



CALIFORNIA
DEPARTMENT OF
EDUCATION

JACK O'CONNELL
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

October 7, 2008

Dear Food Service Directors:

Provision 6 of the 2008-2009 Budget Act directs the California Department of Education to reimburse claims at a prorated share of the appropriated funds if the appropriation is insufficient. The purpose of this letter is to notify you that the Proposition (Prop) 98 State Meal appropriation of \$125,685,000 for fiscal year 2008-2009 does not appear sufficient to support the statutory reimbursement rate of \$0.2195 for all projected eligible meals served through the School Nutrition Program. It is estimated that the reimbursement rate will be reduced to approximately \$0.05 for the claim months of May 2009 and June 2009. We will continue to monitor the expenditure of this fund and alert the field when an actual rate reduction will be imposed.

The rate of reimbursement for Prop 98 meals claimed through the Child and Adult Care Food Program will remain \$0.1634 for fiscal year 2008-2009. It is not anticipated that a mid-year reduction to this rate will be necessary.

If you have any questions, please feel free to contact Shawneen Coriloni at 916-322-4311 or by e-mail, scoriloni@cde.ca.gov or me at 916-322-8326 or by e-mail, psavage@cde.ca.gov.

Sincerely,

Phyllis A. Savage, Staff Services Manager III
Child Development and Nutrition Fiscal Services
Fiscal and Administrative Services Division