

Special Report

Arkansas Legislative Audit

Review of the Arkansas Department of Education Child Nutrition Unit National School Breakfast and National School Lunch Programs

For the 2022-2023 School Year



INTRODUCTION

This report is issued pursuant to Act 656 of 2023 (codified at Ark. Code Ann. § 6-18-722), which is provided in **Appendix A**. Arkansas Legislative Audit (ALA) is required to review the Arkansas Department of Education (ADE) Child Nutrition Unit to determine whether each school's participation in a child nutrition program complies with federal and state law and rules, as well as effectively serves the intent of the General Assembly to expand students' access to free meals in public schools.

OBJECTIVES

The objectives of this review were to:

1. Provide a summary of the number of students, by category and school district, who were eligible to receive a free or reduced lunch as part of the National School Breakfast and National School Lunch Programs (Meal Programs).
2. Provide a summary of the various reviews and audits performed of the Child Nutrition Program for the most recent period (i.e., state fiscal year 2022 or 2023).
3. Identify dashboards where information is available, and determine whether all school districts are reporting to the Child Nutrition Unit.
4. Summarize write-offs of student accounts receivable balances for meals by school district for the 2022-2023 school year.
5. Summarize the number of free meals served to students eligible for reduced price meals in July and August 2023, subsequent to the effective date of Act 656 of 2023.

SCOPE AND METHODOLOGY

This report was prepared by reviewing district-level Child Nutrition Unit free and reduced lunch eligibility counts for the 2022-2023 school year and claims data submitted by school districts to ADE. ALA staff examined reviews and audits, performed by ALA and ADE's Child Nutrition Unit, of the Meal Programs for the most recent period available (i.e., state fiscal year 2022 or 2023). Information for write-offs of student accounts receivable balances was obtained for state fiscal year 2023 from the Arkansas Public School Computer Network (APSCN).

ARKANSAS LEGISLATIVE AUDIT
500 Woodlane Street, Suite 172, Little Rock, AR 72201
Phone: 501-683-8600 • Fax: 501-683-8605
www.arklegaudit.gov

Report ID: SPSA61523

Report Date: November 3, 2023



BACKGROUND

The Child Nutrition Cluster programs provide local education agencies (LEAs) with federal reimbursement for approved meal types (i.e., breakfast, lunch, and after-school snacks). Reimbursement is based on meals served to eligible students (categorized as “regular,” “reduced,” and “free”), with established federal reimbursement rates per meal type and eligibility level. This reimbursement is obtained by utilizing a claim reimbursement form that is submitted monthly by LEAs to ADE via the AR Child Nutrition Claims Application available on ADE’s website. The LEA has 60 days from the month the meals are served to submit the claim reimbursement form.

Eligibility for reduced or free meals is based on school meal applications in which (1) the household is either at or below current income eligibility guidelines, as established by the U.S. Department of Agriculture, or (2) the household receives Supplemental Nutrition Assistance Program (SNAP) benefits or other federal assistance such as Temporary Assistance for Needy Families (TANF). Student households eligible for reduced lunch under the Meal Programs pay the LEA a “co-payment” of \$.30 and \$.40 for a reduced-price breakfast and lunch, respectively. Most snack programs in the State are “area eligible”; in other words, all snacks served are claimed at the free snack reimbursement.

Act 656 of 2023 created a means by which students who qualify as eligible for reduced price meals began receiving free meals at school beginning in the 2023-2024 school year.

RESULTS OF REVIEW

The results of ALA staff review are discussed below by objective.

Objective 1: Provide Number of Students by Category Who Qualified for Meal Program Eligibility

Schedule 1 on pages 6 through 10 provides a summary of total students, by category and district, who were eligible for the Meal Programs for school year 2022-2023. The eligibility categories were free, reduced, and direct certification. Direct certification is a process to verify eligibility for students who are members of households receiving SNAP benefits and who receive free meals for the entire school year. Students who do not qualify for any of these three categories are categorized as full priced paid.

Objective 2: Describe the Reviews and Audits Performed of the Child Nutrition Program

Statewide Single Audit by ALA

ALA’s annual Statewide Single Audit includes ADE’s Child Nutrition Program¹ as a selected federal program at least every third year, with subsequent-year testing being performed when significant findings occur. Meal reimbursement payments from ADE to school districts are tested for compliance with program attributes, reporting requirements, and internal control processes. Testing includes claim re-calculation, review of appropriate supporting documentation, and allowability of the cost and activity based on the federal program’s compliance requirements. Control attributes include verifying that ADE’s edit checks prevent reimbursements from exceeding the number of eligible students or approved meal types, as well as evidence of proper submission and certification by the school district.

For fiscal year 2022, 25 school districts were selected for testing from an expenditure population of 256 school districts, based on government auditing standards. There were no reportable findings noted during that review.

¹Expenditures for fiscal year 2022, per the Statewide Single Audit, totaled \$363,769,752.

School District Audits by ALA and Private CPA (Certified Public Accounting) Firms

In accordance with federal regulations, annual audits of school districts by ALA and private CPA firms regularly include the Child Nutrition Program. The review includes an examination of compliance attributes, reporting requirements, and internal control processes. A selection of applications for free and reduced price meals is reviewed, along with the districts' verification processes, daily count sheets, and supporting documentation for reimbursement claims. ALA audited 194 school districts for fiscal year 2022.

For fiscal year 2022, the Child Nutrition Program was included in ALA's single audit testing for 35 school districts, resulting in reportable findings totaling \$13,702 in net overclaims and \$27,740 in questioned costs for three districts. Corrective action regarding these findings was implemented by the respective school districts. Other audit procedures performed for an additional school district revealed questioned costs of \$78,530 due to a transfer from the food service fund to the operating fund. Corrective action was taken by the district.

Reviews by ADE's Child Nutrition Unit

ADE's Child Nutrition Unit performs the following reviews:

- **Administrative Reviews:** These reviews are performed for school districts on a three-year rotational basis and include review of multiple factors, including (a) the appropriateness of processes for determining student eligibility for free or reduced price meal benefits, (b) the method used to apply this benefit at the point of service, (c) income eligibility processes, (d) the system used to count and report the number of reimbursable meals claimed by category (free, reduced, or paid), (e) adherence to meal pattern requirements and standards, (f) on-site reviews of meal counting and claiming, and (g) food safety inspections.

For the 2022-2023 school year, 81 school district reviews were performed, resulting in findings primarily related to application errors, income verification and meal counting procedures, as well as two overpayments totaling \$135,740. These overpayments are subject to recoupment due to erroneous reimbursement claims submitted by the district. Corrective action was documented for these findings.

- **Procurement Reviews:** These reviews are conducted alongside the Administrative Reviews discussed above and consist of (a) reviewing a sample of school district contracts with vendors for proper documentation and (b) performing interviews focusing on standards of conduct as well as contract solicitation, evaluation, awarding, and management. ADE is responsible for developing corrective actions for any findings, while school districts are responsible for implementation.

For the 2022-2023 school year, 81 school district reviews were performed, resulting in findings primarily related to inadequate bid solicitation language, improper procurement procedures, and \$6,414 in questioned costs at seven districts. Corrective action was documented for each finding.

- **Analytical Reviews:** ADE's Child Nutrition Unit compares each school district's enrollment data with prior-year data and investigates significant changes of +/- 8%. These comparisons are made at both the district and individual school level and include changes in the free and reduced meal eligibility categories. Districts with significant changes are required to justify the variance. While this process helps identify data entry errors, other explanations include the effects from school consolidations, movement of students between grade levels within the district, and changes in enrollment.

For the 2022-2023 school year, the Child Nutrition Unit provided supporting documentation to ALA demonstrating appropriate reviews are being performed.

Objective 3: Identify Dashboards of Information

The following information related to Child Nutrition and the Meal Programs is available on the following ADE websites:

- The ADE website (<https://dese.ade.arkansas.gov/Offices/child-nutrition-unit>) provides information about the Child Nutrition Unit, which administers the Meal Programs.
- The number of students who were eligible to participate in the Meal Programs each school year, at the school district and school levels, is available at <https://adedata.arkansas.gov/statewide/> under Miscellaneous Reports.
- School Report Cards also present the percentage of students eligible for free and reduced lunches for three school years, at the school district and school levels, at <https://myschoolinfo.arkansas.gov/> under Report Card/School Expenditures.

All school districts and charter schools in the State participate in the Meal Programs with the exception of five: (1) Arkansas Connections Academy, (2) Hope Academy Northwest AR, (3) Division of Youth Services School System, (4) Excel Center, and (5) Arkansas Virtual Academy. All participating school districts properly reported to the Child Nutrition Unit.

Objective 4: Summarize Write-Offs of Student Accounts Receivable Balances for Meals

Exhibit I provides details regarding write-offs of student accounts receivable balances for meals by school district for school year 2022-2023 totaling \$891,806. The Arkansas Financial Accounting Handbook and APSCN have specific accounts to record the write-off of bad debt related to student meals and the use of operating funds by the district to reimburse the food service account. However, all unpaid meal charges for the 2022-2023 school year may not be reflected in APSCN due to varying district-level policies regarding unpaid meals.

Objective 5: Summarize Number of Free Meals Served to Students Qualifying for Reduced Price Meals

As mentioned previously, Act 656 of 2023 created a means by which students who qualify as eligible for reduced price meals began receiving free meals at school beginning in the 2023-2024 school year.

School districts were notified at the beginning of the 2023-2024 school year, through Commissioner's Memo COM-24-005, of the requirements of Act 656. This memo also communicated that districts were to continue receiving school meal applications, identifying students approved for reduced price meals in their system, and identifying students counted/claimed as receiving reduced price meals on the monthly claim for reimbursement.

Exhibit I		
Arkansas School Districts		
National School Lunch and Breakfast Programs		
Write-Offs of Student Accounts Receivable Balances*		
For the 2022-2023 School Year		
District	FY 2023	
Alma	\$	18,338
Batesville		67,349
Bergman		2,643
Berryville		18,997
Bryant		79,187
Cross County		42
Elkins		6,396
Fountain Lake		37,950
Genoa Central		11,293
Greene County Tech		85,056
Harrison		5,484
Lakeside (Garland)		20,737
Malvern		27,447
Marmaduke		10,027
Midland		5,542
Mountain Home		12,797
Pulaski County Special		453,244
Sheridan		23,155
Vilonia		399
Wonderview		5,723
Total	\$	891,806

*Write-offs may include accounts of students eligible for full priced paid and reduced price meals.

Source: Arkansas Department of Education - Arkansas Public School Computer Network (APSCN) (unaudited by Arkansas Legislative Audit)

In accordance with Act 656, districts are to no longer collect the reduced price co-payment from student households. ADE subsequently disbursed appropriated state funds to reimburse districts for the co-payment, ensuring that students who qualify for reduced price meals receive them at no cost.

Schedule 2 on pages 11 through 13 provides a summary of free meals served to students eligible for reduced price meals in July and August of 2023 (paid as of November 1). It should be noted that districts may be included in **Schedule 1** but not **Schedule 2** due to timing or the Community Eligible Provision (a non-pricing meal service option for districts in economically disadvantaged areas that allows them to serve breakfast and lunch at no cost to all enrolled students without collecting household applications).

CONCLUSION

Act 656 of 2023 requires ALA to review the ADE Child Nutrition Unit to determine whether public schools' participation in the Meal Programs expands student access to free meals. ALA review revealed that, during July and August 2023 (paid as of November 1), 160 districts served 576,849 free meals to students eligible for reduced price meals. Additionally, based on the Statewide Single Audit and schools district audits performed by ALA, as well as reviews conducted by ADE, ALA staff noted no material noncompliance with federal and state law and rules.

Schedule 1

Arkansas School Districts
National School Lunch and Breakfast Programs
Student Eligibility
For School Year 2022-2023

District	Student Enrollment	Meal Eligibility				Percent Free and Reduced	Full Priced Paid
		Free	Reduced	Direct Certification*	Total Free and Reduced		
Academics Plus Public Charter Schools	1,825	206	187	123	516	28.27%	1,309
Alma	3,143	549	277	538	1,364	43.40%	1,779
Alpena	451	127	83	78	288	63.86%	163
Arkansas School for the Blind	69	14	5	12	31	44.93%	38
Arkansas School for the Deaf	100	26	14	20	60	60.00%	40
Arkadelphia	1,818	391	226	399	1,016	55.89%	802
Arkansas Arts Academy	1,090	168	141	70	379	34.77%	711
Arkansas Lighthouse	962	170	60	363	593	61.64%	369
Armored	404	67	58	35	160	39.60%	244
Ashdown	1,308	411	169	337	917	70.11%	391
Atkins	948	279	184	140	603	63.61%	345
Augusta	344	92	30	176	298	86.63%	46
Bald Knob	1,066	250	130	248	628	58.91%	438
Barton	655	278	63	220	561	85.65%	94
Batesville	3,163	875	322	497	1,694	53.56%	1,469
Bauxite	1,640	268	164	171	603	36.77%	1,037
Bay	562	138	94	96	328	58.36%	234
Bearden	476	141	81	121	343	72.06%	133
Beebe	3,285	660	413	534	1,607	48.92%	1,678
Benton	5,811	946	643	689	2,278	39.20%	3,533
Bentonville	18,674	1,699	1,233	949	3,881	20.78%	14,793
Bergman	1,050	266	189	189	644	61.33%	406
Berryville	1,807	737	308	230	1,275	70.56%	532
Bismarck	1,001	372	119	169	660	65.93%	341
Blevins	434	203	57	98	358	82.49%	76
Blytheville	1,543	376	129	720	1,225	79.39%	318
Booneville	1,246	411	120	365	896	71.91%	350
Bradford	435	188	55	97	340	78.16%	95
Brinkley	437	130	45	168	343	78.49%	94
Brookland	2,905	371	225	250	846	29.12%	2,059
Bryant	9,607	2,419	1,215	1,305	4,939	51.41%	4,668
Buffalo Island	693	213	61	128	402	58.01%	291
Cabot	10,361	1,898	1,431	1,205	4,534	43.76%	5,827
Caddo Hills	552	188	113	140	441	79.89%	111
Calico Rock	385	141	64	66	271	70.39%	114
Camden-Fairview	2,111	829	187	613	1,629	77.17%	482
Carlisle	617	218	46	114	378	61.26%	239
Cave City	1,175	374	236	284	894	76.09%	281
Cedar Ridge	641	211	102	152	465	72.54%	176
Cedarville	721	270	121	129	520	72.12%	201
Centerpoint	934	289	151	221	661	70.77%	273
Charleston	851	164	103	106	373	43.83%	478
Clarendon	446	215	40	156	411	92.15%	35
Clarksville	2,525	881	395	530	1,806	71.52%	719
Cleveland County	705	164	86	145	395	56.03%	310
Clinton	1,259	443	179	248	870	69.10%	389
Concord	373	109	43	60	212	56.84%	161
Conway	10,001	2,264	1,292	2,061	5,617	56.16%	4,384
Corning	794	292	120	152	564	71.03%	230
Cossatot River	861	317	125	214	656	76.19%	205

Schedule 1 (Continued)

District	Student Enrollment	Meal Eligibility			Total Free and Reduced	Percent Free and Reduced	Full Priced Paid
		Free	Reduced	Direct Certification*			
Cotter	693	225	96	158	479	69.12%	214
County Line	545	200	92	89	381	69.91%	164
Cross County	639	286	96	83	465	72.77%	174
Crossett	1,526	299	162	502	963	63.11%	563
Cutter-Morning Star	673	231	95	155	481	71.47%	192
Danville	756	342	125	104	571	75.53%	185
Dardanelle	2,064	690	356	351	1,397	67.68%	667
Decatur	579	237	48	171	456	78.76%	123
Deer/Mt. Judea	324	124	48	67	239	73.77%	85
De Queen	2,320	937	309	458	1,704	73.45%	616
Dermott	327	116	12	180	308	94.19%	19
Des Arc	612	203	115	117	435	71.08%	177
DeWitt	1,111	318	132	212	662	59.59%	449
Dierks	523	285	36	96	417	79.73%	106
Dover	1,213	298	233	169	700	57.71%	513
Drew Central	1,182	402	139	335	876	74.11%	306
Dumas	961	394	50	313	757	78.77%	204
Earle	415	148	28	219	395	95.18%	20
East End	637	179	90	119	388	60.91%	249
East Poinsett County	547	182	98	143	423	77.33%	124
El Dorado	4,004	1,360	264	944	2,568	64.14%	1,436
Elkins	1,371	258	177	159	594	43.33%	777
Emerson-Taylor-Bradley	1,171	183	139	180	502	42.87%	669
England	628	250	57	170	477	75.96%	151
eStem Public Charter School	2,890	763	520	740	2,023	70.00%	867
Eureka Springs	633	184	114	81	379	59.87%	254
Exalt Academy of Southwest Little Rock	638	345	78	192	615	96.39%	23
Farmington	2,685	298	267	192	757	28.19%	1,928
Fayetteville	10,426	1,595	795	1,320	3,710	35.58%	6,716
Flippin	837	306	126	178	610	72.88%	227
Fordyce	702	94	54	223	371	52.85%	331
Foreman	490	166	87	98	351	71.63%	139
Forrest City	1,940	473	153	971	1,597	82.32%	343
Fort Smith	13,829	4,391	1,840	3,687	9,918	71.72%	3,911
Fouke	1,068	324	165	179	668	62.55%	400
Fountain Lake	1,290	212	118	226	556	43.10%	734
Friendship Aspire Academies Arkansas	913	245	123	337	705	77.22%	208
Future School of Fort Smith	241	98	27	50	175	72.61%	66
Genoa Central	1,183	228	117	145	490	41.42%	693
Gentry	1,617	455	228	203	886	54.79%	731
Glen Rose	945	176	100	160	436	46.14%	509
Gosnell	1,173	374	193	283	850	72.46%	323
Graduate Arkansas Charter	381	281		95	376	98.69%	5
Gravette	1,998	300	195	244	739	36.99%	1,259
Green Forest	1,427	576	272	204	1,052	73.72%	375
Greenbrier	3,740	765	449	248	1,462	39.09%	2,278
Greene County Tech	3,432	661	435	440	1,536	44.76%	1,896
Greenland	767	262	121	157	540	70.40%	227
Greenwood	3,882	491	299	348	1,138	29.31%	2,744
Gurdon	610	228	101	130	459	75.25%	151

Schedule 1 (Continued)

District	Student Enrollment	Meal Eligibility			Total Free and Reduced	Percent Free and Reduced	Full Priced Paid
		Free	Reduced	Direct Certification*			
Guy-Perkins	308	130	33	51	214	69.48%	94
Haas Hall Academy	433	7	9	7	23	5.31%	410
Hackett	760	336	73	130	539	70.92%	221
Hamburg	1,551	377	166	397	940	60.61%	611
Hampton	524	199	69	104	372	70.99%	152
Harmony Grove (Saline)	1,224	181	109	137	427	34.89%	797
Harmony Grove (Ouachita)	871	147	105	106	358	41.10%	513
Harrisburg	1,074	375	158	269	802	74.67%	272
Harrison	2,774	540	366	493	1,399	50.43%	1,375
Hazen	516	154	94	110	358	69.38%	158
Heber Springs	1,544	313	170	292	775	50.19%	769
Hector	614	361	17	69	447	72.80%	167
Helena/West Helena	989	313	19	621	953	96.36%	36
Hermitage	402	166	24	111	301	74.88%	101
Highland	1,567	572	200	359	1,131	72.18%	436
Hillcrest	386	136	64	76	276	71.50%	110
Hope	2,145	1,014	133	626	1,773	82.66%	372
Horatio	694	294	105	151	550	79.25%	144
Hot Springs	3,574	1,455	202	1,287	2,944	82.37%	630
Hoxie	808	309	105	193	607	75.12%	201
Huntsville	2,270	732	329	486	1,547	68.15%	723
Imboden Charter	63	6	7	16	29	46.03%	34
Izard County Consolidated	608	158	99	183	440	72.37%	168
Jackson County	814	199	164	221	584	71.74%	230
Jacksonville North Pulaski	4,248	1,672	286	1,130	3,088	72.69%	1,160
Jasper	812	309	91	145	545	67.12%	267
Jessieville	806	320	126	132	578	71.71%	228
Jonesboro	6,398	1,743	475	2,448	4,666	72.93%	1,732
Junction City	702	195	56	234	485	69.09%	217
Kipp Delta	1,174	306	102	643	1,051	89.52%	123
Kirby	430	78	62	185	325	75.58%	105
Lafayette County	501	221	51	150	422	84.23%	79
Lake Hamilton	4,031	1,054	670	905	2,629	65.22%	1,402
Lakeside (Chicot)	839	206	66	425	697	83.08%	142
Lakeside (Garland)	3,377	678	353	549	1,580	46.79%	1,797
Lamar	1,226	282	239	255	776	63.30%	450
Lavaca	778	187	107	87	381	48.97%	397
Lawrence County	982	172	116	219	507	51.63%	475
Lead Hill	357	69	64	142	275	77.03%	82
Lee County	580	127	43	356	526	90.69%	54
Lincoln	1,066	376	192	179	747	70.08%	319
Lisa Academy	3,769	1,207	491	615	2,313	61.37%	1,456
Little Rock	20,135	5,922	2,341	5,950	14,213	70.59%	5,922
Lonoke	1,543	435	234	318	987	63.97%	556
Magazine	430	146	67	101	314	73.02%	116
Magnet Cove	706	123	88	87	298	42.21%	408
Magnolia	2,542	639	196	819	1,654	65.07%	888
Malvern	1,831	556	252	525	1,333	72.80%	498
Mammoth Spring	458	153	56	122	331	72.27%	127
Manila	997	296	155	146	597	59.88%	400

Schedule 1 (Continued)

District	Student Enrollment	Meal Eligibility				Total Free and Reduced	Percent Free and Reduced	Full Priced Paid
		Free	Reduced	Direct Certification*				
Mansfield	775	223	159	149		531	68.52%	244
Marion	3,842	1,454	585	859		2,898	75.43%	944
Marked Tree	495	97	83	183		363	73.33%	132
Marmaduke	633	149	105	107		361	57.03%	272
Marvell-Elaine	306	70	11	218		299	97.71%	7
Mayflower	985	268	161	207		636	64.57%	349
Maynard	544	207	91	102		400	73.53%	144
McCrary	554	116	92	129		337	60.83%	217
McGehee	1,038	332	94	355		781	75.24%	257
Melbourne	781	153	107	100		360	46.09%	421
Mena	1,725	424	244	395		1,063	61.62%	662
Midland	461	137	66	87		290	62.91%	171
Mineral Springs	375	170	45	122		337	89.87%	38
Monticello	1,611	385	116	388		889	55.18%	722
Mount Ida	447	114	79	93		286	63.98%	161
Mountain Home	3,856	675	445	589		1,709	44.32%	2,147
Mountain Pine	624	239	78	201		518	83.01%	106
Mountain View	1,543	519	231	355		1,105	71.61%	438
Mountainburg	620	240	76	137		453	73.06%	167
Mt. Vernon/Enola	528	213	46	69		328	62.12%	200
Mulberry/Pleasant View Bi-County	392	128	22	135		285	72.70%	107
Nashville	1,931	666	302	420		1,388	71.88%	543
Nemo Vista	488	141	77	72		290	59.43%	198
Nettleton	3,554	1,002	474	1,110		2,586	72.76%	968
Nevada	414	192	28	95		315	76.09%	99
Newport	1,168	394	69	454		917	78.51%	251
Norfolk	458	133	50	86		269	58.73%	189
North Little Rock	7,640	1,596	363	3,702		5,661	74.10%	1,979
Omaha	359	118	66	76		260	72.42%	99
Osceola	904	228	108	478		814	90.04%	90
Ouachita	550	123	74	78		275	50.00%	275
Ouachita River	780	272	109	162		543	69.62%	237
Ozark	1,737	422	198	329		949	54.63%	788
Ozark Mountain	571	195	86	134		415	72.68%	156
Palestine-Wheatley	745	396	111	130		637	85.50%	108
Pangburn	753	192	90	176		458	60.82%	295
Paragould	3,077	824	374	959		2,157	70.10%	920
Paris	1,016	437	121	197		755	74.31%	261
Parkers Chapel	784	113	61	92		266	33.93%	518
Pea Ridge	2,454	300	252	223		775	31.58%	1,679
Perryville	904	254	120	149		523	57.85%	381
Piggott	789	200	136	117		453	57.41%	336
Pine Bluff	3,053	1,267	227	1,187		2,681	87.82%	372
Pocahontas	1,944	508	217	433		1,158	59.57%	786
Pottsville	1,822	295	241	151		687	37.71%	1,135
Poyen	488	115	51	80		246	50.41%	242
Prairie Grove	2,107	243	308	183		734	34.84%	1,373
Prescott	890	328	106	237		671	75.39%	219
Pulaski County Special	11,787	2,493	960	2,267		5,720	48.53%	6,067
Quitman	855	209	133	111		453	52.98%	402

Schedule 1 (Continued)

District	Student Enrollment	Meal Eligibility			Total Free and Reduced	Percent Free and Reduced	Full Priced Paid
		Free	Reduced	Direct Certification*			
Rector	539	166	115	109	390	72.36%	149
Responsive Ed Solutions Premier High School of Springdale	2,087	220	65	205	490	23.48%	1,597
Rivercrest	1,063	474	81	273	828	77.89%	235
Riverside	724	168	120	109	397	54.83%	327
Riverview	1,104	366	127	346	839	76.00%	265
Rogers	15,665	4,311	1,989	1,763	8,063	51.47%	7,602
Rose Bud	732	162	120	110	392	53.55%	340
Russellville	5,412	1,263	649	794	2,706	50.00%	2,706
Salem	876	222	116	197	535	61.07%	341
ScholarMade Achievement Place of Arkansas	394	159	34	174	367	93.15%	27
Scranton	437	84	64	72	220	50.34%	217
Searcy	4,003	762	464	699	1,925	48.09%	2,078
Searcy County	785	297	138	133	568	72.36%	217
Sheridan	4,246	673	453	630	1,756	41.36%	2,490
Shirley	319	116	52	98	266	83.39%	53
Siloam Springs	4,463	1,249	602	672	2,523	56.53%	1,940
Sloan-Hendrix	750	230	110	152	492	65.60%	258
Smackover-Norphlet	1,046	142	75	207	424	40.54%	622
South Conway County	2,339	999	244	475	1,718	73.45%	621
South Pike County	655	208	95	179	482	73.59%	173
South Side (Van Buren)	511	38	14	61	113	22.11%	398
Southside (Independence)	1,973	448	331	316	1,095	55.50%	878
Spring Hill	621	184	80	49	313	50.40%	308
Springdale	21,801	9,401	3,562	2,354	15,317	70.26%	6,484
Star City	1,377	388	202	334	924	67.10%	453
Strong-Huttig	309	162	16	111	289	93.53%	20
Stuttgart	1,544	387	147	401	935	60.56%	609
Texarkana	3,710	1,202	236	1,207	2,645	71.29%	1,065
Trumann	1,479	463	134	507	1,104	74.65%	375
Two Rivers	703	253	67	250	570	81.08%	133
Valley Springs	824	161	70	121	352	42.72%	472
Valley View	2,894	335	247	205	787	27.19%	2,107
Van Buren	5,811	1,467	852	999	3,318	57.10%	2,493
Vilonia	2,951	497	384	356	1,237	41.92%	1,714
Viola	387	128	77	74	279	72.09%	108
Waldron	1,414	392	236	410	1,038	73.41%	376
Warren	1,424	509	105	408	1,022	71.77%	402
Watson Chapel	1,796	528	144	728	1,400	77.95%	396
West Fork	804	167	123	89	379	47.14%	425
West Memphis	4,829	1,192	417	1,900	3,509	72.67%	1,320
West Side (Clebume)	466	179	65	90	334	71.67%	132
Western Yell County	294	153	52	62	267	90.82%	27
Westside Consolidated (Craighead)	1,742	355	224	310	889	51.03%	853
Westside (Johnson)	609	222	79	148	449	73.73%	160
Westwind School for the Performing Arts	83	21	20	25	66	79.52%	17
White County Central	821	236	108	171	515	62.73%	306
White Hall	3,028	746	400	532	1,678	55.42%	1,350
Wonderview	442	113	46	76	235	53.17%	207
Woodlawn	573	110	76	94	280	48.87%	293
Wynne	2,484	614	285	618	1,517	61.07%	967
Yellville-Summit	924	367	119	195	681	73.70%	243
Totals	468,477	124,750	54,786	95,584	275,120	58.73%	193,357

*If students are a match during the Arkansas Department of Education Direct Certification process, which verifies eligibility for students who are members of households receiving Supplemental Nutrition Assistance Program (SNAP) benefits, they are coded as Direct Certification and receive free meals for the entire school year.

Note: Districts may be included in Schedule 1 but not Schedule 2 due to timing or the Community Eligible Provision (a non-pricing meal service option for districts in economically disadvantaged areas that allows them to serve breakfast and lunch at no cost to all enrolled students without collecting household applications).

Source: Arkansas Department of Education (unaudited by Arkansas Legislative Audit)

Schedule 2

**Act 656 of 2023 Reimbursement to School Districts
for Free Meals Served to Students Qualifying for Reduced Price Meals
July and August 2023**

July 2023						
District	No. of Free Breakfasts Served to Reduced Price Eligible Students	No. of Free Lunches Served to Reduced Price Eligible Students	Total Free Meals Served to Reduced Price Eligible Students	Breakfast Co-payments	Lunch Co-payments	Total Reimbursements Due the District
East Poinsett County	267	351	618	\$ 80.10	\$ 140.40	\$ 220.50
Marion	498	882	1,380	149.40	352.80	502.20
Marked Tree	305	474	779	91.50	189.60	281.10
Osceola	361	503	864	108.30	201.20	309.50
Vilonia	16	49	65	4.80	19.60	24.40
Wynne	746	871	1,617	223.80	348.40	572.20
July Totals	2,193	3,130	5,323	\$ 657.90	\$ 1,252.00	\$ 1,909.90
August 2023						
District	No. of Free Breakfasts Served to Reduced Price Eligible Students	No. of Free Lunches Served to Reduced Price Eligible Students	Total Free Meals Served to Reduced Price Eligible Students	Breakfast Co-payments	Lunch Co-payments	Total Reimbursements Due the District
Alma	1,445	3,249	4,694	\$ 433.50	\$ 1,299.60	\$ 1,733.10
Arkadelphia	772	2,054	2,826	231.60	821.60	1,053.20
Arkansas School for the Deaf	151	177	328	45.30	70.80	116.10
Armored	173	312	485	51.90	124.80	176.70
Ashdown	1,210	1,880	3,090	363.00	752.00	1,115.00
Atkins	346	700	1,046	103.80	280.00	383.80
Bald Knob	1,006	1,616	2,622	301.80	646.40	948.20
Batesville	896	2,139	3,035	268.80	855.60	1,124.40
Bauxite	1,441	1,727	3,168	432.30	690.80	1,123.10
Bay	285	680	965	85.50	272.00	357.50
Bearden	687	802	1,489	206.10	320.80	526.90
Beebe	2,878	5,324	8,202	863.40	2,129.60	2,993.00
Benton	1,903	4,849	6,752	570.90	1,939.60	2,510.50
Benton County School of Arts	276	842	1,118	82.80	336.80	419.60
Bentonville	3,595	9,952	13,547	1,078.50	3,980.80	5,059.30
Bergman	1,771	1,817	3,588	531.30	726.80	1,258.10
Berryville	1,010	2,176	3,186	303.00	870.40	1,173.40
Blevins	187	299	486	56.10	119.60	175.70
Brookland	1,309	2,309	3,618	392.70	923.60	1,316.30
Bryant	5,059	10,035	15,094	1,517.70	4,014.00	5,531.70
Buffalo Island Central	306	472	778	91.80	188.80	280.60
Cabot	7,493	12,585	20,078	2,247.90	5,034.00	7,281.90
Caddo Hills	519	937	1,456	155.70	374.80	530.50
Calico Rock	353	502	855	105.90	200.80	306.70
Camden-Fairview	991	1,806	2,797	297.30	722.40	1,019.70
Carlisle	154	316	470	46.20	126.40	172.60
Cave City	1,090	2,226	3,316	327.00	890.40	1,217.40
Cedar Ridge	654	902	1,556	196.20	360.80	557.00
Cedarville	873	1,187	2,060	261.90	474.80	736.70
Centerpoint	604	764	1,368	181.20	305.60	486.80
Charleston	308	871	1,179	92.40	348.40	440.80
Clarksville	1,622	3,763	5,385	486.60	1,505.20	1,991.80
Cleveland County	375	806	1,181	112.50	322.40	434.90
Concord	210	317	527	63.00	126.80	189.80
Conway	2,840	6,710	9,550	852.00	2,684.00	3,536.00
Corning	731	898	1,629	219.30	359.20	578.50
Cossatot River	1,183	1,211	2,394	354.90	484.40	839.30
Crossett	581	1,240	1,821	174.30	496.00	670.30
Danville	462	725	1,187	138.60	290.00	428.60
Dardanelle	2,053	3,439	5,492	615.90	1,375.60	1,991.50
Deer/Mount Judea	251	286	537	75.30	114.40	189.70
De Queen	1,540	3,042	4,582	462.00	1,216.80	1,678.80

Schedule 2 (Continued)

August 2023						
District	No. of Free Breakfasts Served to Reduced Price Eligible Students	No. of Free Lunches Served to Reduced Price Eligible Students	Total Free Meals Served to Reduced Price Eligible Students	Breakfast Co-payments	Lunch Co-payments	Total Reimbursements Due the District
De Queen	1,540	3,042	4,582	462.00	1,216.80	1,678.80
Des Arc	718	886	1,604	\$ 215.40	\$ 354.40	\$ 569.80
Dierks	140	258	398	42.00	103.20	145.20
Dover	2,057	2,723	4,780	617.10	1,089.20	1,706.30
East End	404	336	740	121.20	134.40	255.60
East Poinsett County	1,055	1,333	2,388	316.50	533.20	849.70
Elkins	904	1,757	2,661	271.20	702.80	974.00
Eureka Springs	681	985	1,666	204.30	394.00	598.30
Farmington	1,097	2,385	3,482	329.10	954.00	1,283.10
Fayetteville	2,610	6,522	9,132	783.00	2,608.80	3,391.80
Fordey	636	641	1,277	190.80	256.40	447.20
Foreman	249	513	762	74.70	205.20	279.90
Fort Smith	8,006	14,103	22,109	2,401.80	5,641.20	8,043.00
Fouke	887	1,208	2,095	266.10	483.20	749.30
Fountain Lake	289	429	718	86.70	171.60	258.30
Genoa Central	738	819	1,557	221.40	327.60	549.00
Gentry	1,028	1,778	2,806	308.40	711.20	1,019.60
Glen Rose	556	854	1,410	166.80	341.60	508.40
Gosnell	665	1,254	1,919	199.50	501.60	701.10
Gravette	564	1,463	2,027	169.20	585.20	754.40
Green Forest	1,339	1,867	3,206	401.70	746.80	1,148.50
Greenbrier	1,666	3,152	4,818	499.80	1,260.80	1,760.60
Greene County Tech	2,240	3,412	5,652	672.00	1,364.80	2,036.80
Greenwood	1,210	3,187	4,397	363.00	1,274.80	1,637.80
Gurdon	350	500	850	105.00	200.00	305.00
Hamburg	1,155	3,264	4,419	346.50	1,305.60	1,652.10
Hampton	531	659	1,190	159.30	263.60	422.90
Harmony Grove (Ouachita)	329	662	991	98.70	264.80	363.50
Harmony Grove (Saline)	400	722	1,122	120.00	288.80	408.80
Harrisburg	890	1,200	2,090	267.00	480.00	747.00
Harrison	1,778	2,832	4,610	533.40	1,132.80	1,666.20
Heber Springs	652	1,323	1,975	195.60	529.20	724.80
Hillcrest	623	919	1,542	186.90	367.60	554.50
Horatio	528	806	1,334	158.40	322.40	480.80
Huntsville	943	1,987	2,930	282.90	794.80	1,077.70
Izard County Consolidated	798	1,174	1,972	239.40	469.60	709.00
Jasper	747	975	1,722	224.10	390.00	614.10
Jessieville	677	1,139	1,816	203.10	455.60	658.70
Junction City	96	358	454	28.80	143.20	172.00
Lafayette County	35	222	257	10.50	88.80	99.30
Lake Hamilton	5,403	6,657	12,060	1,620.90	2,662.80	4,283.70
Lakeside (Garland)	882	1,907	2,789	264.60	762.80	1,027.40
Lamar	711	1,568	2,279	213.30	627.20	840.50
Lavaca	644	1,026	1,670	193.20	410.40	603.60
Lawrence County	856	951	1,807	256.80	380.40	637.20
Lead Hill	331	655	986	99.30	262.00	361.30
Lincoln	1,065	1,333	2,398	319.50	533.20	852.70
Little Rock	12,708	19,644	32,352	3,812.40	7,857.60	11,670.00
Little Scholars of Arkansas	1,463	3,512	4,975	438.90	1,404.80	1,843.70
Lonoke	1,260	1,974	3,234	378.00	789.60	1,167.60
Magazine	469	602	1,071	140.70	240.80	381.50
Magnet Cove	462	869	1,331	138.60	347.60	486.20
Manila	581	998	1,579	174.30	399.20	573.50
Marion	5,611	7,698	13,309	1,683.30	3,079.20	4,762.50
Marmaduke	747	1,035	1,782	224.10	414.00	638.10
Maynard	630	1,021	1,651	189.00	408.40	597.40
McCrory	281	755	1,036	84.30	302.00	386.30
Mena	1,482	1,907	3,389	444.60	762.80	1,207.40
Midland	479	500	979	143.70	200.00	343.70
Monticello	414	1,308	1,722	124.20	523.20	647.40
Mountain Home	1,802	2,990	4,792	540.60	1,196.00	1,736.60

Schedule 2 (Continued)

August 2023						
District	No. of Free Breakfasts Served to Reduced Price Eligible Students	No. of Free Lunches Served to Reduced Price Eligible Students	Total Free Meals Served to Reduced Price Eligible Students	Breakfast Co-payments	Lunch Co-payments	Total Reimbursements Due the District
Mountain View	2,189	2,183	4,372	\$ 656.70	\$ 873.20	\$ 1,529.90
Mt. Ida	278	412	690	83.40	164.80	248.20
Mt. Vernon-Enola	327	462	789	98.10	184.80	282.90
Nashville	2,235	2,810	5,045	670.50	1,124.00	1,794.50
Nemo Vista	443	833	1,276	132.90	333.20	466.10
Norfork	342	429	771	102.60	171.60	274.20
Omaha	445	642	1,087	133.50	256.80	390.30
Osceola	1,380	1,948	3,328	414.00	779.20	1,193.20
Ouachita	441	422	863	132.30	168.80	301.10
Ouachita River	382	613	995	114.60	245.20	359.80
Ozark	754	1,766	2,520	226.20	706.40	932.60
Palestine-Wheatley	102	420	522	30.60	168.00	198.60
Pangburn	366	639	1,005	109.80	255.60	365.40
Parkers Chapel	251	681	932	75.30	272.40	347.70
Pea Ridge	1,245	2,385	3,630	373.50	954.00	1,327.50
Piggott	548	968	1,516	164.40	387.20	551.60
Pocahontas	1,112	1,799	2,911	333.60	719.60	1,053.20
Pottsville	822	1,915	2,737	246.60	766.00	1,012.60
Poyen	144	200	344	43.20	80.00	123.20
Prairie Grove	1,255	2,573	3,828	376.50	1,029.20	1,405.70
Pulaski Charter Schools, Inc.	1,275	1,643	2,918	382.50	657.20	1,039.70
Rector	855	1,208	2,063	256.50	483.20	739.70
Riverside	873	1,118	1,991	261.90	447.20	709.10
Riverview	780	1,437	2,217	234.00	574.80	808.80
Rogers	9,387	16,045	25,435	2,816.10	6,418.00	9,234.10
Rose Bud	945	993	1,938	283.50	397.20	680.70
Russellville	3,636	4,653	8,289	1,090.80	1,861.20	2,952.00
Salem	507	1,205	1,712	152.10	482.00	634.10
Scranton	169	660	829	50.70	264.00	314.70
Searcy	2,270	4,605	6,875	681.00	1,842.00	2,523.00
Searcy County	1,067	1,253	2,320	320.10	501.20	821.30
Sheridan	1,542	3,904	5,446	462.60	1,561.60	2,024.20
Siloam Springs	2,506	4,998	7,504	751.80	1,999.20	2,751.00
Sloan-Hendrix	645	1,074	1,719	193.50	429.60	623.10
South Pike County	530	669	1,199	159.00	267.60	426.60
Southside (Independence)	1,647	2,657	4,304	494.10	1,062.80	1,556.90
South Side (Van Buren)	660	492	1,152	198.00	196.80	394.80
Springdale	16,675	32,518	49,193	5,002.50	13,009.20	18,009.70
Springhill	569	974	1,543	170.70	389.60	560.30
Star City	585	1,572	2,157	175.50	628.80	804.30
Stuttgart	56	604	660	16.80	241.60	258.40
Valley Springs	603	630	1,233	180.90	252.00	432.90
Valley View	844	2,135	2,979	253.20	854.00	1,107.20
Van Buren	2,325	5,230	7,555	697.50	2,092.00	2,789.50
Vilonia	1,188	2,479	3,667	356.40	991.60	1,348.00
Waldron	1,223	2,082	3,305	366.90	832.80	1,199.70
West Fork	830	1,081	1,911	249.00	432.40	681.40
Western Yell County	455	517	972	136.50	206.80	343.30
Westside Consolidated (Craighead)	1,371	2,242	3,613	411.30	896.80	1,308.10
Westside (Johnson)	581	835	1,416	174.30	334.00	508.30
Westwind Performing Arts	90	133	223	27.00	53.20	80.20
White County	486	884	1,370	145.80	353.60	499.40
White Hall	1,155	3,662	4,817	346.50	1,464.80	1,811.30
Wonderview	310	434	744	93.00	173.60	266.60
Woodlawn	548	831	1,379	164.40	332.40	496.80
Wynne	2,971	3,297	6,268	891.30	1,318.80	2,210.10
Yellville-Summit	651	1,192	1,843	195.30	476.80	672.10
August Totals	208,016	363,507	571,526	\$ 62,404.80	\$ 145,402.80	\$ 207,807.60
Grand Totals	210,209	366,637	576,849	\$ 63,062.70	\$ 146,654.80	\$ 209,717.50

Source: Arkansas Department of Education (unaudited by Arkansas Legislative Audit)

Appendix A

Ark. Code Ann. § 6-18-722

(a) Federal funds appropriated to the Department of Education for a child nutrition program shall be used to provide school breakfasts and lunches at no cost to each qualifying student.

(b)

(1) A public school that serves a school breakfast or a school lunch as part of a child nutrition program shall not charge a qualifying student a reduced-price copayment for a school breakfast or a school lunch.

(2)

(A) If necessary to comply with the requirements of this section, the department shall provide funds that have been disbursed to the department from the United States Government for purposes of funding child nutrition programs to each public school that serves a school breakfast or a school lunch as part of a child nutrition program to cover the cost of eliminating reduced-price copayments as required by subdivision (b)(1) of this section.

(B) If federal funds appropriated to the department for a child nutrition program are insufficient to provide a school breakfast or a school lunch at no cost under subdivision (b)(2)(A) of this section, the department shall use funds as authorized by law to provide a school breakfast or a school lunch not initially covered by federal funds under subsection (a) of this section or other funds as authorized by law.

(c)

(1) Annually by November 15, the Department of Education shall report on and provide to the House Committee on Education and the Senate Committee on Education an overview of each child nutrition program offered in public schools.

(2) The report required under subdivision (c)(1) of this section shall include without limitation:

(A) The procedure for applying for free or reduced-price meals in public schools; and

(B) The number of students who:

(i) Apply for free or reduced-price meals;

(ii) Are accepted to receive free or reduced-price meals;

(iii) Are denied from receiving free or reduced-price meals; and

(iv) Automatically qualify for free or reduced-price meals based on federal eligibility requirements.

Appendix A (Continued)

(d)

(1) Arkansas Legislative Audit shall audit the Department of Education Child Nutrition Unit by December 15, 2023, and report the audit findings to the House Committee on Education and the Senate Committee on Education.

(2) The audit required under subdivision (d)(1) of this section shall determine whether each public school's participation in a child nutrition program effectively:

(A) Serves the intent of the General Assembly to expand students' access to free meals in public schools; and

(B) Complies with federal and state law and rules.

(e) As used in this section:

(1) "Child nutrition program" includes the following as established under the National School Lunch Act, 42 U.S.C. § 1751 et seq., as it existed on January 1, 2023:

(A) The National School Lunch Program; or

(B) The School Breakfast Program; and

(2) "Qualifying student" means a kindergarten through grade twelve (K-12) student enrolled in a public school who is eligible for receipt of a reduced-price meal in a child nutrition program.

