



United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive
Alexandria, VA
22302-1500

DATE: April 8, 2011

SUBJECT: Impact of a Potential Federal Shutdown on Child Nutrition Programs

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

The current continuing resolution will expire at 12:01 a.m. on April 9, 2011. Without passage of a Fiscal Year (FY) 2011 appropriations bill or a further continuing resolution, Federal departments and agencies, including the Department of Agriculture's Food and Nutrition Service (FNS), will be required to execute contingency plans for a lapse in appropriations, more commonly referred to as a "shutdown." While we are still hopeful that a Federal government shutdown will be averted, we wanted to communicate to you what arrangements have been made for the Child Nutrition Programs in the event of a shutdown. The Child Nutrition Programs include the National School Lunch Program, the School Breakfast Program, the Special Milk Program, the Child and Adult Care Food Program, the Summer Food Service Program, the Fresh Fruit and Vegetable Program, and State Administrative Expenses.

Should such a shutdown take place, the FNS will initiate the process of closing down its offices and systems. As a result, only a very limited number of personnel will be available at FNS. This situation raises many operational questions. We want to provide you with responses to some.

Funding sufficient to continue Child Nutrition Program operations through the third quarter of the Fiscal Year (i.e., June 30) has been provided to State agencies. States continue to have the authority and obligation to use these resources to provide reimbursement to program operators for provision of Child Nutrition Program benefits in accordance with existing regulations. In addition, State administrative funds to support State activities through the end of the third quarter have also been placed in each State's Letter of Credit (LOC). FNS has also confirmed that the Treasury ASAP letter of credit system will continue to operate. Consequently, program operators will continue to be reimbursed and States will have the administrative resources needed to support program operations during a Federal shutdown of limited duration.

Questions and answers are provided to help address some questions you may have. State agencies having further questions should contact their Regional Offices for assistance prior to a shutdown.

Q. Will schools and institutions be able to receive reimbursement for benefits provided during the shutdown?

A. Yes, benefits provided consistent with program requirements during a shutdown will be reimbursed.

Q. Would there be FNS staff available to answer State questions?

A. Personnel would not be available to respond to most inquiries. In cases of emergency requiring immediate USDA action, States should contact Audrey Rowe, Administrator, Food and Nutrition Service, at 703-305-2062 or Jeffrey Tribiano, Associate Administrator, at 703-305-1621.

Q. Will States be required to continue submitting required reports through the Food Program Reporting System during a shutdown?

A. The system will not be available. States should retain all records needed to comply with required reporting after the federal government reopens, and further guidance will be provided on how such submissions will be handled. Once funding is restored the system would be made available as quickly as possible, and States would be notified they should resume reporting as required.

Q. Will States continue to conduct scheduled reviews of program operators during a shutdown?

A. Yes, States should continue to conduct reviews and all other administrative activities associated with program operations.



Cynthia Long
Director
Child Nutrition Division