



District School Board of Pasco County

20430 Gator Lane • Land O' Lakes, Florida 34638 • 813/ 794-2221

Heather Fiorentino, Superintendent

www.pasco.k12.fl.us

Department of Purchasing

Kendra Goodman, CPPO, CPPB, Purchasing Agent

813/ 794-2221 Fax: 813/ 794-2111

727/ 774-2221 TDD: 813/ 794-2484

352/ 524-2221 e-mail: kgoodman@pasco.k12.fl.us

June 19, 2012

MEMORANDUM

TO: Honorable School Board Members

FROM: Kendra Goodman, CPPO, CPPB, Purchasing Agent 

RE: National School Lunch Program Agreement
Florida Department of Agriculture and Consumer Services

The Food and Nutrition Services Department (FNS) is requesting Board approval of the attached National School Lunch Program agreement for the period of August 20, 2012 through June 4, 2013. The Food and Nutrition Services Department prepares and provides breakfast, lunch and snacks for after school programs at various locations throughout the District. Please reference the attached memo from Mr. Rick Kurtz, Director of Food and Nutrition Services, for further information regarding this agreement.

The agreement is permitted under Florida Administrative Rule 6A-1.012(12)(f) whereas a grant or a state or federal agency contract prescribes with whom the District School Board must contract for specific commodities. The anticipated cost is \$12,116,131, to be funded through the Richard B. Russell National School Lunch Act. At this time, we respectfully request your approval to enter into this agreement with the Florida Department of Agriculture and Consumer Services. The attached agreement has been reviewed and approved by the District School Board's Attorney, Ms. Nancy Alfonso.

Should you have any questions regarding this matter, please contact Mr. Kurtz or me at your earliest convenience.

KDG/acf

Attachments

Date/Time: June 13, 2012 09:20:00



District School Board of Pasco County

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638 • 813/794-2000

Heather Fiorentino, Superintendent

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Food and Nutrition Services

Richard P. Kurtz, Director

813/794-2439 Fax: 813/794-2118

727/774-2439 TDD: 813/794-2484

352/524-2439 rkurtz@pasco.k12.fl.us

MEMORANDUM

FNS-89-12

May 23, 2012

TO: Kendra Goodman, Purchasing Agent

FROM: Richard Kurtz, Director *PK*
Food, Nutrition and Distribution Services

SUBJECT: 2012 – 2013 FOOD AND NUTRITION SERVICES NATIONAL SCHOOL LUNCH PROGRAM

The National School Lunch Program (NSLP) is a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions. It provides nutritionally balanced, low-cost or free lunches to children each school day.

The Food and Nutrition Services (FNS) Department prepares meals for the National School Lunch, Breakfast, Special Milk, Fresh Fruit and Vegetables, and Afterschool Snack Programs at all Pasco County Schools. Students participating in the National School Lunch Program are eligible for free or reduced price meals based on household size and income. Qualifying sites are eligible to participate in a free breakfast program for all students regardless of application status (Provision 2). The meal program operates August 20, 2012 - June 4, 2013.

Meals are prepared and served onsite at most locations and transported to other participating locations as needed. All FNS sites have been approved by the Florida Department of Agriculture and Consumer Services. Complete meals provided will be claimed and reported by the FNS Department at the District office for reimbursement.

Please submit the attached National School Lunch Program agreement between the District School Board of Pasco County and the Florida Department of Agriculture and Consumer Services for Board approval and the Superintendent's signature.

If you have any questions or concerns, please contact Richard Kurtz at extension 4-2436.

RPK/jam

xc: Olga Swinson, Chief Finance Officer
Nicole Westmoreland, FNS Finance Coordinator



ADAM H. PUTNAM
COMMISSIONER

Florida Department of Agriculture and Consumer Services
Division of Food, Nutrition and Wellness



RECEIVED
5/24/12 *Den*

**NATIONAL SCHOOL LUNCH AND BREAKFAST
PROGRAM SPONSOR AGREEMENT**

AGREEMENT NO.: 01-0051

SPONSOR: District School Board of Pasco County

Agreement Between the Local Educational Agency and the Florida Department of Agriculture and Consumer Services for the National School Lunch, School Breakfast, Afterschool Snack, Summer Food Service, Seamless Summer Option, and Special Milk Programs.

INSTRUCTIONS: (1) AGREEMENT: **Three originals** of this Agreement must be signed in ink and submitted to the Florida Department of Agriculture and Consumer Services (DACS) as part of the application process. (2) LOCAL EDUCATIONAL AGENCY'S (LEA) COPY: When this Agreement is approved, one original will be returned for the files of the LEA.

No monies or other benefits may be paid out under these programs unless this Agreement is completed, approved, and filed as required by 7 CFR Parts 210, 215, 220, 225, 245, 3016, and 3019.

GENERAL APPLICABLE TERMS AND CONDITIONS

NOTE: Regulations stipulate that a sponsor **shall not be reimbursed for any meals, snacks, and/or milk served after October 15** of any fiscal year unless the Free and Reduced-Price Agreement has been approved by the DACS.

This Agreement is between the LEA and the DACS for purposes of the National School Lunch Program (NSLP), School Breakfast Program (SBP), Afterschool Snack Program (ASSP), Summer Food Service Program (SFSP), Seamless Summer Option (SSO), and Special Milk Program (SMP) (7 CFR Parts 210, 220, 215, and 225). "School" is defined in the Agreement between the LEA and DACS (see page 3). For purposes of this Agreement, schools and institutions serving breakfasts, lunches, snacks, or milk under one or more of the child nutrition programs are referred to as the "LEA."

The designated LEA has agreed to participate in the NSLP, SBP, ASSP, SFSP, SMP, and/or SSO and accepts responsibility for providing free and reduced-price meals, snacks, and/or free milk to eligible children under its jurisdiction.

The LEA assures the DACS that the following Agreement will be uniformly implemented to determine children's eligibility for free meals and/or snacks in the SFSP and SSO, for free or reduced-price meals in the NSLP and SBP, snacks in the ASSP, or free milk under the SMP in schools, camps, and institutions under its jurisdiction.

DACS, to the extent funds are available, will reimburse the eligible LEA for the programs operated by it, in accordance with one or more of the following regulations applicable to such programs: NSLP and SSO Regulations (7 CFR 210), ASSP Regulations (7 CFR 210), SSO and SFSP Regulations (7 CFR 225), SMP Regulations (7 CFR 215), SBP Regulations (7 CFR 220), and any amendments thereto.

CONTRACT REVIEWED
AND APPROVED:
Kdy 6-4-12

The LEA agrees to accept federal funds in accordance with the applicable regulations and any amendments thereto, and to comply with all provisions thereof, and with any instructions or procedures issued in connection therewith. The LEA further agrees to administer programs funded under this Agreement in accordance with provisions of the Uniform Federal Assistance Regulations (7 CFR 3015).

The LEA shall ensure that a Company/Food Service Management Company (FSMC) fully discloses all discounts, rebates, allowances, and incentives received by the Company from its suppliers. If the Company receives a discount, rebate, allowance, or incentive from any supplier, the Company must disclose and return to the LEA the full amount of the discount, rebate, or applicable credit that is received based on the purchases made on behalf of the LEA. All discounts, rebates, allowances, and incentives must be returned to the LEA during a mutually agreed-upon time frame that is beneficial to the LEA.

Allowable costs will be paid from the nonprofit school food service account to the contractor net of all discounts, rebates, and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the LEA.

For the purpose of this Agreement, the following terms will mean:

1. **Adult:** Any individual 21 years of age or older.
2. **Child:** (1)(a) In schools as defined in this Agreement, a student of high school grade or lower as determined by the Florida Department of Education who is enrolled in an educational unit of high school grade or lower as described in the definition of "School," including students who are mentally or physically disabled as defined by the state and who are participating in a school program established for the mentally or physically handicapped, or (b) a person under 21 chronological years of age who is enrolled in an institution or center as described in the definition of "School" (see page 3). (2) For purposes of reimbursements for meal supplements served in afterschool care programs, an individual enrolled in an afterschool care program operated by an eligible school who is 12 years of age or under, or in the case of children of migrant workers, and children with disabilities not more than 15 years of age. (3) For purposes of the SFSP, persons of 18 years of age and under, and persons over 18 years of age who are determined by a state educational agency or a local public educational agency in Florida to be mentally or physically handicapped and who participate in a public or nonprofit private school program established for the mentally or physically handicapped.
3. **Commodity School Program:** The program under which participating schools operate a nonprofit lunch program in accordance with this part and receive donated food assistance in lieu of general cash assistance. These schools do not participate in the NSLP 7 CFR 210, but enter into an agreement as provided in 7 CFR 210.15 a(b) to receive commodities donated under Part 250 for a nonprofit lunch program.
4. **LEA:** The governing body that is responsible for the administration of one or more schools and that has the legal authority to operate a lunch, breakfast, snack, and/or milk program.
5. **Meals:** Food served to children at a food service site and which meets the nutritional

requirements set forth in regulations for each meal type.

6. **Milk:** (1) Pasteurized fluid types of unflavored or flavored whole milk, low-fat milk, skim milk, or cultured buttermilk that meet state and local standards. For the purpose of SMP, all milk should contain vitamins A and D at levels specified by the Food and Drug Administration and must be consistent with state and local standards for such milk. (2) For the purpose of SBP, in the meal pattern for infants (up to one year of age), milk means breast milk or iron fortified formula, or portions of both, may be served; however, it is recommend that breast milk be served in place of formula from birth through 11 months.
7. **Nonprofit:** When applied to schools or institutions eligible for the program, exempt status from income tax under Section 501(c)(3) of the Internal Revenue Code of 1986.
8. **Nonprofit Food Service Program or Nonprofit Milk Program:** Food or milk service maintained by, or on behalf of, the school or child care institution for the benefit of the children, all of the revenue from which is used solely for the operation or improvement of such food service programs or milk program.
9. **Offer vs. Serve (OVS):** (a) For purpose of NSLP, schools must offer at least three menu items for lunches. Senior high (as defined by Department of Education) school students must select at least two menu items and are allowed to decline a maximum of two menu items. The student must always take the entrée. At the discretion of the LEA, students below the senior high level may also participate in OVS. (b) For the purpose of SFSP, a child may decline only one food item offered at breakfast and up to two food items offered at lunch. There is no OVS option for snacks.
10. **School:** (a) An educational unit of high school grade or lower, recognized as part of the educational system in Florida and operating under public or nonprofit private ownership in a single building or complex of buildings, including any public or nonprofit private classes of preprimary grade when conducted in those schools defined in part (a) of this definition; (b) Any public or nonprofit private residential child care institution (RCCI) or distinct part of such institution that operates principally for the care of children and, if private, is licensed to provide residential child care services under the appropriate Florida licensing code or a subordinate level of government, except residential summer camps that participate in the SFSP for Children, Job Corps Centers funded by the Department of Labor, and private foster homes. RCCI includes, but is not limited to, homes for the mentally, emotionally, or physically impaired; homes for unmarried mothers and their infants; group homes; halfway houses; orphanages; temporary shelters for abused children and for runaway children; long-term care facilities for chronically ill children; and juvenile detention centers. A long-term care facility is a hospital, skilled nursing facility, intermediate care facility, or distinct part thereof, which is intended for the care of children confined for 30 days or more.
11. **School Week:** The period of time used to determine compliance with the nutrition standards and the appropriate calorie and nutrient levels in 7 CFR 210.10 and 220.8. If applicable, the school week is the basis for conducting Nutrient Standard Menu Planning or Assisted Nutrient Standard Menu Planning for lunches as provided in 7 CFR Parts 210.10(i) and 210.10(j) and breakfasts as provided in 220.8(e) and 220.8(f).. The period shall be a normal school week of five consecutive days; however, to accommodate shortened weeks resulting from holidays and other scheduling needs, the period shall be a

minimum of three consecutive days and a maximum of seven consecutive days. Weeks in which school lunches or breakfasts are offered less than three times shall be combined with either the previous or the coming week.

- 12. School Year:** A period of 12 calendar months beginning July 1 of any year and ending June 30 of the following year.
- 13. Site:** A physical location at which a sponsor provides a food service for children and at which children consume meals in a supervised setting.
- 14. Snacks (or meal supplement):** Food served at an eligible ASSP site that meets the applicable component requirements for meals specified in 7 CFR 210.10(n).
- 15. Special Needs Children:** Children who are emotionally, mentally, or physically disabled.
- 16. Sponsor:** For the purpose of SFSP, a public or private nonprofit school food authority, a public or private nonprofit residential summer camp, a unit of local, municipal, county or state government, a public or private nonprofit college or university currently participating in the National Youth Sports Program, or a private nonprofit organization which develops a special summer or other school vacation program providing food service similar to that made available to children during the school year under the NSLP and SBP and which is approved to participate in the program.

ASSURANCE OF CIVIL RIGHTS COMPLIANCE UNDER NSLP, SMP, ASSP, SSO, SMP, AND SFSP

The program applicant hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); all provisions required by the implementing regulations of the United States Department of Agriculture (USDA); Department of Justice Enforcement Guidelines, 28 CFR Part SO.3 and 42; and the Food and Nutrition Service (FNS) directives and guidelines, to the effect that, no person shall, on the grounds of race, color, national origin, age, sex, or disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the program applicant receives federal financial assistance from FNS; and gives assurance that it will immediately take measures necessary to effectuate this Agreement.

By accepting this assurance, the program applicant agrees to compile data, maintain records, and submit reports as required to permit effective enforcement of the nondiscrimination laws and permit authorized DACS and USDA personnel, during hours of program operation, to review such records, books, and accounts as needed to ascertain compliance with the nondiscrimination laws. If there are any violations of this assurance, the USDA, FNS, shall have the right to seek judicial enforcement of this assurance.

This assurance is binding on the program applicant, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA. The person (or persons) whose signature(s) appear(s) below is/are authorized to sign this assurance on behalf of the program applicant.

THE DACS AND THE LEA MUTUALLY AGREE THAT:

- A. The Sponsor Application, site information, and Policy Statement for determining eligibility for free or reduced-price meals are all part of this Agreement.
- B. Schools and/or sites may be added or deleted, as appropriate, and the references herein to the site information shall be deemed to include changes to site information as amended. The DACS must approve any changes to the site information.
- C. The DACS shall promptly notify the LEA of any change in the minimum meal requirements or the assigned rates of reimbursement.
- D. No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

AUDITS UNDER NSLP, SMP, ASSP, SSO, SMP, AND SFSP: AUDIT REQUIREMENTS

The DACS provides federal financial assistance to a variety of entities that must comply with all federal and state audit requirements including the Single Audit Act of 1984, as amended, (31 U.S.C. 7501 et. seq.); Office of Management and Budget (OMB) Circular A-133; Catalog of Federal Domestic Assistance (CFDA); Audits of State, Local Governmental Units, and Non-Profit Organizations, as amended; and any other applicable law or regulation and any amendment to such other applicable law or regulation that may be enacted or promulgated by the federal government. If the LEA is a local government or nonprofit organization and expends total federal awards of \$500,000 or more during its fiscal year, received either directly from the federal government or indirectly from a recipient of federal funds, the LEA shall have an audit made in accordance with the provisions of OMB Circular A-133.

If the nonprofit LEA expends less than \$500,000 of federal financial assistance during its fiscal year, the LEA is exempt from these audit requirements but is required to maintain records of federal financial assistance and to provide access to such records by federal and state agencies or their designees.

If the LEA is a nonprofit institution that is not subject to the provisions of the revised OMB Circular A-133, or is a for-profit organization, the LEA shall be subject to the audit requirements of the laws and regulations governing the program(s) in which it participates.

PERIOD SUBJECT TO AUDIT AND AUDIT FREQUENCY. A single audit or program-specific audit made in accordance with OMB Circular A-133 shall encompass the fiscal period of the LEA and shall be performed on an annual basis.

SUBMISSION OF AUDIT REPORT. If a single audit, organization-wide, or a program-specific audit is made in accordance with the provisions of OMB Circular A-133, the LEA must submit the audit report within 30 days after the audit has been issued. The audit shall be completed and the report submitted no later than nine months after the end of the LEA's fiscal year. The LEA shall submit a copy of the audit report to:

Program Administrator
Division of Food, Nutrition and Wellness
Florida Department of Agriculture and Consumer Services
600 S. Calhoun Street, Suite 120
Tallahassee, Florida

All auditees shall submit a copy of the audit report to the Federal Auditing Clearinghouse in accordance with OMB Circular A-133, Section 320(d). The address for the currently designated clearinghouse is:

Financial Standards and Reporting Branch
Office of Federal Financial Management
Office of Management and Budget
Washington, D.C. 20503
Phone – (202) 345-3993

GENERAL AUDIT PROVISIONS. The LEA is responsible for obtaining the necessary audit in accordance with audit requirements of OMB Circular A-133.

The DACS reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary by the DACS or federal agencies. Any such additional audit work will rely on work already performed by the LEA's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional expense to the LEA. Audit working papers and audit reports shall be retained by the LEA's auditor for a minimum of three years from the date of the audit report, unless the LEA's auditor is notified in writing by the DACS or the appropriate federal agency to extend the retention period. Audit working papers shall be made available upon request to the DACS, the federal agency, or the General Accounting Office.

CFDA reporting numbers are as follows:

Program	Federal Code	Federal Regulation	CFDA
NSLP, including ASSP/SSO	NSLA (42 USC 1751-69h)	7 CFR 210 7 CFR 245	10.555
SBP	NSLA (42 USC 1771-91)	7 CFR 220 7 CFR 245	10.553
SFSP	NSLA (42 USC 1751-69h)	7 CFR 225	10.559
SMP	CNA of 1966 (42 USC 1771-91)	7 CFR 215 7 CFR 245	10.556

CONTRACTOR INTEGRITY CLAUSE

A. Definitions.

1. "Confidential information" means information that is not public knowledge or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another entity desiring to contract with the state.
2. "Consent" means a written acceptance or agreement signed by an authorized employee of _____

the DACS.

3. "FSMC" means the individual or legal entity that has registered with the state, including directors, officers, partners, managers, key employees, and owners of more than a five percent (5%) interest.
 4. "Financial interest" means (1) ownership of more than a five percent (5%) interest in any business; or (2) holding a position such as an officer, director, trustee, partner, employee, or any position of management.
 5. "Gift" means any payment of more than nominal monetary value in the form of cash, travel, entertainment, items, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.
- B. The LEA shall maintain the highest standards of integrity in the performance of this Agreement and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the state.
- C. The LEA shall not disclose to others any confidential information gained by virtue of this Agreement.
- D. The LEA shall not, in connection with this or any other agreement with the state or LEA, directly or indirectly offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the state or LEA.
- E. The LEA shall not, in connection with this or any other agreement with the state, directly or indirectly offer, give, agree, or promise to give to anyone any gift for the benefit of or at the direction or request of any officer or employee of the state.
- F. Except with the consent of the DACS, neither the LEA nor anyone in privity with it shall accept or agree to accept from, or give or agree to give to, any person any gift in connection with the performance of work under this Agreement except as provided therein.
- G. Except with the consent of the DACS, the contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
- H. The LEA, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the DACS in writing.
- I. The LEA, by execution of this Agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that it has not violated any of these provisions.
- J. The LEA, upon the inquiry or request of the Inspector General of DACS or any of that official's agents or representatives, shall provide or, if appropriate, make promptly available for inspection or copying any information of any type or form requested by the Inspector General. Such information may include, but shall not be limited to, the contractor's business or financial records, and documents or files of any type or form that refer to or concern this Agreement. Such information shall be retained by the LEA for three years beyond the termination of the contract unless otherwise provided by law (Section 287, F.S.).
- K. For violation of any of the above provisions, the DACS may terminate this and any other

agreement with the contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, and claim damages for all expenses incurred in obtaining another contractor to complete performance hereunder. These rights and remedies are cumulative and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the state may have under law.

CERTIFICATION REGARDING LOBBYING

(Pursuant to 7 CFR 3018)

The undersigned certifies that no federally appropriated funds have been paid or will be paid, by or on the behalf of the undersigned, to any person for influencing a member of Congress, or an employee of a member of Congress, in connection with the awarding of a federal contract, the making of a federal grant, the making of a federal loan, or modification of a federal contract, grant loan, or cooperative agreement.

The language of this certification will be included in the award documents for all covered subawards exceeding \$100,000 in federal funds and all subrecipients shall certify accordingly.

UNDER THE NSLP, SBP, ASSP, SMP, AND SSO PROGRAMS THE LEA AGREES THAT, for each school listed in the site information, it will conduct the indicated program(s) in accordance with state and federal laws and regulations, and will conform to the following requirements in the conduct of each program (unless the requirement is restricted to a particular program):

- A. Operate a nonprofit food service program and/or operate a nonprofit milk program. Program revenue can be used only for program purposes, except that such revenue shall not be used to purchase land or to purchase, acquire, or construct buildings. The LEA will observe the limitations on the use of revenues set forth in 7 CFR Parts 210.19(a) and 210.14(a).
- B. Establish such rules or regulations as are necessary to control the sale of foods in competition with meals served under the program pursuant to 7 CFR 210.11(b) and other applicable federal and state regulations (SBE Rule 7.042(c)).
- C. Maintain a financial management system as prescribed by the DACS.
- D. Maintain full and accurate records of operations under this Agreement, including those set forth herein, and retain such records for a period of three years after the end of the school year to which they pertain, unless such records are part of an unresolved audit or administrative review which thereby extends the three-year period. Records of revenue and expenditures shall be maintained in such a manner as to reflect the nonprofit status of the food service program or milk program.
- E. Claim reimbursement only for meals, snacks, or milk served to eligible children at the rate(s) assigned by the USDA in accordance with this Agreement.
- F. Claim no reimbursement for meals/snacks served on weekends or other days when school is not in session to students engaged in extracurricular events or activities such as football camp, band, or choral activities except that meals may be served on weekends in facilities for remanded children and the SSO may serve meals when school is not in session.



- G. Comply with all rules, guidance, and directives promulgated by the USDA and DACS.
- H. Submit claims for reimbursement via the Internet in accordance with procedures established by the DACS. Claims for reimbursement not filed within 30 days following the month for which the claim is made may be disallowed. Any exception to this requirement will be made at the discretion of the USDA, FNS. A one-time exception for late claim submission may be made at the discretion of the DACS.
- I. Make available to the DACS, the USDA, and other state and federal authorities for review or audit, at any reasonable time and place, all accounts and records pertaining to operations under this Agreement.
- J. Limit the net cash resources for its nonprofit school food service program to an amount that does not exceed three months of average expenditures or such other amount as may be approved by the DACS.
- K. Comply with the Paid Lunch Equity provision. This provision is to ensure that sufficient funds are provided to the food service account for paid lunches.
- L. Comply with the Nonprogram Food Revenue provision. This provision is to ensure that revenues from the sale of nonprogram foods generate at least the same proportion as they contribute to LEA food costs.
- M. Serve lunch between 10 a.m. and 2 p.m. and breakfast and afterschool snacks during a period designated by the LEA that meets the requirements prescribed in 7 CFR Parts 210 and 220.
- N. Shall implement school breakfast programs that make breakfast meals available to all students in each elementary school. Offer Universal school breakfast programs in schools in which 80 percent or more of the students are eligible for free or reduced-price meals. Each school shall, to the maximum extent practicable, make breakfast meals available to students at an alternative site location, which may include, but need not be limited to, alternative breakfast options as described in publications of the FNS of the USDA for the federal SBP.
- O. Each school district must annually set prices for breakfast meals at rates that, combined with federal reimbursements, are sufficient to defray costs of the SBP without requiring allocations from the district's operating funds, except if the district school board approves lower rates.
- P. Each district school board is encouraged to provide universal-free breakfast meals to all students in each elementary, middle and high school. Each district school board shall approve or disapprove a policy, after receiving public testimony concerning the proposed policy at two or more regular meetings, which makes universal-free school breakfast meals available to all students in each elementary, middle, and high school in which 80 percent or more of the students are eligible for free or reduced-price meals.
- Q. Each elementary, middle, and high school shall make a breakfast meal available if a student arrives at school on the school bus less than 15 minutes before the first bell rings and shall allow the student at least 15 minutes to eat the breakfast.
- R. Price the meal as a unit, except in nonpricing meal programs where no specific charge is

made.

- S. Make lunches/breakfasts/snacks available at no cost or at a reduced price to all children who are determined under the LEA's current approved free and reduced-price Agreement to be eligible for free or reduced-price meals and snacks. Make free milk available (if applicable) to all eligible children whenever it is provided under the SMP.
- T. Maintain files of currently approved and denied free and reduced-price meal benefit applications. If meal benefit applications are maintained at the LEA level, they shall be readily retrievable by each site.
- U. Comply with the USDA regulations regarding nondiscrimination (7 CFR 15).
- V. Retain household applications for free and reduced-price meals and snacks and free milk three years after the end of the fiscal year to which they pertain. If audit or administrative review findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit or administrative review.
- W. Meet the requirements specified in 7 CFR 245, "Determining Eligibility for Free and Reduced-Price Meals and Free Milk in Schools."
- X. Do not discriminate against any child because of his or her inability to pay the full price of the meal, snack, or milk.
- Y. Store, prepare, and serve food following proper sanitation and health standards in conformance with all applicable state and local laws and regulations.
- Z. Purchase foods designated as plentiful by the USDA in quantities as large as can be efficiently utilized in its food service program.
- AA. Accept and use foods offered as a donation by the USDA in quantities as large as can be efficiently utilized in its nonprofit food service program and enter into an agreement to receive donated foods as required by 7 CFR 250.12(b).
- BB. Maintain necessary facilities for storing, preparing, and serving food.
- CC. Comply with the requirements of 7 CFR 210.21 and the USDA's Uniform Federal Assistance Regulations, 7 CFR Parts 3016 and 3019 Subpart S, concerning the procurement of supplies, food, equipment, and other services with program funds. Compliance does not relieve LEA of any contractual responsibilities. The LEA is the responsible authority, without recourse to the DACS or the USDA, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurement entered into under this program.
- DD. Issue a news release to local major newspapers, employers contemplating large layoffs, and unemployment agencies informing the public of the various nutrition programs available.
- EE. Attend all training required by the DACS/USDA.
- FF. Maintain and update their wellness policy as required. New sponsors must create a local

school wellness policy as provided in Section 204 of Public Law 108-265, Richard B. Russell NSLA (42 U.S.C. 1751 et seq.), or the CNA of 1966 (42 U.S.C. 1771 et seq.).

GG. Maintain and update as necessary their Hazard Analysis Critical Control Point (HACCP) policies and procedures. New sponsors must develop and implement a comprehensive food safety program based on "Guidance for School Food Authorities: Developing a School Food Safety Program Based on the Process Approach to HACCP Principles," issued by USDA, FNS.

HH. Ensure, to the extent practicable, that the federal reimbursements, children's payments, and other nondesignated nonprofit food service revenues do not subsidize program meals served to nonprogram adults. Meals served to adults who are directly involved in the operation and administration of the school nutrition programs may, at the discretion of the LEA, be furnished at no charge. As such, their cost may be fully attributed to and supported by the nonprofit food service operation. Meals served to these adults may not be claimed for reimbursement or counted towards the donated foods entitlement. The number of individuals, positions involved, and the degree to which their services are attributed to the nonprofit food service program operations will be determined by mutual agreement between DACS and the LEA. Adult meal prices should be calculated as follows:

1. In pricing programs, breakfasts and lunches served to teachers, administrators, custodians, and other adults must be priced so that the adult payment in combination with any per-lunch revenues from other sources designated specifically for the support of adult meals (such as state or local fringe benefit or payroll funds, or funding from voluntary agencies) is sufficient to cover the overall cost of the meal, including the value of any USDA entitlement and bonus donated foods used to prepare the meal. If cost data is not available, the minimum adult payment should reflect the price charged to students paying the school's designated full price plus the current value of federal cash and donated food assistance (entitlement and bonus) for full-price meals.
2. In nonpricing programs, the adult charge should be at least the amount of reimbursement received for a free lunch under Sections 4 and 11 of the NSLA, plus the per-meal value of both entitlement and bonus donated foods, or for breakfasts, the rate established for free meals under Section 4 of the CNA, plus the value of bonus commodities.

II. Conduct activities under this Agreement on a nondiscriminatory basis in accordance with 34 CFR Parts 100, 104, and 106 and Title 45 CFR Part 90 (relating to nondiscrimination on the basis of race, color, national origin, age, sex, or disability), the Civil Rights Act of 1870, as amended, (42 U.S.C. 1981 et seq.), the Federal Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101-6107), the Americans With Disabilities Act of 1990, the Fair Labor Standards Act (29 U.S.C. 201-219), Davis-Bacon Act (40 U.S.C. 276(a)), Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (42 U.S.C. 1415, 2473, 3307, 4601, 4602, 4621-4655), Equal Pay Act (29 U.S.C. 206), Title 34 CFR Parts 98 and 99, and OMB Circulars A-87 and A-102, as applicable. If the LEA is a school district, intermediate unit, area vocational-technical school, or other LEA, or a state or public agency, it further assures that its employees and officials whose principal employment is in connection with an activity funded with federal grant money shall not engage in any political activities barred by the Hatch Act, 5 U.S.C. 1501 et seq.

JJ. No later than December 31 of each year, provide the DACS with a list of all elementary schools under its jurisdiction in which 50 percent or more of enrolled children have been determined eligible for free or reduced-price meals as of the last operating day in the

preceding October. The DACS may designate a month other than October for the collection of this information, in which case the list must be provided to the DACS within 60 calendar days following the end of the month designated by the DACS. In addition, each LEA shall provide, when available for the schools under its jurisdiction, and upon the request of a sponsoring organization of day care homes of the Child and Adult Care Food Program, information on the boundaries of the attendance areas for the elementary schools identified as having 50 percent or more of enrolled children certified eligible for free or reduced-price meals.

PROGRAM REQUIREMENTS

It is acknowledged that the Parent Letter, Income Eligibility Guidelines, and Meal Benefit Application for Free or Reduced-Price Meals and/or Snacks and/or Free Milk are incorporated into this Agreement.

In fulfilling its responsibilities and in consideration of the reimbursement received for meals/snacks/milk served in accordance with the applicable program and this Agreement, the LEA:

- A. Agrees to serve meals and snacks free or at a reduced-price and/or milk free to children from families whose income is at or below the income guidelines established by the USDA.
- B. Agrees there will be no physical segregation of, or any other discrimination against, any child because of his or her inability to pay the full price of the meal, snack, and/or milk. The names of the children eligible to receive free or reduced-price meals, snacks, and/or free milk shall not be published, posted, or announced in any manner and there shall be no overt identification by the use of special tokens, tickets, or any other means. The meal applications are confidential and will be used only to determine eligibility for food service, Title I, programs associated with the No Child Left Behind Act, and other approved programs. Names, income, and other information on the applications may not be released to any other program/service without a parental waiver. Further assurance is given that children eligible for free or reduced-price meals, snacks, and/or free milk shall not be required to:
 - 1. Work for their meals, snacks, or milk;
 - 2. Use a separate lunchroom;
 - 3. Go through a separate serving line;
 - 4. Enter the lunchroom through a separate entrance;
 - 5. Eat meals or snacks or drink milk at a different time from children paying the full price; or
 - 6. Eat a meal or snack different from those sold to children paying the full price or drink milk different from that sold to children paying the full price.
- C. Agrees to set the price charged at or below the maximum amount allowed by rule for reduced-price lunch, breakfast, and/or snack.
- D. Agrees, in the operation of child nutrition programs, no child shall be discriminated against because of race, color, national origin, age, sex, or disability.
- E. Agrees to develop alternate documents and seek approval for these documents from the DACS prior to use, if not using the Free and Reduced-Price Meal Application or letter to each household as supplied by the DACS.



- F. Agrees to receive and implement the use of the direct certification list each month of program operation under NSLP and SBP. The direct certification list will be released monthly to each LEA either via e-mail or through the Northwest Regional Data Center for school district sponsors.
- G. Agrees to include with the application a sample letter to participating households. This letter is to be completed at the beginning of each school year and whenever there is a change in eligibility criteria. All changes in eligibility criteria must be publicly announced in the same manner used at the beginning of the school year. At a minimum, this letter will include:
1. Identification of the schools participating in a meal service program.
 2. The eligibility criteria for reduced-price benefits with an explanation that households with incomes equal to or less than the reduced-price criteria may be eligible for either free or reduced-price meals or snacks, or in schools participating in the free milk option, the eligibility criteria for free milk benefits.
 3. Instructions on how a household may apply for free or reduced-price meals, snacks, or free milk for its children and direction as to how a household may apply for benefits at any time during the school year as circumstances change.
 4. An explanation that an application for free or reduced-price benefits cannot be approved unless it contains complete information.
 5. An explanation that households with children that are currently certified for Supplemental Nutrition Assistance Program or Temporary Assistance for Needy Families cash assistance may submit applications for free or reduced-price benefits with abbreviated information.
 6. An explanation that the information on the application may be verified at any time during the school year.
 7. A statement to the effect that children with parents or guardians who become unemployed are eligible for free or reduced-price meals, snacks, or free milk during the period of unemployment, provided that the loss of income causes the household income, during the period of unemployment, to be within the eligibility criteria.
 8. The statement: "In the operation of child nutrition programs, no child will be discriminated against because of race, color, national origin, age, sex, or disability."
 9. Notification that when an application is denied, parents or guardians will be informed in writing of the reason for denial and of the hearing procedure.

Any parent enrolling a child in the LEA for the first time, at any time during the year, shall be supplied with appropriate documents. If a child transfers from one school to another under the jurisdiction of the same LEA, his/her eligibility for free or reduced-price meals, snacks, or free milk will be transferred to and honored by the receiving school.

All children from an income eligible family receive the same benefits. Parents or guardians shall be notified promptly of the approval or denial of the applications. Children will be served free or reduced-price meals, snacks, and milk immediately upon the establishment of their eligibility. For households submitting applications with case numbers for some, but not all of their children, the LEA must certify all children as categorically eligible for free meals or milk (Any income information on the application is disregarded).

Such applications and documentation of action taken will be maintained for three years after the end of the school year to which they pertain. If an audit or administrative review finding for any year is not resolved, the records shall be retained beyond the three-year period as

long as required for the resolution of the issues raised by the audit or administrative review. If an LEA participates in Provision 2, all documentation relative to the Provision 2 cycle must be retained for three years beyond the last year of the approved cycle to which they pertain.

- H. Agrees to verify the accuracy of a percentage or number of free and reduced-price applications as required by federal regulations (7 CFR Parts 245.6 and 245.6(a)), ensures that the verifying official is not the same as the person designated to determine eligibility in item I, and maintain records as follows:
1. A summary of the verification efforts, including the techniques used.
 2. The total number of Meal Benefit Applications on file as of October 1.
 3. The percentage or number of Meal Benefit Applications verified.
 4. All verified Meal Benefit Applications must be readily available.
 5. Documentation of any changes of eligibility and the reason(s) for these changes.
 6. All relevant correspondence between the selected household and the LEA.
 7. Ensure that verification is completed by November 15 annually.
 8. Submit the required verification summary to the DACS as required. Compliance with these requirements will be monitored as part of the administrative review and verification efforts.
- I. Agrees to designate an Approving Official(s) employed by the LEA to review applications and make determinations of eligibility. This official will use the criteria established in this Agreement, the federal regulations, and the income guidelines to determine which individual children are eligible for free or reduced-price meals, snacks, or free milk. The Approving Official may assign other LEA employees as required to complete the task.
- J. Agrees to promptly provide parents or guardians with written notification when a Free and Reduced-Price Meal Application is denied. At a minimum, this denial notice shall include: the reason for the denial of benefits (e.g., income in excess of allowable limits or incomplete application), notification of the right to appeal, instructions on how to appeal, and a statement reminding parents that they may reapply for free and reduced-price benefits at any time during the school year. The reasons for ineligibility shall be properly documented and retained on file by the LEA.
- K. Agrees to provide categorical eligibility for free meals, without further application, to any foster child whose care and placement is the responsibility of the state or who is placed by a court with a caretaker household.
- L. Agrees to establish and use a fair hearing procedure for parents' appeal of the LEA's eligibility decision on a Free and Reduced-Price Meal Application or the LEA official's challenge of parents as to the accuracy of information contained in an application or the continued eligibility of any child for free or reduced-price meals, snacks, or free milk. During the appeal process and hearing procedure, the child will continue to receive free or reduced-price meals, snacks, or free milk. A record of all such appeals and challenges and their disposition shall be retained for three years after the end of the school year to which they pertain. If an audit or administrative review finding for any year has not been resolved, the records shall be retained beyond the three-year period or as long as required for the resolution of the issues raised by the audit or administrative review.

Prior to initiating the hearing procedure, the parent or local school official may request a

conference to provide an opportunity for the parent and school official to discuss the situation, provide information, and obtain an explanation of data submitted in the Free and Reduced-Price Meal Application and decision rendered. Such a conference shall not in any way prejudice or diminish the right to a fair hearing. The LEA may require proof of family income at this time.

The hearing procedure shall provide the following:

1. A simple, publicly announced method of making an oral or written request for a hearing.
 2. An opportunity to be assisted or represented by an attorney or other person.
 3. An opportunity to examine, prior to and during the hearing, any documents and reports presented to support the decision under appeal.
 4. The hearing shall be held with reasonable promptness and convenience, and adequate notice shall be given as to the time and place of the hearing.
 5. An opportunity to present oral or documentary evidence and arguments supporting a position without undue interference.
 6. An opportunity to question or refute any testimony or other evidence and to confront and cross-examine any adverse witnesses.
 7. That the hearing shall be conducted and the decision be made by a hearing official who did not participate in the decision under appeal or in any previously held conference.
 8. That the decision of the hearing official shall be based on the oral and documentary evidence presented at the hearing and made a part of the hearing record.
 9. That the parties concerned and any designated representatives shall be notified in writing of the decision of the hearing official.
 10. That a written record shall be prepared with respect to each hearing, which shall include the challenge or the decision under appeal, any documentary evidence, a summary of any oral testimony presented at the hearing, the decision of the hearing official, including the reasons for the decision, and a copy of the notification to the parties concerned of the decision of the hearing official.
 11. That such written record be preserved for a period of three years and shall be available for examination by the parties concerned or their representatives at any reasonable time and place during that period.
- M. Agrees to establish a procedure to collect monies from children who pay for their meals, snacks, or milk. The procedure will assure that no child will be made aware of the identity of children receiving free or reduced-price meals, snacks, or free milk at the time tickets or tokens are issued; at the time that the money for meals, snacks, or milk is collected; or at the time the lunch, breakfast, snack and/or milk is served. To ensure that there is no overt identification of any child receiving free or reduced-price meals, snacks, or free milk, the LEA will adopt one or more of the counting methods provided in the site information on the Child Nutrition Program (CNP) system or in state or federal policy.
- N. Agrees to accurately account for the number of free, reduced-price, and full-price meals/snacks served or the number of half-pints of free and full-price milk served at the point of service except in the operation of the SSO. A count of meals, snacks, or milk must be made at the point of service. There must be verbal identification of all students unless the child's picture is displayed and confirmed on a computer screen or identification card. Use of attendance records or other methods of counting meals and/or snacks is not acceptable. To ensure that there is no overt identification of any child receiving free or reduced-price meals, snacks, or free milk, the LEA will adopt one or more of the counting methods provided in the site information on the CNP system or in state or federal policy.

- O. Agrees to allow children eligible for free and reduced-price meals, snacks, or free milk to have the same choice of meals, snacks, or milk, at no additional charge, that is available to children who pay the full price for meals, snacks, or milk.
- P. Agrees to develop a method that complies with civil rights requirements for the collection and reporting of racial and ethnic data for children applying for free and reduced-price meals, snacks, or free milk.
- Q. Understands that after failing to comply with regulations in regards to critical areas (i.e., Performance Standards 1 and 2) the following will be implemented:
1. Failing Critical Areas on Original Administrative Review – Zero percentage of future claims will be withheld. A follow-up review will be required.
 2. Failing Critical Areas on First Follow-up Administrative Review – 40 percent of future claims will be withheld until the sponsor passes the critical areas. A follow-up review will be required.
 3. Failing Critical Areas on Second Follow-up Administrative Review – 60 percent of future claims will be withheld until the sponsor passes the critical areas. A follow-up review will be required.
 4. Failing Critical Areas on Third Follow-up Administrative Review – 100 percent of future claims will be withheld until the sponsor passes the critical areas. A follow-up review will be required.
 5. Failing Critical Areas on Fourth Follow-up Administrative Review – The DACS will have the discretion for terminating the sponsor.

COLLECTION/COUNTING METHODS

In collecting payments for meals, milk, or snacks, and in distributing tickets, tokens, etc., school officials must ensure that there is no overt identification of recipients of free or reduced-price meals or snacks. Therefore, the distribution and collection for all categories of students must be done in the same location and at the same general time. The same care must be taken to prevent identification when the ticket or token is collected.

Any collection system shall be designed to record the exact numbers of full-price, reduced-price, and free meals, snacks, or milk served daily. Recording and retaining these counts is a regulatory requirement. The coding used on the tickets and tokens to develop these counts must not overtly identify the children receiving free and reduced-price benefits. The claim for reimbursement must contain only the number of reimbursable meals, snacks, or milk served during the calendar month.

Prior to the submission of a monthly claim for reimbursement, each LEA shall compare each school's daily claim against data that will assist in the identification of errors in the claim for reimbursement. At a minimum, the LEA shall perform two edit checks: (1) compare the number of reimbursable free, reduced-price, and paid lunches served daily to the respective number of eligible and nonparticipating recipients; and (2) compare each school's daily counts of free, reduced-price, and paid lunches to the respective numbers of children in that school currently eligible for free lunches, eligible for reduced-price lunches, and nonparticipants times an attendance factor. Claims may also be compared against other data available to the LEA that adequately meets the objective of identifying lunch counts that exceed the number of lunches served daily to children currently eligible for free and reduced-price lunches and nonparticipants.

If the prototype edit-check worksheet provided by DACS is not used, the method used must be preapproved by the DACS.

OPTIONAL PROVISIONS

An LEA must notify the DACS by amending its online agreement during the annual renewal process if it intends to implement an optional provision.

Provision 2 Option requires that the school serve meals to participating children at no charge but reduces application burdens to once every four years and simplifies meal counting and claiming procedures by allowing a school to receive meal reimbursement based on claiming percentages. Additional four-year extensions to Provision 2 are possible when certain conditions are met.

A school participating in Provision 2 must serve NSLP and/or SBP meals to all participating children at no charge for up to four consecutive years. In return, Provision 2 offers schools a reduction in some administrative burdens associated with the distribution of free and reduced-price meal applications and the determination of household eligibility and eliminates meal counts by type for all but the base year of Provision 2. Households are not required to complete the free and reduced-price application or pay for meals.

Provision 2 operates on a four-year cycle. During the first year, known as the base year of Provision 2, there is no change in traditional procedures and administrative burden. The school distributes free and reduced-price meal applications and makes eligibility determinations for participating children; takes daily meal counts by type (free, reduced-price, and paid) at the point of service or approved alternate; reports these counts for claiming meal reimbursement; and receives federal reimbursement based on these counts as it normally does. However, regardless of the children's free, reduced-price, or paid classification, all children are served meals at no charge.

During years two, three, and four of the cycle, known as nonbase years of Provision 2, the school makes no new eligibility determinations and continues to serve all children meals at no charge (this would continue to be the case as long as the school operates under the provision). The school counts only the total number of reimbursable meals served each day, instead of counting meals by type. Reimbursement during these years is determined by applying the percentages of free, reduced-price, and paid meals served during the base year to the total meal count for the claiming period in subsequent years. Federal reimbursement is based on these percentages and the meals are reimbursed at the free, reduced-price, and paid rates.

Because all meals are served at no charge to children in Provision 2 schools, the school is no longer receiving payment from households that would normally be paying the reduced price and full price for meals. Therefore, the school must make up the difference between federal reimbursement and meal costs. When the overall nonprofit school food service account activity is insufficient to cover program costs, the school food authority (SFA) of a school participating in Provision 2 must pay the difference from nonfederal sources. A school considering Provision 2 must evaluate whether the savings in administrative costs associated with reducing application burdens and simplifying meal counting and claiming procedures under Provision 2 offset the costs of providing meals to all children at no charge. There is no requirement under Provision 2 that a minimum percentage of children enrolled be eligible for free or reduced-price meals. Provision 2 may be a good alternative for schools in the LEA with a very high percentage of children eligible for free and reduced-price meals.

Schools may go back to standard procedures at any time but must first notify the DACS. Also, the school may request a four-year extension of Provision 2 if the income level of the school's population has remained the same or improved only negligibly.

Universal Meals Option requires that the school serve meals to participating children at no charge but meals still be claimed according to each child's classification (free, reduced-price, or paid). Schools may go back to standard procedures at any time but must first notify the DACS, the families, and the general public.

INTERNAL CONTROLS OF NSLP, SBP, ASSP, PROVISION 2, AND UNIVERSAL OPTION

The authorized signer of the monthly claim for reimbursement shall be responsible for reviewing and analyzing meal, milk, and snack counts to ensure accuracy, as specified in 7 CFR 210.8, governing claims for reimbursement.

The LEA acknowledges that failure to submit accurate claims will result in the recovery of an overclaim and may result in the withholding of payments, suspension, or termination of the program, as specified in 7 CFR 210.24.

The LEA acknowledges that if failure to submit accurate claims reflects embezzlement, willful misapplication, theft, or fraudulent activity of any funds, assets, or property provided under child nutrition programs, or retains funds, assets, or property for its own use or gain, whether received directly or indirectly from the DACS, the penalties specified in 7 CFR Parts 210.25 and 245.12(a) shall apply. These may include, but are not necessarily limited to, suspension or termination of participation in child nutrition programs and/or fines and imprisonment.

Each LEA with more than one school shall perform no fewer than one on-site review of each school under its jurisdiction prior to February 1 of each school year (see 7 CFR 210.8(a)(1)).

Each LEA participating in the ASSP shall perform two site reviews per year (see 7 CFR 210.9(c)), the first of which must be during the first four weeks that the snack program is in operation.

RCCI

- A. In all RCCIs, whether there is parental support or not, the residential child always is considered to be a family of one. Classification (paid, free, or reduced-price) is based on the child's personal-use income.
- B. The child does not necessarily have zero income. Income from regular part-time jobs, allowances, etc. (i.e., money the child receives for his or her personal use) must be considered.
- C. The LEA will keep current records of the money-in-hand received by each child.
- D. Day students in RCCIs must have free or reduced-price meal applications on file if the institution is claiming free or reduced-price meals for the students. If a day student's family income is above the eligibility limit, the institution must claim the student in the paid category. This is done even if the institution does not actually charge the student for the

meal.

- E. Verification must be completed on Free and Reduced-Price Meal Applications submitted for day students in RCCIs if the LEA is claiming free or reduced-price reimbursement for the students' meals.

SMP

An LEA approved for the SMP may, at its option, make free milk available to all eligible children. An LEA electing to serve free milk to eligible children must announce such availability and reflect this in its policies. The LEA agrees to set milk charges for paying children so that the maximum use of reimbursement is made to reduce the charge to the child.

An LEA participating in the SMP agrees that in the operation of the SMP, no child shall be discriminated against because of race, color, sex, age, disability, or national origin. The LEA agrees to count milk served at the point of service using the method described in its application unless the DACS approves changes in advance.

SSO

The SSO encourages more LEAs to provide meals during summer and other school vacation periods. This option combines features of the NSLP, SBP, and SFSP. The SSO reduces paperwork and administrative burden, making it easier for LEAs to feed children in low-income areas during the traditional summer vacation periods and, for year-round schools, long summer vacation periods (generally exceeding two to three weeks). All persons in the community who are 18 years of age and under plus those persons over age 18 who meet the Florida Department of Education's definition of mentally or physically disabled may receive free meals under the SSO. Meals served under the SSO are reimbursed at the free rates prescribed by USDA for the NSLP and SBP. Supper meals are reimbursed at the NSLP's free lunch rate.

INTERNAL CONTROLS OF THE SSO

Each LEA shall perform at least one on-site review of each site under its jurisdiction during the site's operation to review its compliance with meal counting, claiming, and meal pattern requirements.

UNDER THE SFSP, THE LEA AGREES THAT, for each school and/or site listed in site information on the CNP system, it will conduct the indicated program in accordance with state and federal laws and regulations, and will conform to the following requirements in the conduct of each program (unless the requirement is restricted to a particular program).

The sponsor has agreed to participate in the SFSP and accepts responsibility for supervision and control over the program and final financial and administrative responsibility for the program.

The sponsor will:

- A. Operate a nonprofit food service from May through September for children on school vacation; at any time of the year, in the case of sponsors administering the program under a continuous school calendar system; or during the period of October through April, if it serves an area affected by a unanticipated school closure due to a natural disaster, major building repairs, court orders relating to school safety or other issues, labor-management disputes, or

other similar cause when approved by the DACS.

- B. Submit an agreement to the DACS where sites are located in accordance with the FNS Instruction 794-5, Agreements with Entities Which Operate Interstate Schools and Facilities.
- C. Serve meals that meet the requirements and provisions during times designated as the meal service periods by the Sponsor and serve the same meals to all children. No permanent changes may be made in serving of any meal unless the changes are approved by the DACS.
- D. Serve meals without cost to all children, except that camps may charge for meals served to children who are not eligible for free or reduced-price school meals.
- E. Issue a free meal policy statement in accordance with 7 CFR 225.6(c).
- F. Meet the training requirements for its administrative and site personnel, as required under 7 CFR 225:
 - 1. The Sponsor must receive DACS training annually.
 - 2. The Sponsor must train all administrative staff and site staff before they undertake their responsibilities.
 - 3. The Sponsor shall not allow a site to operate until personnel at the site have attended at least one of the sponsor's training.
 - 4. The Sponsor must document the attendance at site trainings and schedule additional sessions for those staff that are absent.
 - 5. The Sponsor must record for each training session offered the training dates, names of attendees, and documentation of the topics covered.
 - 6. The Sponsor will ensure at least one person who has been trained by the Sponsor be present at each of the Sponsor's sites during the time of the meal service.
 - 7. Training for administrative staff should cover the following topics:
 - a. Purpose of the program
 - b. Site eligibility
 - c. Recordkeeping requirements
 - d. Organized site activity
 - e. Meal requirements
 - f. Nondiscrimination compliance
 - g. How meals will be delivered
 - h. The delivery schedule (if applicable)
 - i. What records are kept and what forms are used
 - j. Monitor's responsibilities
 - 8. Training for monitors should cover the following topics:
 - a. Site for which they will be responsible
 - b. Introduce themselves to site supervisors
 - c. Duties of authority
 - d. Conducting site visit/reviews
 - e. Monitoring schedule
 - f. Reporting/recordkeeping procedures
 - g. Follow-up procedures
 - h. Office procedures
 - i. Local sanitation and health laws
 - j. Civil rights
 - k. Reporting for ethnic/racial data

1. Considerations for personal safety, if necessary
9. Training for site staff should cover the following topics:
 - a. Purpose of the program
 - b. Site eligibility
 - c. Necessity for accurate records
 - d. Importance of organized activities at sites
 - e. For sites obtaining meals from FSMCs/commercial meal vendors, SFAs, or the Sponsor's central kitchen:
 - i. Meal pattern requirements and types of meal service offered (use planned menus)
 - ii. Delivery schedules (exact times)
 - iii. Adjustments in the delivery amount
 - iv. Facilities available for storing meals
 - v. Who to contact about problems (provide Sponsor's name and telephone number)
 - vi. Approved level of meal service
 - f. For sites where meals are prepared on site:
 - i. Meal pattern requirements
 - ii. Inventory (use inventory forms)
 - iii. Meal adjustments (use production records)
 - iv. Meal preparation adjustments
 - g. Explain recordkeeping requirements:
 - i. Daily recordkeeping requirements
 - ii. Delivery receipts (sample forms)
 - iii. Seconds, leftovers, and spoiled meals
 - iv. Daily labor – actual time spent on food service and time and attendance records
 - v. Collection of daily record forms
 - vi. Maintain copies of meal service forms
 - h. Civil rights requirements (use Site Supervisor's Guide)
 - i. Explain other miscellaneous policy, such as:
 - i. Problems with inclement weather and alternate service areas
 - ii. Problems with unauthorized adults eating program meals
 - iii. Problems with discipline
 - iv. Review of equipment, facilities, and materials available for organized recreational activities
 - v. Review of trash removal system
 - vi. Corrective action
 - vii. Nutrition education
10. The Sponsor will ensure that site personnel and monitors understand the importance of accurate point-of-service meal counts. Meals counts should represent only the number of meals actually served to children. Only complete meals served to eligible children can be claimed for reimbursement. Meals must be counted at the actual point of service.
11. If the Sponsor plans to implement OVS at sites under their sponsorship, they must follow OVS guidelines as outlined in 7 CFR 225.16(f)(ii). OVS permits children to decline food; a certain number of menu items they do not intend to eat. The Sponsor must ensure that all sites staff is adequately trained on the guidelines and procedures of OVS and that choosing OVS does not preclude the sponsor from maintaining a nonprofit operation.
12. Sponsors not implementing the OVS provision will ensure unitized meals are served to each eligible child at the point of service in order to be claimed for reimbursement.
13. The Sponsor will notify the public through a media release with the dates, locations, and

serving times for each site serving meals.

14. The Sponsor will notify the local health department with the dates, locations, and times of trainings.
- G. Store, prepare and serve food, maintaining proper sanitation and health standards in conformance with all applicable state and local laws and regulations
- H. Accept and use foods as may be offered as a donation by the DACS in quantities that may be efficiently utilized in the SFSP.
- I. Have access to facilities necessary for storing, preparing, and serving food
- J. Maintain a financial management system as required by the DACS
- K. Maintain documentation in files of site visits and reviews in accordance with 7 CFR 225.15(d) (2) and (3)
- L. Conduct a preoperational visit for all new and problem sites before they begin operations.
- M. Conduct a site visit at all new sites and any site that experienced operational deficiencies during the previous summer at least once during the first week of operation to ensure that the food service is operating smoothly and that any apparent problems are immediately resolved. In cases where a site, whether new or returning, will operate for only one week, the site visit must be conducted in that week.
- N. Conduct a site review at all sites at least once during the first four weeks of program operations. The review requires the monitor to observe a complete meal service from beginning to end including delivery or preparation of meals, the meal service, and the clean up after meals.
- O. Ensure that if a site operates less than four weeks, the Sponsor must still conduct a review.
- P. Continue monitoring throughout the duration of the program at a level sufficient to ensure that sites comply with program regulations.
- Q. Take prompt action to correct problems at the sites found from previous reviews and inspections by the health department and document the corrections taken.
- R. Maintain children on site while meals are consumed.
- S. Submit to the DACS a copy of the letter notifying the local health department of their intention to provide a food service at specific times at planned sites. This letter must be provided to the DACS before program operation begins.
- T. Meet the civil rights requirements, as required under 7 CFR 225.7(g) and FNS Instruction 113-1:
 1. The Sponsor must inform potential participants of the availability of SFSP.
 2. The Sponsor must display in a prominent place at the site and in the Sponsor's office the nondiscrimination poster developed by the USDA or approved by FNS.
 3. The Sponsor must make reasonable efforts to provide information in the appropriate

- translation concerning the availability and nutritional benefits of the program.
4. The Sponsor must include the nondiscrimination statement and instructions for filing a complaint in public release and other program information directed to parents of participants and potential participants.
 5. The Sponsor must ensure that meals are served to all attending children, regardless of their race, color, national origin, sex, age, or disability.
 6. The sponsor must ensure that all children have equal access to services and facilities at the site regardless of race, color, national origin, sex, age, or disability.
 7. Each year, the Sponsor must determine the number of potentially eligible participants by ethnic/racial category for the area served.
 8. Each year, the Sponsor must collect ethnic/racial category data for each site under the sponsor's jurisdiction. Sponsors of residential camps must collect and maintain the information separately for each session of the camp. For all other sites, the Sponsor must count the participating children at least once during the site's operation. The Sponsor may use visual identification to determine a participant's ethnic/racial category.
 9. The Sponsor must use separate categories when collecting and reporting ethnicity and race. Ethnicity must be collected first. Respondents must be offered the option of selecting one or more racial designations. The minimum designations for collection are:
 - a. Ethnicity:
 - i. Hispanic or Latino
 - ii. Not Hispanic or Latino
 - b. Race:
 - i. American Indian or Alaskan Native
 - ii. Asian
 - iii. Black or African American
 - iv. Native Hawaiian or Other Pacific Islander
 - v. White
- U. Have the option to request advance payment for total program costs. The Sponsor's request must be separated into operating costs and administrative costs. Advance requests must be submitted at least 30 days before the payment date of June 1 or by the established DACS's deadline. The DACS must receive certification that a Sponsor (except for school sponsors) has held training sessions on program requirements for site and Sponsor personnel before release of the second month's operating advance to the sponsor.
- V. Submit claims for reimbursement on the form and in accordance with procedures provided by the DACS.
- W. Submit claims for reimbursement via the Internet in accordance with procedures established by the DACS. Claims for reimbursement not filed within 30 days following the month for which the claim is made may be disallowed. Any exception to this requirement will be made at the discretion of the USDA, FNS. A one-time exception for late claim submission may be made at the discretion of the DACS.
- X. Be reimbursed based on the number of reimbursable meals served multiplied by the sum of administrative and operational rates. Sponsors must complete records to document all costs and meals they claim for reimbursement. Sponsors are not eligible for reimbursement unless they have signed an agreement with the DACS.
- Y. Have camp reimbursements based on the number of children served who are eligible for free

or reduced-price meals according to the income guidelines for NSLP or SBP. With DACS approval, camps may claim reimbursement for serving up to three meals or two meals and one snack to eligible children each day. Sponsors of camps must maintain the documentation that demonstrates the free or reduced-price eligibility of the children they claim reimbursement for and must make it available for review by the DACS. Sponsors of camps may charge noneligible children a separate fee for meals.

- Z. Document funds accruing to the Sponsor's program. Accruing funds will not be deducted from the sponsor's reimbursement. Sources of funds considered program income include:
1. Cash donations specifically identified for use in the program.
 2. Any federal, state, or local funds specifically provided to the program.
- AA. Use reimbursement or funds that exceed the Sponsor's expenditures in a way that benefits SFSP services to children. The Sponsor should use funds remaining at the end of the program year as start-up funds or for improving SFSP services in the following year.
- BB. If not participating in the SFSP the next year, use funds in the sponsor's other child nutrition programs. If the Sponsor does not provide any other program, the excess funds must be remitted to the DACS. Sponsors may **not** transfer excess funds to nonprogram operations or to increase salary or fringe benefit costs when the sole purpose of the increase is to reduce the food service program balance.

Unallowable costs are costs for which program funds may not be used. They include, but are not limited to:

1. The cost for excess meals ordered or prepared but not served to eligible children, i.e., meals in excess of legitimate program adult meals and reimbursement meals, unless specifically approved by the DACS.
2. Meals served in violation of program requirements, e.g., meals served outside approved serving time, meals or components consumed off-site, second meals in excess of the two percent tolerance.
3. Rental costs for periods beyond the close-out date for program operation.
4. Any other costs incurred that the DACS determines to be in violation of applicable laws or rules.
5. The cost to purchase food (including coffee, etc.) for use outside of the SFSP.
6. The cost of meals served to administrative adult personnel or any other adults who are not part of the food service operation.
7. The cost of spoiled or damaged meals.
8. For vended Sponsors, the cost of meals delivered by a FSMC to a nonapproved site or for meals not delivered within the agreed-upon delivery time, meals served in excess of the approved capacity, spoiled or unwholesome meals, or meals that do not meet meal requirements or quality standards.
9. Bad debts, which are any losses arising from noncollectible accounts and other claims and related costs.
10. Repayment of overclaims and other federal debts.
11. Contributions or donations including contingency reserves, USDA-donated commodities and other donated food, labor, and supplies.
12. Fines or penalties resulting from violations of or failure to comply with federal, state, or local laws and regulations.
13. Entertainment and fundraising costs.



14. Interest on loans, bond discounts, costs of financing and refinancing operations, and legal and professional fees paid in connection therewith.
15. Costs resulting from an under-recovery of costs under other grant agreements.
16. Direct capital expenditures or option to purchase rental costs for acquisition of land or any interest in land; acquisition or construction of buildings or facilities or the alteration of existing buildings or facilities; nonexpendable equipment of any kind; repairs that materially increase the value or useful life of buildings, facilities, or nonexpendable equipment; and other capital assets, including vehicles.

Sponsors, upon request, must make all accounts and records pertaining to the program available to state, federal, or other authorized officials for audit or administrative review at a reasonable time and place. The records shall be retained for a period of three years after the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved, in which case the records shall be retained until all issues raised by the audit or investigation have been resolved.

1. A review at the Sponsor level should involve a review of how the claim for reimbursement is assembled and a review of the records maintained by the Sponsor. Regardless of the specific administrative review procedures, all Sponsors must make their records available for the DACS's review and must implement all corrective actions recommended by the DACS. The results of an administrative review may affect the amount of reimbursement a Sponsor will receive.
2. Violations of program requirements may result in withholding or recovery of reimbursements, temporary suspension, or termination and exclusion from future program participation.
3. When the DACS finds violations during a site review, it will require the Sponsor to correct the problems found. If the DACS finds a high level of meal service violations at a site, it will immediately require the Sponsor to follow a specific corrective action plan. The DACS will initiate a follow-up system to ensure that Sponsors take the specific action (as outlined in the plan) for correcting site violations.
4. Failure to submit an acceptable corrective action plan may affect your future participation in the program.

SIGNATURE ON BEHALF OF SPONSOR: I certify, as a sponsor of the NSLP, SBP, ASSP, SFSP, SSO, and/or SMP, that our program(s) will operate according to our current Application/Site information and Agreement.

SIGNATURE OF CHIEF ADMINISTRATOR

DATE

Board Chairperson

Date

Heather Fiorentino, Superintendent

PRINT NAME

District School Board of Pasco County

NAME OF SPONSORING AGENCY/LEA

Please mark all programs operated by the LEA:

☒ National School Lunch Program

☐ Provision 2 Lunch

☐ Universal Lunch



- ☒ School Breakfast Program
- ☒ Provision 2 Breakfast
- ☐ Universal Breakfast
- ☒ Afterschool Snack Program
- ☐ Seamless Summer Option
- ☒ Special Milk Program
- ☒ Summer Food Service Program

OFFICIAL USE ONLY

Florida Department of Agriculture and Consumer Services

APPROVED BY:

DATE:

Mike Gresham, Director of Administration

For agreement inquiries, contact:

Program Administrator
Division of Food, Nutrition and Wellness
Florida Department of Agriculture and Consumer Services
600 S. Calhoun Street, Suite 120
Tallahassee, Florida 32399

