

# Determining Eligibility for Severe Need and Safety Net Reimbursement for SY 2026-2027 Meals Served

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**Issue Number:** NSLP E-Memo 13-2026

**Correspondence Date:** 1/5/2026

**Regulatory Authority:** [7 CFR 220.9](https://www.ecfr.gov/lookup/section?title=7&part=220.9)

**Response Required:** Yes

**Attention:** Superintendents, Child Nutrition Directors, District CFO's, Accountants, and Bookkeepers

**Contact:** Mathew Burns, Education Program Specialist  
Donna Ratliff, Grants Manager

**Phone Number:** 501-324-9502

**Email:** [matthew.burns@ade.arkansas.gov](mailto:matthew.burns@ade.arkansas.gov)  
[donna.ratliff@ade.arkansas.gov](mailto:donna.ratliff@ade.arkansas.gov)

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Severe Need and Safety Net provide additional reimbursement for breakfast and lunch, respectively, if the school is approved by the state agency.

## **Severe Need Breakfast/Safety Net Lunch (2 Cent Differential):**

The School Year (SY) 2026-2027 reimbursement rates will be announced after July 1, 2026. As an example, the reimbursement rate for SY 2025-26 with severe need is an additional \$0.48 for each free or reduced price breakfast served and the reimbursement rate with the "safety net" or 2 cent differential is an additional \$0.02 for each lunch served.

## **SEVERE NEED BREAKFAST REIMBURSEMENT ELIGIBILITY:**

To qualify for the Severe Need Breakfast Reimbursement each school (not school district) must meet the following criteria:

1. The school is currently participating in or desires to begin a breakfast program.
2. Forty percent (40%) or more of the lunches served to students in the school in the second preceding year (SY 2024-2025) were served at a free or reduced reimbursement rate.

This data is not available to Nutrition Services because districts claim meals in a consolidated district claim, not a school level claim. Therefore, districts must apply for this funding.

## **TWO (2) CENTS DIFFERENTIAL (SAFETY NET) LUNCH REIMBURSEMENT**

### **ELIGIBILITY:**

In order to be eligible to receive the safety net (2 cent differential) reimbursement for lunch, at least sixty percent (60%) of the lunch meals served during the second preceding year (SY 2024-25) must be at the free or reduced rate at the district level.

### **PROCESS:**

Districts wishing to apply for Severe Need and Safety Net reimbursement for SY 2026-27 must complete the Severe Need and Safety Net Application as well as the Meal Tally Worksheet to provide meal counts for LUNCH meals served **for each school** each month July 2024 through June 2025.

The monthly meal counts must match the total number of meals reported on the application and the number of meals submitted on monthly claims for reimbursement.

If the district had adjustments to meal counts due to administrative reviews, audits, or claim revisions, the district must account for those changes when completing the "Meal Tally Worksheet".

**The district's application will not be processed if the meal counts on the application do not balance with the Meal Tally Worksheet and the claims for reimbursement.**

It is the district's responsibility to submit accurate meal counts.

**APPLICATION INSTRUCTIONS:** Instructions for completing the Severe Need and Safety Net Application are provided on the tab labeled "Instructions". Please review the instructions prior to completing the application. The gray boxes on the form will auto-calculate the data entered into the computer.

Print, sign and return the application as instructed below.

**COMMUNITY ELIGIBILITY SCHOOLS:** Severe Need eligibility is based on site-level data. If the school operated under Community Eligibility Provision (CEP) during SY 2024-2025, **the individual school's Identified Student Percentage (ISP) must be used to determine eligibility for severe need reimbursement.** Therefore, the individual school's Identified Student Percentage (ISP) from SY 2024-2025 multiplied by 1.6 must be at least forty percent (40%) to qualify for severe need reimbursement.

Schools participating in CEP as part of a group **may not** use the group free claiming percentage. See the instructions tab on the application for specific instructions on how to report meals in schools operating under the Community Eligibility Provision.

In order to be eligible to receive the safety net (2 cent differential) reimbursement, at least sixty percent (60%) of the lunch meals served during SY 2024-25 must be at the Free or Reduced reimbursement rate at the district level.

**PROVISION 2 SCHOOLS:** Severe Need eligibility is based on site-level data. If the school operated under Provision 2 during SY 2024-2025, the lunch meals served at that school, at the free and reduced reimbursement rate, must be forty percent (40%) in order for the school to be eligible.

In order to be eligible to receive the safety net reimbursement, at least sixty percent (60%) of the lunch meals served during SY 2024-25 must be at the Free or Reduced reimbursement rate at the district level.

#### **DEADLINES:**

**The application deadline is Monday, February 2, 2026.**

**Late or inaccurate applications will be denied.**

**This is a HARD DEADLINE. Late submissions will not be accepted or processed.**

**DISTRICT DECISION TO OPT OUT:** Each district that chooses to “Opt Out” must complete the attached District Decision to Opt Out Form. This is only if the district is not going to apply for individual schools to receive the additional Severe Need Breakfast/Safety Net Reimbursement. This form must be signed by the Superintendent and emailed to [ADE.Severeneed@ade.arkansas.gov](mailto:ADE.Severeneed@ade.arkansas.gov)

**If the district does not complete the application process by submitting the REQUIRED completed application and the Meal Tally Worksheet, the district will be “opting out” and must complete the “Opt Out” form.**

Signed applications and Meal Tally Worksheets can be emailed to: [ADE.Severeneed@ade.arkansas.gov](mailto:ADE.Severeneed@ade.arkansas.gov)

**The body of the email should include:**

- District's name
- LEA number
- Contact person
- Email and phone number

#### **RECORD RETENTION:**

Districts are reminded to maintain all documentation at the district level to justify student eligibility status, including meal benefit applications and categorically eligible lists (direct

certification, homeless, runaway, migrant, etc.) for a period of 5 years after the last claim is filed based on those eligibility determinations.

Copies of the following must also be maintained for the entire record retention period and must be retrievable for any audit by Nutrition Services, USDA or Legislative Audit:

- meal count summary for each school each month that supports the claim for reimbursement
- claim for reimbursement, and
- any adjustments to claims with all supporting documentation of the adjustment.

**ATTACHMENTS:**

- [Severe Need and Safety Net Application and Instructions](#)
- [Meal Tally Worksheet](#)
- [District Decision to Opt Out Form](#)