payments

After each monthly claim for federal reimbursement is processed, the CSDE will calculate each SFA's monthly STAR funds reimbursement for meals provided to students eligible for reduced-price meals. This reimbursement will be issued using the same procedure as the existing monthly claim payments.

To view their STAR funds reimbursement, each SFA can use the Disbursement of Funds (DOF) module in the Child Nutrition Programs Online Application and Claiming System (CNP System). The example on the next page illustrates how the CSDE will determine the STAR funds payment for each SFA.

Example of STAR Funds Payment

ABC School District will operate six sites that will be operating the SBP and NSLP in SY 2024-25.

The ABC School District submits their October 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 breakfast and lunch meals claimed for October across the SFAs six eligible sites.

Lunch meal category	Federal per meal reimbursement regular rate for lunch (SY 2024-25)	STAR funds lunch reimbursement rate	Number of lunch meals served in October	STAR funds reimbursement per lunch meal
Free meals	\$4.43	\$0.00	2,750	\$0.00
Reduced-price meals	\$4.03	\$0.40	800	\$320.00
Paid meals	\$0.42	\$0.00	6,500	\$0.00

Total lunch reimbursement: \$320.00

Breakfast meal category	Federal per meal reimbursement regular rate for breakfast (SY 2024-25)	STAR funds breakfast reimbursement rate	Number of breakfast meals served in October	STAR funds reimbursement per breakfast meal
Free meals	\$2.37	\$0.00	800	\$0.00
Reduced-price meals	\$2.07	\$0.30	125	\$37.50
Paid meals	\$0.39	\$0.00	350	\$0.00

Total breakfast reimbursement: \$37.50

For this example, the CSDE will reimburse the ABC School District \$357.50 for eligible reduced-price lunch and breakfast meals claimed in October.

Meal category	STAR funds reimbursement
October total STAR funds lunch reimbursement	\$320.00
October total STAR funds breakfast reimbursement	\$37.50
Total:	\$357.50

Use of Funds

STAR Funds may only be used on allowable expenses from the Nonprofit School Food Service Account as governed by [7 CFR 210.14](#) and [2 CFR Part 200 Subpart E](#). STAR funds cannot be used by schools that do not participate in the NSLP or in CEP schools. For additional guidance on the proper use of STAR funds, refer to *Attachment 1: Questions and Answers: State Transition Assistance for Reduced-price funds for School Year 2024-25*.

CSDE Monitoring

The CSDE will oversee each SFA's STAR funds reimbursement to ensure adherence to STAR funds requirements as outlined in 2 CFR §200.332. This will be done using the same oversight procedures employed during the Administrative Review process for school nutrition programs. Additionally, STAR funds may be reviewed in future external audits conducted according to standard auditing practices.

Attestation

All eligible NSLP and SBP sponsors must attest to the CSDE that they understand that under the STAR funds the CSDE shall be financially responsible for the non-federal portion of the cost for reduced-priced meals under the NSLP and SBP that are provided to eligible students. Therefore, SFAs cannot charge families for the household share of reduced-price lunch or breakfast. Complete and submit the [STAR Funds Attestation](#) by August 23, 2024.

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

SKY:saa

Attachment

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.

Questions and Answers for Operational Memorandum No. 16-24 Addressing State Transition Assistance for Reduced-priced (STAR) Funds for School Year 2024-25

General Questions

- 1. Are the school year (SY) 2024-25 State Transition Assistance for Reduced-price (STAR) funds an extension of the SY 2023-24 STABLE funds?** No. STAR funds is a new initiative enacted by Public Act 24-81, which directs the CSDE to provide funding to SFAs for the non-federal portion of reduced-priced meals under the National School Lunch Program (NSLP) and School Breakfast Program (SBP).
- 2. Are all SFAs participating in NSLP and/or SBP eligible to participate in the STAR funds?** No. The following types of NSLP sponsors must offer one SBP and one NSLP meal per student per school day to students eligible for reduced-price meals at no cost to the household:
 - public schools;
 - charter schools;
 - residential child care institutions (RCCIs) with day program students;
 - endowed academies; and
 - schools under a Full-service Interschool Agreement with an NSLP sponsor for SY 2024-25 (not including schools participating in the Community Eligibility Provision (CEP)).
- 3. What SFAs are not eligible for STAR funds?** SFAs that are not eligible to receive STAR funds include:
 - Sites participating in the CEP for SY 2024-25.
 - Private school sponsors of the NSLP and/or SBP.
 - Schools participating in the Special Milk Program only.
 - Residential Child Care Institutions (RCCIs) without day students.
- 4. What if some of the SFA's schools are CEP and some are not? Are the non-CEP schools eligible for STAR funds?** Yes. While schools participating in CEP are not eligible, non-CEP schools meeting the criteria outlined in Question 2 of this document that participate in NSLP and/or SBP, will receive STAR funds.
- 5. Are new NSLP sponsors participating in SY 2024-25 eligible for STAR funds?** Yes. New NSLP sponsors may be eligible for STAR funds if they meet the criteria outlined in Question 2 of this document.
- 6. Will new or existing sites starting a SBP in SY 2024-25 be eligible for STAR funds?** Yes. SBP sites that are offering breakfast through the SBP in SY 2024-25 may be eligible for STAR Funds if they meet the criteria outlined in Question 2 of this document.

Questions and Answers for Operational Memorandum No. 16-24 Addressing State Transition Assistance for Reduced-priced (STAR) Funds for School Year 2024-25

7. **Can a representative of a food service management company sign the Attestation Statement to participate in the STAR the funds?** No. One of the authorized signers of the CNP Permanent Agreement must sign the Attestation Statement.
8. **Can the food service director sign the Attestation Statement on behalf of the SFA?** No. The food service director is never an authorized signer.
9. **Is this “universal free meals?”** No. STAR funds support the provision of one free breakfast and one free lunch per day for each student eligible for reduced-price meals during the 2024-25 school year. Households will not have to pay anything for these meals.
10. **How long are STAR funds projected to last?** While STAR funds reimbursements are subject to the availability of funds, they are projected to provide reimbursement for SY 2024-25.
11. **How will SFAs receive the STAR funds?** STAR 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 (NSFSA).
12. **What Child Nutrition Programs can STAR funds be used for?** STAR funds may only be used on allowable expenses from the Nonprofit School Food Service Account as governed by 7 CFR 210.14 and 2 CFR Part 200 Subpart E. Additionally, funds **cannot** be used for:
 - 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 food and beverage items;
 - Child and Adult Care Food Program (CACFP) At-Risk Afterschool Meals Program; or
 - any other programs outside of the NSLP and SBP.
13. **Will accepting STAR funds impact School Breakfast Grant funds, Healthy Food Certification funds, or State Match funds?** No. Accepting STAR funds will not impact an SFAs eligibility to receive additional state grant funding.

Questions and Answers for Operational Memorandum No. 16-24 Addressing State Transition Assistance for Reduced-priced (STAR) Funds for School Year 2024-25

Use of Funds

14. **Will STAR funds be allocated annually?** STAR funds are a one-year legislative appropriation from The Connecticut General Assembly.
15. **Can SFAs still sell a la carte items if the SFA accepts STAR funds?** Yes. However, STAR 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.
16. **Can SFAs receive partial payment from students eligible for reduced-price meals breakfast and lunch meals?** No. Households approved for reduced-price meals cannot be charged any cost for the first reimbursable SBP meal and the first NSLP meal served to each student each school day during SY 2024-25.
17. **Can SFAs use STAR funds to pay down student debt for charged reimbursable meal debt or a la carte charges?** No. Additionally, funds from the NSFSA cannot be used to cover costs related to the bad debt, such as continued legal and collection costs.
18. **Can SFAs use STAR funds to cover paid breakfast and lunch meals?** No. STAR funds cannot be used to cover the cost of any reimbursable paid breakfast or lunch meals in the SFA's schools.
19. **Can funds be used for some SBP and NSLP sites and not all? What if all the schools in the district do not participate in SBP or NSLP?** SFAs participating in NSLP and/or SBP must use STAR funds to provide one SBP meal per student per school day at no cost to students eligible for reduced-price meals in the SBP *at all the SFA's SBP participating sites*.

SFAs participating in STAR funds also agree to use STAR funds to pay the student share of one NSLP meal per student per day for students approved for reduced-price school meals *at all the SFA's sites participating in NSLP* (not including CEP sites) throughout the duration of SY 2024-25. STAR funds cannot be used at schools that do not participate in the NSLP and/or the SBP.

20. **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.

**Questions and Answers for Operational Memorandum No. 16-24
Addressing State Transition Assistance for
Reduced-priced (STAR) Funds for School Year 2024-25**

21. **Can SFAs use STAR funds to provide second meals?** No. STAR funds cannot be used to provide second meals.
22. **Can SFAs use STAR funds to make adult meals free or no cost?** No. STAR funds can only be used to provide one breakfast and one lunch per school day at no cost for students eligible for reduced-price meals.
23. **Can SFAs accept STAR 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

24. **Do SFAs claim all meals as free?** No. While students eligible for reduced-price meals will be receiving one SBP meal and 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).
25. **At what rate will the meals be reimbursed?** The STAR funds will reimburse the SFA the difference between the Federal reimbursements rates for SBP free meals and NSLP free meals and the Federal reimbursement rate for reduced-price SBP (\$.30) and NSLP reduced-price meals (\$.40). Reimbursement will reflect the SFAs Federal severe need eligibility for lunch and/or breakfast as applicable.
26. **Will use of STAR funds impact a SFA's Federal severe need eligibility for lunch and breakfast?** No. Breakfast and lunch meals will still be claimed by individual student eligibility (free, reduced-price, and paid). Therefore, STAR funds payments 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)).

Questions and Answers for Operational Memorandum No. 16-24 Addressing State Transition Assistance for Reduced-priced (STAR) Funds for School Year 2024-25

Free and Reduced-price Eligibility

27. **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.
28. **Will all CSDE public release statements and meal application materials/notification letters be updated to reflect the STAR funds used for reduced-price students?** Yes. The appropriate forms will be updated by the CSDE, and sponsors will be notified when the updated forms are available.
29. **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.
30. **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. 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*](#).

Questions and Answers for Operational Memorandum No. 16-24 Addressing State Transition Assistance for Reduced-priced (STAR) Funds for School Year 2024-25

Miscellaneous

31. **How is Paid Lunch Equity (PLE) impacted by STAR funds?** The STAR funds do not impact the PLE requirements. Based on [Operational Memorandum No 12-24 Paid Lunch Equity: Guidance for School Year 2024-25](#), school food authorities (SFAs) with a positive or zero balance in the nonprofit school food service account (NSFSA) as of June 30, 2023, may opt in to the exemption from the PLE pricing requirements of 7 CFR 210.14(e) for SY 2024-25. Only SFAs that had a negative balance in the NSFSA as of June 30, 2023, 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 \$3.85 for SY 2023-24, the SFA is not required to complete the PLE tool or request an exemption for SY 2024-25.
32. **Will this impact a SFAs meal charging policy?** No. As in the past, 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](#).