

NO KID HUNGRY RESPONDS: CORONAVIRUS

The Coronavirus Aid, Relief, and Economic Security (CARES) Act

An Overview of Federal Funding That Can Be Used For School Nutrition

The COVID-19 pandemic created a catastrophic economic crisis as well as a health one. As unemployment numbers continue to climb, millions of families across the nation face an uncertain economic future. According to estimates, as a result, one in four kids could experience food insecurity.

Since the early days of the crisis, schools have been a lifeline for many children facing hunger. They rapidly adapted programs, creating new systems to continue to feed kids while attempting to meet new need. In many cases, this work caused severe financial strain for school districts and organizations. There are multiple drivers for increased costs, including: increased staffing costs, including hazard pay and overtime pay, purchasing or leasing new equipment for meal distribution and delivery (such as trucks, coolers, insulated bags, and packaging materials); and increased food costs as schools were forced to pivot to more expensive packaged or shelf-stable products and supply chains were disrupted. More information about the role of school nutrition programs in responding to COVID-19 and the resulting financial challenges is available [here](#).

About The CARES Act

The federal CARES Act allocated billions of dollars in emergency relief funds to cover costs associated with COVID-19. Three major streams of this funding are potentially available to support school meal programs working to feed vulnerable children.

Governor's Emergency Education Relief (GEER) Fund

- Approximately \$3 billion available to governors through the U.S. Department of Education as a flexible block grant for distribution to local education agencies (LEAs), institutions of higher education (IHEs), and education-related entities.
- Each Governor is allocated a sum for their state based upon a formula established through the CARES Act.
- These funds can be used to, among other things, broadly support the ability of LEAs to continue to provide educational services to public and non-public school students and to support the on-going functionality of the LEA.
- Governors must allocate funds to eligible entities within one year of receiving funds from the federal government.
- LEAs or IHEs allocated GEER funds by a governor must obligate funds by September 30, 2022.
- For more information, see the [FAQs](#) from the U.S. Department of Education.



GEER Funds for School Nutrition in Virginia

In Virginia, the Governor allocated \$3 million of the state's \$66.8 million GEER fund to cover unfunded costs for the continuation of school-based meal programs while schools were closed due to COVID-19, including hazard pay for school nutrition staff. Read more about Virginia's allocation of these funds [here](#).

Coronavirus Relief Fund

- Approximately \$150 billion available to state, territorial, local (population greater than 500,000), and tribal governments through the U.S. Department of the Treasury.
- Funds can cover costs of necessary expenditures incurred due to COVID-19 response that were not accounted for in the government's budget approved as of March 27, 2020.
- Eligible expenditures can occur between March 1, 2020 and December 30, 2020.
- Funds received by a government can be transferred to another government as long as the transfer qualifies as a necessary expenditure incurred due to COVID-19.
- For more information, see the [FAQs](#) from the U.S. Department of the Treasury.



Coronavirus Relief Funds for School Nutrition Services in North Carolina

In May, the Governor signed the [2020 COVID-19 Recovery Act \(HB 1043\)](#) which appropriated \$75 million of the state's Coronavirus Relief funds to the Department of Public Instruction for school nutrition services provided in response to the pandemic.

Elementary and Secondary School Emergency Relief (ESSER) Fund

- Approximately \$13.2 billion available in grants to state education agencies (SEAs) from the U.S. Department of Education.
- SEAs are required to subgrant at least 90% of the funds received to local education agencies (LEAs) based on the proportion of funds the LEA receives under Title I, Part A of the Elementary and Secondary Education Act in the most recent fiscal year.
- Up to 10% of the funds received by the SEA may be reserved to address emergency needs as determined by the SEA.
- SEAs and LEAs can use these funds for a wide variety of purposes, including: coordinating how to provide meals to eligible students, how to provide technology for on-line learning to all students, and other activities that are necessary to maintain the operation of and continuity of services in the LEA.
- SEAs must award subgrants to LEAs within one year of receiving funds from the federal government.
- Recipient LEAs must obligate funds by September 30, 2022.
- For more information, see the [FAQs](#) from the U.S. Department of Education

CARES Act Funds In Action

CARES Act funds would allow schools to:

- Purchase Personal Protective Equipment (PPE) for school nutrition staff providing meals to children.
- Reinforce school nutrition budgets that are exhausted due to COVID-19 service costs.
- Cover transportation costs associated with school meal delivery.
- Hire additional school nutrition staff to expand existing capacity or maintain operations when current staff are sick or unavailable.

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