



Michigan School Meals Update

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Michigan Schools Meals 30d Payments

2 Parts of Meal Payments

- Federal payments made through NexSys
 - Based on number of Free, Reduced-Price, and Paid meals claims
 - Or claiming percentages of Community Eligibility Provision (CEP)
- State of Michigan payments
 - Covers the difference between free meal Federal rate and reduced-price and paid rates
 - 31d, 31f, and 30d



Michigan School Meals Claims and Payments

➤ When are claims due?

- Sponsors will receive federal reimbursement as usual
- State aid portion of the payment must be submitted by the 4th of the month to get in the prior month's payment
- Example: September's claim was submitted on October 4th, the state aid payment for the month of September will be included in the October state aid payment

Claim Month	Due Date for State Aid Payment*	Final Claim Deadline
October 2023	November 4, 2023	December 30, 2023
November 2023	December 4, 2023	January 29, 2024
December 2023	January 4, 2024	February 29, 2024
January 2024	February 4, 2024	March 31, 2024
February 2024	March 4, 2024	April 29, 2024
March 2024	April 4, 2024	May 30, 2024
April 2024	May 4, 2024	June 29, 2024
May 2024	June 4, 2024	July 30, 2024
June 2024	July 4, 2024	August 29, 2024
July 2024	August 4, 2024	September 29, 2024



Michigan School Meals Claims and Payments

- **When do sponsors receive payments?**
- Payments for 30d Michigan School Meals, like all other state aid payments, will be made via the State Aid Management System (SAMS) around the 20th of each month

Claim Month	Due Date for State Aid Payment*	Final Claim Deadline
October 2023	November 4, 2023	December 30, 2023
November 2023	December 4, 2023	January 29, 2024
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May 2024	June 4, 2024	July 30, 2024
June 2024	July 4, 2024	August 29, 2024
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31d and 31f



31d lunch and 31f breakfast are state supplemental payments



Based on the state mandate to operate lunch and breakfast programs



31d remains the same

30d Michigan School Meals program

30d is an optional program

It provides additional state funding based on the following formulas



30d Lunch

For lunch, participating sponsors will receive 30d payments based on the difference between what is received in total free federal reimbursement and total reduced-price/paid reimbursement, and the 31d payment.

30d lunch payment = [Federal reimbursement for free lunches] minus [Federal reimbursement from reduced price and paid lunch claims and 31d lunch payment]

30d Lunch Payment Calculation



30d Breakfast

For breakfast, participating sponsors will receive 30d payments based on the difference between what is received in total free federal reimbursement and total reduced-price/paid reimbursement.



30d Breakfast

30d breakfast payment = [Federal reimbursement for free breakfasts] minus [federal reimbursement from reduced-price and paid breakfast claims]



30d Breakfast Payment Calculation



31f Breakfast Calculation

388.1631f School breakfast program costs; reimbursement payments; preference to food grown or produced by Michigan businesses.

Sec. 31f.

- (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$11,900,000.00 for 2022-2023, and there is allocated an amount not to exceed \$16,900,000.00 for 2023-2024 for the purpose of making payments to districts to reimburse for the cost of providing breakfast.
- (2) The funds allocated under this section for school breakfast programs are made available to all eligible applicant districts that meet all of the following criteria:
 - (a) The district participates in the federal school breakfast program and meets all standards as prescribed by 7 CFR parts 210, 220, 225, 226, and 245.
 - (b) Each breakfast eligible for payment meets the federal standards described in subdivision (a).
- (3) The payment for a district under this section is at a per meal rate equal to the lesser of the district's actual cost or 100% of the statewide average cost of a meal served, as determined and approved by the department, less federal reimbursement, participant payments, and state breakfast reimbursements received under section 30d. The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.
- (4) Notwithstanding section 17b, the department may make payments under this section pursuant to an agreement with the department.
- (5) In purchasing food for a school breakfast program funded under this section, a district shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.



31f Breakfast Calculation

- The 31f language reads that the 30d breakfast payment must be subtracted from the calculated 31f amount.

31f Breakfast Payment Calculation

31f Breakfast
Payment

=

Calculated 31f
Payment

-

30d Breakfast
Payment

Claim Status Report



1. ORIGINAL CLAIM - School Nutrition Program

PROCESS DATE: Apr 05, 2024

Student Enrollment	5,643
Number of Eligible Students - Free	1,534
Number of Eligible Students - Reduced Price	180

	Servings	Rate	Reimbursement
Breakfast			
Federal Paid	6,891	0.3800	\$2,618.58
Federal Reduced	309	1.9800	\$611.82
Federal Free	2,807	2.2800	\$6,399.96
Federal Reduced (Severe Need)	147	2.4300	\$357.21
Federal Free (Severe Need)	1,495	2.7300	\$4,081.35
Michigan Paid	4,288	1.9000	\$8,147.20
Michigan Reduced	309	0.3000	\$92.70
Michigan Paid (Severe Need)	2,603	2.3500	\$6,117.05
Michigan Reduced (Severe Need)	147	0.3000	\$44.10
Total Servings	11,649		
Breakfast Reimbursement Total			\$28,469.97
Lunch (Eligible for Performance Based Rate)			
Federal Paid	29,429	0.4800	\$14,125.92
Federal Reduced	1,643	3.9300	\$6,456.99
Federal Free	13,452	4.3300	\$58,247.16
Michigan Paid	29,020	3.8500	\$111,727.00
Michigan Reduced	1,630	0.4000	\$652.00
Total Servings	44,524		
Lunch Reimbursement Total			\$191,209.07
Original Claim Reimbursement Total			\$219,679.04

Reconciling claims – MiND Claim Status Report

Michigan School Meals 30d State Funding :

Payment Type	Amount	YTDTotal (As of Today)
30d Breakfast Reimbursement (From MIND Payment Details)	\$14,401.05	\$90,979.50
30d Breakfast Payment	\$14,401.05	\$90,979.50
31d Lunch Payment (1/11th Paid by State Aid)	\$8,349.11	\$50,094.66
30d Lunch Reimbursement (From MIND Payment Details)	\$112,379.00	\$813,790.45
30d Lunch Payment = (30dReimbursementYTD-31dPaymentYTD-30dPaymentYTD)	\$104,029.89	\$763,695.79

Accounting Disclaimer:

1. The payments will not reflect the 30d Michigan School Meals component until it gets reconciled monthly with the 31d State Lunch payments.
2. The State payments in this section could take up to 7 weeks to be processed.
3. The year-to-date (YTD) values are current at the time this report is run.
4. Additional reconciliations will happen each spring when 31d estimates move to actual, after the calculations are complete with finalized FID School Meals Report data from the previous school year.

SAMS – State Aid Financial Status Report



Account Section	Account Description	Amount	Percent To Date	Previous Amounts	Current Amount
22a	PROP A OBLIGATION (State PP: \$3,085.30)	\$16,366,621.76	63.63%	\$8,897,512.69	\$1,516,568.74
51c	SPEC ED HEADLEE OBLIGATION	\$930,394.02	63.63%	\$507,436.90	\$84,572.81
22b	DISCRETIONARY PAYMENT	\$22,777,998.90	63.63%	\$12,399,824.10	\$2,093,816.60
31A	AT RISK	\$1,794,232.10	63.63%	\$978,764.54	\$162,905.35
41	BILINGUAL EDUCATION	\$41,257.00	63.63%	\$21,815.45	\$4,436.38
53a(5)	COURT AND STATE AGENCY PLACED PUPIL	\$0.00	0.00%	\$0.00	\$0.00
24	COURT PLACED CHILDREN	\$64,958.69	63.63%	\$35,428.47	\$5,904.74
61d	CTE PER PUPIL INCENTIVE	\$25,590.30	63.63%	\$13,956.95	\$2,326.16
22l	DISTRICT TRANSPORTATION COSTS	\$547,082.19	63.63%	\$344,681.19	\$3,427.21
35a(5)	EARLY LITERACY TARGETED INSTRUCTION	\$70,824.00	63.63%	\$38,627.41	\$6,437.90
27l	EDUCATOR COMPENSATION PROGRAM	\$243,466.61	63.63%	\$132,529.69	\$22,388.11
67f	FAFSA COMPLETION CHALLENGE	\$18,950.00	63.63%	\$10,335.33	\$1,722.56
152a	HEADLEE OBLIGATION FOR DATA COLLECTION	\$155,122.51	63.63%	\$84,437.45	\$14,267.00
31aa	MENTAL HEALTH GRANT - PER PUPIL	\$1,224,698.26	63.63%	\$667,950.43	\$111,325.07
147f	MPSERS 0.5 UAAL RATE REIMB	\$165,355.23	63.63%	\$90,184.74	\$15,030.79
147a(1)	MPSERS COST OFFSET	\$382,706.78	63.63%	\$208,728.28	\$34,788.04
147a(3)	MPSERS COST OFFSET - ISDS AND DISTRICT LIBRARIES	\$0.00	0.00%	\$0.00	\$0.00
147a(2)	MPSERS NORMAL COST OFFSET	\$572,300.03	100.00%	\$572,300.03	\$0.00
147e	MPSERS REFORMS - DEFINED CONTRIBUTION PAYMENTS	\$102,046.76	100.00%	\$102,046.76	\$0.00
147c(1)	MPSERS UAAL RATE STABILIZATION	\$6,351,686.64	63.63%	\$3,464,209.89	\$577,368.32
26a	RENAISSANCE ZONE	\$60,769.22	63.63%	\$33,143.53	\$5,523.92
31d	SCHOOL LUNCH	\$91,840.20	63.63%	\$50,089.65	\$8,348.27
30d	UNIVERSAL SCHOOL BREAKFAST	\$90,979.50	100.00%	\$59,276.70	\$31,702.80
30d	UNIVERSAL SCHOOL LUNCH	\$763,695.79	100.00%	\$515,458.01	\$248,237.78
61a.1	VOCATIONAL EDUCATION	\$48,762.35	63.63%	\$26,594.99	\$4,432.49
	Allowances Total	\$52,891,338.84		\$29,255,333.18	\$4,955,531.04

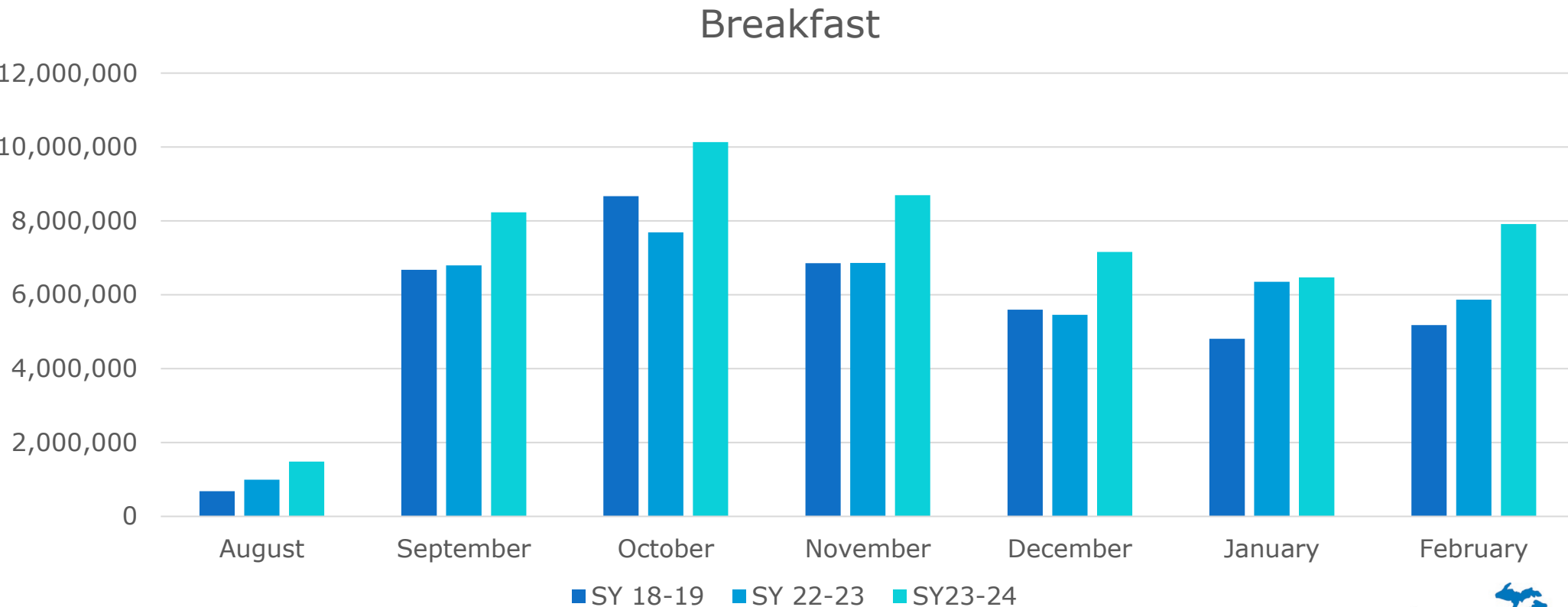
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meals**



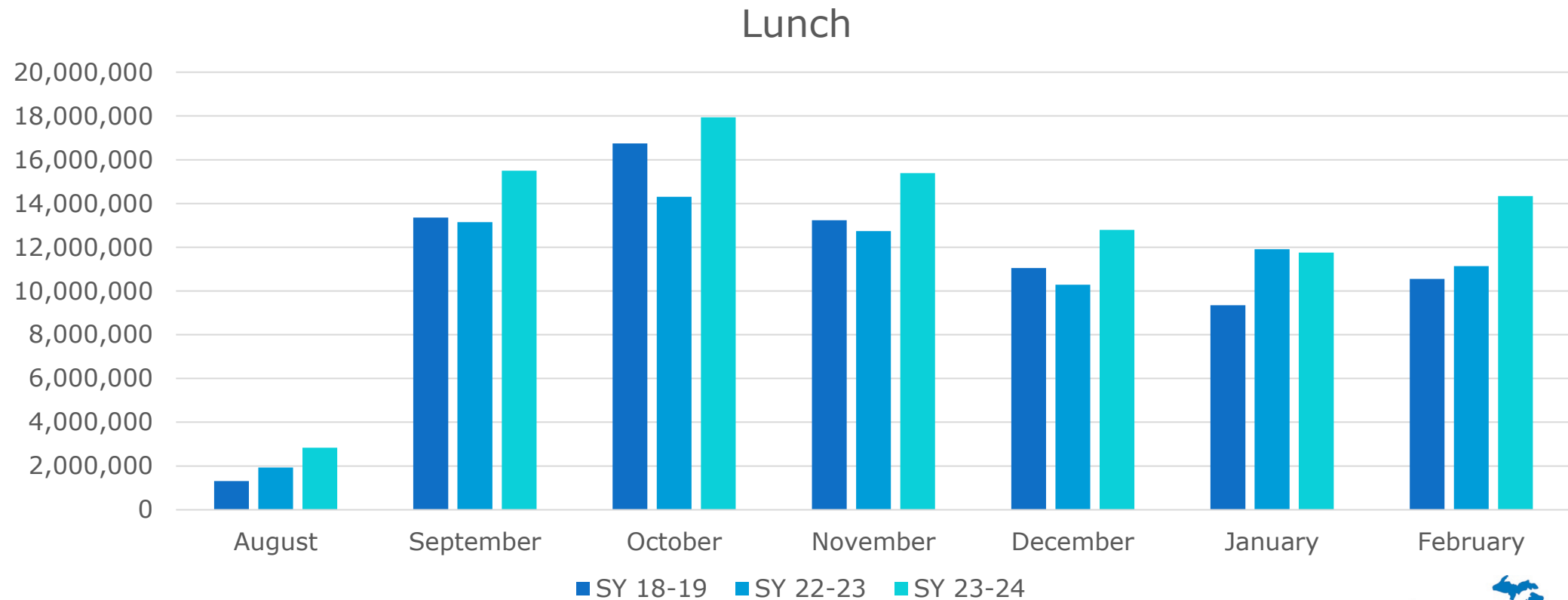
HOW IS IT GOING?



Meals Served - Breakfast



Meals Served - Lunch



30d Payments Made

- FY23 \$23,476,131
 - July 20 – September 30
- FY24 \$107,150,586
 - October 1 - Present



October Federal Reimbursement

October 2022: \$67,337,881

October 2023: \$77,998,782



USDA Foods

Meal Claims



-18%

When the waivers ended in SY22-23, meal claims dropped

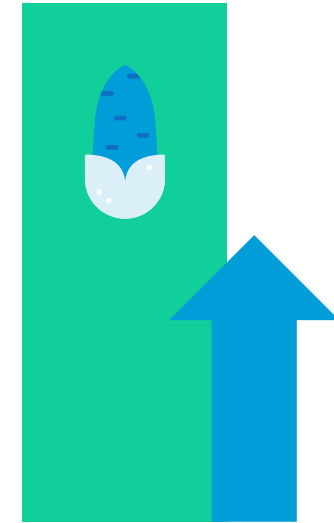
Commodity Rate



-\$0.065

The federal commodity rate of \$.3650 was one of the lowest rates we had seen in years

Demand



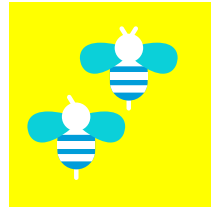
+15%

Michigan Meals meant the demand for food was up

What to Expect for SY24-25

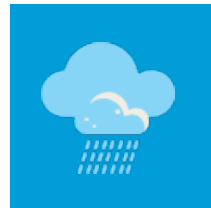
Meal Claims

Increase in meal claims from Michigan Meals means more entitlement for SY24-25!

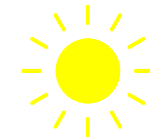


Commodity Rate

Rate will be at least \$.45, the highest ever!



30%!



+\$20Million

With the meal claim increase and commodity rate increase combined, We anticipate a 30% increase in USDA Foods entitlement for Michigan!

Challenges with Serving More Meals

Time to Eat

Food Service Staffing and Scheduling

Food Waste

Equipment and Storage

Special Dietary Needs



Time to Eat

- Alternate serving locations
- Additional points of service
- Adjust duration of meal periods
- Add more meal periods



FS Staffing and Scheduling



More prep time

Add shifts

Add perpetual job posting

Employe recruitment

Review staff contracts

Promote benefits of working in school nutrition

Food Waste



Compost Pile – Drew Farms, Detroit

- More time to eat
- Review production records
- Review Offer versus Serve practices
- Plan age level menus
- Use share tables
- Encourage student consumption
- Get student feedback
- Serve fresh and local foods
- Composting

Equipment and Storage

Equipment maintenance

Equipment replacement

Increase storage space

Add more deliveries

Communicate regularly with vendors
and distributors



Special Dietary Needs



Reasonable accommodations are required for special dietary needs.

Multidisciplinary approach

Keep communication open

Strongly encouraged to make accommodations for dietary preferences

Offer a daily vegetarian entrée

Future of Michigan School Meals



Legislation

- Senate Bill 500 – Michigan School Meals official language
- House Bill 5042 – specific budget details (State School Aid)

Governor's Proposed FY25 Budget includes Michigan Schools Meals as ongoing funding

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