

## **Permanent Agreement/Policy Statement for School Nutrition Programs-School Agencies**

*Updated May 2021*

### **General Information**

This is an agreement (Agreement) between the Wisconsin Department of Public Instruction (DPI) [hereafter referred to as the State Agency, (SA)] and the School Food Authority (SFA). The SFA agrees to administer the Child Nutrition Programs approved in its contract in accordance with federal regulations including policy and instructions issued by the United States Department of Agriculture (USDA) and the SA.

Program	Federal Regulation	Catalog of Federal Domestic Assistance (CFDA) Number
National School Lunch Program Afterschool Snack Program Seamless Summer Option	7 CFR 210, 245	10.555
School Breakfast Program	7 CFR 220, 245	10.553
Special Milk Program	7 CFR 215, 245	10.556
USDA Food Distribution Program	7 CFR 250	
Child and Adult Care Food Program	7 CFR 226	10.558
Summer Food Service Program	7 CFR 225	10.559

The SFA is responsible for knowing and following the regulations for each separate Child Nutrition Program in which the SFA participates. By continuing to operate programs under this Agreement, the SFA agrees to comply with all new and revised statutes, regulations, policy memoranda, and other directives regarding covered programs. The SFA must terminate this Agreement as outlined in *General Information Letter C* of this Agreement if the SFA will not or cannot comply with new or revised statutes, regulations, policy memoranda, or other directives.

#### **A. DEFINITIONS**

*Covered Programs* mean those Child Nutrition Programs for which the SFA has applied and received SA approval. Covered programs may be any combination of the following programs:

- National School Lunch Program (NSLP), Afterschool Snack Program (ASP), Seamless Summer Option (SSO)
- School Breakfast Program (SBP),

## School Nutrition Programs Permanent Agreement/Policy Statement

- Special Milk Program (SMP),
- USDA Food Distribution Program (FDP),
- Child and Adult Care Food Program (CACFP), and
- Summer Food Service Program (SFSP).

*Participant* means children who are eligible to participate in covered programs.

*School Food Authority (SFA)* means, as defined in NSLP regulations 7 Code of Federal Regulations (CFR) 210.2, the governing body which is responsible for the administration of one or more schools; and has the legal authority to operate the program therein or be otherwise approved by the USDA Food and Nutrition Services (FNS) to operate the program.

*School* means: (a) An educational unit of high school grade or under, recognized as part of the educational system in the State and operating under public or nonprofit private ownership in a single building or complex of buildings; (b) any public or nonprofit private classes of preprimary grade when they are conducted in aforementioned schools; or (c) any public or nonprofit private residential child care institution, or distinct part of such institution, which operates principally for the care of children, and if private, is licensed to provide residential child care services under the appropriate licensing code by the state or a subordinate level of government, except for residential summer camps which participate in the SFSP for Children, Job Corps centers funded by the Department of Labor, and private foster homes.

*State Agency (SA)* means the state administering agency of USDA Child Nutrition Programs. In Wisconsin, the SA is the DPI School Nutrition Team.

### **B. APPROVED PROGRAMS AND TIME PERIODS**

This Agreement applies to the Child Nutrition Program listed in the definition of “covered programs” above, for which the SA has approved the SFA’s participation. This Agreement remains in effect until terminated by either party in accordance with the section titled “*Amendment and Termination of Agreement*”.

### **C. AMENDMENT AND TERMINATION OF AGREEMENT**

The SA may amend this Agreement unilaterally. However, either the SA or the SFA may propose amendments. Amendments by the SA are not subject to approval by the SFA. By continuing to operate the covered programs after an amendment to this Agreement, the SA and the SFA agree to comply with the amendment. If the SFA will not or cannot comply with an amendment, the SFA must terminate the Agreement in accordance with this section.

This Agreement may be terminated in accordance with the program statutes, program regulations, and 2 CFR Part 200 for either public or private organizations.

**D. GENERAL CONDITIONS FOR ALL CHILD NUTRITION PROGRAMS**

1. Any SFA listed in the online application and approved by the SA shall be part of this Agreement.
2. The Agreement shall be effective from the date the Agreement and specific program application is approved by the SA. The SA's agreement to reimburse the SFA is contingent upon availability of federal funds appropriated to the federal Child Nutrition Programs. No legal liability on the part of the government for payment of any money shall arise unless and until such appropriations have been approved. Reimbursement is contingent on the required applications, documentation, and reports being submitted to the SA before the stated deadline established for each separate Child Nutrition Program.
3. The Agreement remains in effect until terminated by either party. Terms of the Agreement may be modified or terminated by mutual written consent between the SA and the SFA. SFAs shall be given written notice in advance of the effective date of an amendment. No termination, suspension, or expiration of this Agreement shall affect the obligation of the SFA to maintain records and to make such records available for audit.
4. The SFA has the right to appeal decisions made by the SA that affect participation in the program or claims for reimbursement.
5. The SA, the USDA, and other state or federal officials have the right to make announced or unannounced reviews of SFA operations during the normal hours of SFA operations.
6. The SFA shall cooperate with the USDA officials and the SA and their contractors conducting evaluation or research in programs authorized under the Richard B. Russell National School Lunch Act and the Child Nutrition Act.
7. The SFA will make no discrimination against any child because of his or her eligibility for free or reduced-price meals in accordance with 7 CFR 245 and the following Policy Statement for Free and Reduced-Price Meals and Free Milk.
8. The SFA will comply with the requirements of:
  - 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 USDA regulations regarding nondiscrimination (7 CFR Parts 15, 15a, and 15b)
  - Department of Justice Enforcement Guidelines, 28 CFR Part SO.3 and 42, and;
  - FNS Instruction 113-1 (which includes annual civil rights training), directives and guidance 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 benefits of, or otherwise be subject to discrimination under any program or activity for which the program applicant receives federal financial assistance from FNS; and hereby gives assurance that it will immediately take measures necessary to effectuate

this Agreement. This includes submitting all discrimination complaints received by the SFA to USDA utilizing the USDA Program Discrimination Complaint Form found on the SA Civil Rights webpage. By accepting this assurance, the SFA agrees to compile data, maintain records, and submit reports, as required, to permit effective enforcement of the nondiscrimination laws and permit authorized USDA and SA personnel during normal working hours to review such records, books, and accounts as needed to ascertain compliance with 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 and its successors, transferees, and assignees, as long as they receive assistance or retain possession of any assistance from the SA.

**E. REQUIREMENTS THE SA AGREES TO:**

1. Reimburse the SFA, to the extent available funding, for meals meeting the nutritional requirements served to children attending the schools participating in the Child Nutrition Programs covered by this Agreement. The amount of reimbursement during any fiscal year shall be paid in accordance with the allowable rates established by the USDA regulations.
2. Allocate USDA Foods (formerly Commodities), to the extent available and allowable, to the SFA for the Child Nutrition Programs covered by this Agreement.
3. Promptly notify the SFA in writing of any change in the nutrition standards, meal pattern requirements, the assigned rates of reimbursement or USDA Foods.

**F. REQUIREMENTS THE SFA AGREES TO (for all programs):**

1. Comply with the intent and purpose of program statutes and program regulations cited in this Agreement, and memoranda, directives, and other guidance as issued by the SA for covered programs. This Agreement incorporates the statutory and regulatory provisions applicable to covered programs by reference.
2. Provide eligible participants with meals, snacks, or milk, in accordance with nutritional and other requirements specified for each covered program.
3. Provide free and reduced-price meals or snacks or free milk (if participating in free milk option of SMP) to participants according to the applicable policy statements for covered programs as listed below.
4. Submit claims for reimbursement, program applications, and other required information as prescribed by the SA.
5. Accept final financial and administrative responsibility for management of an effective food service.
6. Adhere to all federal, state, and local procurement and contracting regulations and laws, per 2 CFR Part 200.
7. Operate a nonprofit food service, use program income only for program purposes, and maintain a financial system as prescribed by the SA.
8. Complete corrective actions issued by the SA during an Administrative Review (AR) within timeframes specified by the SA.

## Program Specific Requirements: School Meal and Milk Programs

### NSLP, ASP, SSO, FDP, and SBP

The SFA and participating schools under its jurisdiction agree to comply with all provisions of 7 CFR Part 210 – *National School Lunch Program*; Part 220 – *School Breakfast Program* (if applicable); Part 245 – *Determining Eligibility for Free and Reduced-Price Meals and Free Milk in Schools*; Part 250 – *Donation of Foods for Use in the United States, its Territories and Possessions and Areas under its Jurisdiction*.

1. Meals and snacks must meet the food and nutrition requirements for the specific programs in accordance with 7 CFR 210.10 (b) and 7 CFR 220.8.
2. Maintain accurate production records and crediting information for all meals/snacks claimed for reimbursement. These records must show how the meals offered contribute to the required food components and food quantities for each age/grade group every day 7 CFR 210.10(a)(3) and 220.8(a)(3).
3. Serve snacks in an afterschool program sponsored or operated by the SFA that provides children with regularly scheduled activities in an organized, structured, and supervised environment and includes educational or enrichment activities.
4. Price the meal and/or snack as a unit.
5. Serve meals and snacks free or at a reduced-price to all children who are determined by the SFA to be eligible for such meals or snacks in accordance with 7 CFR 245 and the SFA Policy Statement for Free and Reduced-Price Meals of this Agreement.
6. Count the number of free, reduced-price, and paid reimbursable meals/snacks served to eligible children at the point of service, or through another counting system if approved by the SA.
7. Ensure the point of service is located after all components of a reimbursable meal have been offered or through another counting system, if approved by the SA as set forth in 7 CFR 210.2
8. Observe the requirements for and limitations on any competitive school food service as set forth in 7 CFR 210.11(b) and 220.12.
9. Maintain necessary facilities for storing, preparing, and serving food and operating the food service program in compliance with all sanitation and health standards as required by applicable SA and/or local laws and regulations. Comply with the food safety inspection requirements specified in program regulations as outlined in 7 CFR 210.13 and 220.7.
  - Obtain food for use in the programs from an approved food source, as specified in the Wisconsin Food Code.
  - Maintain compliance with the Wisconsin Food Code guidelines.
  - Obtain a minimum of two food safety inspections per school year conducted by a state or local governmental agency responsible for food safety inspections. Schools participating in more than one Child Nutrition Program shall only be required to obtain a minimum of two food safety inspections per school year if the food preparation and service for all meal programs take place at the same facility. Schools shall post in a publicly visible location a report of the most

## School Nutrition Programs Permanent Agreement/Policy Statement

recent inspection conducted and provide a copy of the inspection report to a member of the public upon request.

10. Claim reimbursement at the assigned rates only for reimbursable free, reduced-price, and paid meals/snacks allowable under the program(s) covered by this Agreement as verified by point of service meal count records only served to eligible children in accordance with 7 CFR Parts 210 and 220.
11. Claim reimbursement at the assigned rates only for snacks served on days that school is in session to children through the age of 18 and children who turn 19 years of age during the school year, or students with special needs up to age 21.
12. Agree that the SFA official signing the claim shall be responsible for reviewing and analyzing meal counts to ensure accuracy as specified in 7 CFR 210.8 governing claims for reimbursement.
13. Submit claims for reimbursement in accordance with 7 CFR 210.8 and 220.11. Claims must be submitted no later than 60 calendar days following the last day of the full month covered by the claim. The SFA is responsible for following internal controls including edit checks and on-site monitoring reviews for SFAs with more than one school.
14. Acknowledge 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 210.25 and 220.19. If failure to submit accurate claims reflects embezzlement, willful misapplication of funds, theft, or fraudulent activity, the penalties specified in 7 CFR 210.26 and 220.6 shall apply.
15. Maintain a nonprofit school food service account and use all income for allowable program purposes, except that such income shall not be used to purchase land, acquire, or construct buildings.
16. Observe the requirements for and limitations on the use of nonprofit school food service revenues in accordance with 7 CFR 210.14(a), 220.12(a), and 2 CFR Part 200 as applicable.
17. Limit net cash resources to an amount that does not exceed a three (3) month average of operating expenditures except for such excess amounts that have been approved by the SA, in accordance with 7 CFR 210.19(a) and 220.7(e)(1)(iv).
18. Maintain a financial management system as prescribed under 7 CFR 210.14 and 220.7(e)(1). Resource Management covers:
  - a. Nonprofit school food service
  - b. Net cash resources
  - c. Financial assurances
  - d. Use of donated foods
  - e. Pricing paid lunches
  - f. Revenue from nonprogram foods, and
  - g. Indirect costs
19. Comply with the requirements of USDA regulations regarding financial management (2 CFR Part 200 as applicable).

## School Nutrition Programs Permanent Agreement/Policy Statement

20. Provide and distribute an Unpaid Meal Charge Policy annually, per USDA Policy Memo SP 46-2016, in writing to households that clearly communicates how the SFA addresses student meal debt.
21. Maintain files of currently approved and denied free and reduced price applications, respectively, and the names of children approved for free or reduced-price meals based on documentation certifying that the child is included in a household approved to receive benefits under the FoodShare, Food Distribution Program on Indian Reservations (FDPIR), Medicaid, or W-2 cash benefits, or the child has been otherwise certified for free or reduced-price meals by an appropriate authority authorized by the USDA and SA.
22. Retain the individual applications for free and reduced-price lunches, breakfasts, and meal supplements submitted by families for a period of three years after submission of the final claim for reimbursement for the fiscal year unless there is an audit finding that has not been resolved. In that case, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.
23. Complete an on-site monitoring review of each Afterschool Snack Program (ASP) twice annually. The first review shall be made during the first four weeks of the snack service each school year. The second review shall be completed later in the school year. An ASP operating year-round shall complete the on-site monitoring review during the first four weeks of its initial year of operation, once more during its first year of operation, and twice each school year thereafter.
24. Every school year, prior to February 1, each SFA with more than one site shall perform no less than one on-site monitoring review of the lunch counting and claiming system employed by each school under its jurisdiction as stated in 7 CFR 210.8(a)(1). The Administrative Review (AR) final rule adds this review requirement for the School Breakfast Program (SBP) at 7 CFR Part 220.11(d)(1). SFAs are required to establish internal controls which ensure the accuracy of meal counts prior to the submission of the monthly claim for reimbursement. The internal controls must include an on-site review of the readily observable general areas of review identified under 7 CFR 210.18(h) and the meal counting and claiming system employed by each school (as defined in 7 CFR Part 210.2) approved to participate in the NSLP and at 50% of the schools approved to participate in the SBP within the jurisdiction of the SFA. While the annual requirement is to complete 50% of the schools approved to participate in the SBP in the SFA's jurisdiction, each school approved to participate in the SBP must be reviewed at least once every two years.
25. If the on-site monitoring review discloses problems with a school's meal counting or claiming procedures, the SFA must ensure that the school implements corrective action, and within 45 days of the review conduct a follow-up on-site review to determine that the corrective action resolved the problems.
26. Adhere to the hiring and annual training and tracking requirements as referenced in the Final Rule of Professional Standards for School Nutrition Programs Personnel as required by the Healthy, Hunger-Free Kids Act of 2010.
27. Establish and implement a Local Wellness Policy in accordance with 7 CFR 210.31.

## School Nutrition Programs Permanent Agreement/Policy Statement

28. Adhere to the Nutrition Standards for All Food Sold in School (Smart Snacks) in accordance with 7 CFR 210.11 which established nutrition standards for all foods sold in schools, outside of food served as part of the National School Lunch and School Breakfast Programs.
29. Upon request, must make all accounts and records pertaining to its school food service available to the SA and to USDA FNS, for audit or review purposes, at a reasonable time and place. Such records should be retained for three years after the date of the final claim for reimbursement for the fiscal year to which they pertain, except if audit findings have not been resolved. In this case, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.
30. If SFA desires to participate in the USDA Foods Program (7 CFR 250) it will need to enter into an agreement to receive donated foods as required by 7 CFR 250. Furthermore, an SFA desiring to participate in the USDA Foods Program must agree to the following:
  - a. Follow procedures established by the SA in compliance with the “Policy and Procedures for the Wisconsin USDA Foods Program”.
  - b. Accept and use, in as large quantities as may be efficiently utilized in its nonprofit school food service, such foods as may be offered as a donation by the USDA Food Distribution Program in accordance with 7 CFR 250.
  - c. Request all USDA Foods through SA’s internet-based ordering system per frequency and methods indicated by SA procedures, policies, and guidance.
  - d. If participating in commercial distribution or direct diversion of USDA Foods into end products, the SFA shall enter into an agreement as stipulated by SA.
  - e. Follow procedures established by the SA in compliance with USDA Foods Hold and Recall Procedures and Wisconsin USDA Foods Hold and Recall Procedures.
  - f. All income accruing from the use of USDA Foods shall be deposited in the SFA’s nonprofit school food service account.
  - g. Be responsible to the SA for any improper distribution or use of USDA Foods or for any loss of, or damage to, USDA Foods caused by SFA’s fault or negligence.
  - h. Preserve the right to assert claims against other persons or entities to which USDA Foods are delivered for care, handling, or distribution on the SFA behalf.
  - i. Take actions to obtain restitution in connection with claims for improper distribution, use or loss of, or damage to USDA Foods.

### **SMP**

If participating in the SMP, the SFA will comply with all requirements of 7 CFR Part 215 – *Special Milk Program* and if applicable Part 245 – *Determining Eligibility for Free and Reduced-Price Meals and Free Milk in Schools*.

1. Operate a nonprofit milk service.



## School Nutrition Programs Permanent Agreement/Policy Statement

2. Claim reimbursement only for milk as defined in 7 CFR 215 and in accordance with the provisions of Sections 215.8 and 215.10.
3. Submit claims for reimbursement in accordance with 7 CFR 215.8 and 215.10 and procedures established by the SA.
4. Maintain a financial management system as prescribed by SA.
5. If electing to serve milk at no charge only to needy children under 7 CFR 215.7(d)(2), the SFA agrees to serve milk free to all eligible children, at times that milk is made available to non-needy children under the SMP.
6. Determine eligibility for free milk for children who are not categorically eligible in accordance with current USDA income eligibility guidelines.
7. Comply with all requirements applicable to offering free milk in 7 CFR 245 - *Determining Eligibility for Free and Reduced-Price Meals and Free Milk*. Retain the individual applications for free milk submitted by families for a period of three years after the end of the fiscal year to which they pertain, except that, if audit findings have not been resolved. In this case, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.
8. Adhere to the Policy Statement below when providing free milk as described for the provision of free school meals of this Agreement except for the provision requiring verification of applications.
9. Abide by the hearing procedures in accordance with 7 CFR 245.7 and the nondiscrimination practices in accordance with 7 CFR 245.8.

### **CACFP**

If participating in the CACFP, SFA will comply with all requirements of 7 CFR 226 - *Child and Adult Care Food Program*.

1. Certify that loan collateral costs will not be charged to the CACFP. The SFA further certifies that advance payment of CACFP funds or sponsored facility reimbursement payments will not be used as the basis (whole or in part) for securing a loan.
2. Ensure that meals are served free or at a reduced price to all participants eligible for free or reduced-price meals in accordance with the SA's household size-income statements, and an approved Pricing Program Addendum is on file with the SA, when the institution elects a separate charge for meals.
3. Outside of School Hours Centers and At Risk After School Hours Care Sites: In accordance with USDA guidance, Outside of School Hours Centers and At Risk After School Hours Care Sites participating in the CACFP are not required to be licensed unless there is a state or local requirement for licensing. As a condition of receiving federal reimbursement under the CACFP, the SFA that:
  - a. Outside of School Hours Centers and At Risk After School Hours Care Sites participating in the CACFP under the SFAs' Application/Agreement which are not licensed, are not required to be licensed based on the Department of Children and Families criteria that "No person may for compensation provide care and supervision for four or more children under the age of

## School Nutrition Programs Permanent Agreement/Policy Statement

- seven for less than 24 hours a day unless that person obtains a license to operate a day care center from the department, Sec. 48.65(1) Wis. Stats.
- b. The SFA shall require Outside of School Hours Centers and At Risk After School Hours Care Sites to advise the sponsor of any change in conditions that may require such sites to be licensed and that such requirement shall be part of the site agreement the SFA executes with such site(s).
  - c. Should the SFA receive information or otherwise have knowledge of any change at a site that may affect the site's need to obtain a license, the SFA shall notify immediately the Department of Children and Families in effort to obtain licensure if the site elects to continue participation in the CACFP, or if licensure is required and the site elects not to satisfy the licensure requirement the site shall be immediately terminated from the CACFP. The SFA also agrees to notify immediately the SA of such action(s).
4. The SFA agrees that meals and snacks will not be claimed for any site that is not in compliance with the licensure requirement.
  5. The SFA certifies that neither it nor any of its principals have been declared ineligible to participate in any other publicly funded program by reason of violating that program's requirements.
  6. The SFA certifies that neither it nor any of its principals has been convicted of any activity that occurred in the past seven years and that indicated a lack of business integrity. (A lack of business integrity includes fraud, antitrust violation, embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, receiving stolen property, making false claims, obstructing justice or any other activity indicating a lack of business integrity as defined by the SA.)
  7. Institutions and individuals making false certifications will be placed on the National Disqualified List and will be subject to any other applicable civil or criminal penalties.
  8. The SFA further certifies that a screening process is in place to scrutinize any criminal convictions of board members that may disqualify them from performing program administrative functions.
  9. The SFA shall ensure that all sites under its administrative authority will not independently contract with the SA to operate any other USDA Child Nutrition Program(s).
  10. SFA is notified of the right of the SA, the USDA, and other state or federal officials to make announced or unannounced reviews of their operations during the institution's normal hours of program operations and that anyone making such reviews must show photo identification that demonstrates that they are employees of one of these entities.
  11. Upon request, make all accounts and records pertaining to the CACFP 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 minimum of three years after the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved. In this case, the records shall be retained until all issues raised by the audit or investigation have been resolved.

## School Nutrition Programs Permanent Agreement/Policy Statement

12. Provide assurance that all participants are served the same meals and that there is no discrimination in the course of the food service. If there is a substantive change in this Policy Statement below, the SFA must notify the SA and provide a revised Policy Statement at the SA's request.

### **SFSP**

If participating in the SFSP, SFA will comply with all requirements of 7 CFR 225 – *Summer Food Service Program*.

1. Operate a nonprofit food service during the period that SFSP is offered, as follows:
  - 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.
  - During the period from October through April, if the program serves an area affected by an unanticipated school closure due to a natural disaster, major building repairs, court orders relating to school safety or other issues, labor-management disputes, or, when approved by SA, a similar cause.
2. Offer meals which meet the requirements and provisions in accordance with 7 CFR 225.16 during times designated as meal service periods by the sponsor, and offer the same meals to all children.
3. Serve meals without cost to all children.
4. Issue a free meal policy statement in accordance with 7 CFR 225.6(c).
5. Meet the training requirement for its administrative and site personnel, as required under 7 CFR 225.15(d)(1).
6. Claim reimbursement only for the type or types of meals specified in the Agreement and served without charge to children at approved sites during the approved meal service period. No permanent changes may be made in the serving time of any meal unless the changes are approved by SA.
7. Submit claims for reimbursement in accordance with procedures established by SA and those stated in 7 CFR 225.9.
8. Maintain proper sanitation and health standards in the storage, preparation, and service of food in conformance with all applicable state and local laws and regulations.
9. Accept and use, in quantities that may be efficiently utilized in the program, such foods as may be offered as a donation by the USDA.
10. Have access to facilities necessary for storing, preparing, and serving food.
11. Maintain a financial management system as prescribed by SA.
12. Maintain on file documentation of site visits and reviews in accordance with 7 CFR 225.15(d)(2) and (3).
13. Upon request, make all accounts and records pertaining to the SFSP 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 minimum of three years after the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved. In this case, the records shall be retained until all issues raised by the audit or investigation have been resolved.
14. Maintain children on site while meals are consumed.

15. Retain final financial and administrative responsibility for its program.
16. Provide assurance that all children are served the same meals at no charge and that there is no discrimination in the course of the food service. If there is a substantive change in this Policy Statement below, the SFA must notify the SA and provide a revised policy statement at the SA's request.

## **POLICY STATEMENT FOR FREE AND REDUCED-PRICE MEALS OR FREE MILK**

*\*\*Not applicable for CEP schools and RCCIs without day students. If participating in Provision 2, only applicable for the base year.*

The SFA accepts responsibility for providing free and reduced-price meals/snacks or free milk to eligible children. It assures the SA that the policy will be uniformly applied and implemented in all participating schools under its jurisdiction for the applicable Child Nutrition Program(s) covered by this Agreement:

In fulfilling these responsibilities, the SFA:

- A. Agrees to designate individuals (on the Online Contract) as *Determining Official (DO)* to review applications and make determinations of eligibility as named on the Policy Statement Renewal; as *Hearing Official (HO)* to hear complaints or appeals on application determination or verification process results and possible discrimination in the operations of the program; as *Verifying Official (VO)* to conduct the verification process including the selection of applications, notification of selection for verification, examination of materials submitted, and notification results; and as *Confirming Official (CO)* to conduct review of the information on applications selected for verification to determine that the correct determination was initially made. Such officials(s) will use the criteria outlined in this policy to determine which individual children are eligible for free and reduced-price meals or free milk.
- B. Agrees to serve meals/snacks free or at a reduced-price and free milk, as applicable, to children from households whose income is at or below the family size income scale of the published USDA Income Eligibility Guidelines for the current school year.
- C. Agrees to develop and distribute to each child's parent(s) or guardian a letter on how to apply for school meal benefits, including frequently asked questions. In addition, an application form for free and reduced-price meals or free milk shall be distributed with the parent letter at or about the beginning of each school year or whenever there is a change in eligibility criteria. SFAs using an online application need to notify households how to access the online application to apply for benefits and explain how to obtain and submit a household application if they do not have access to a computer. The letter to parents with the free and reduced-price meal application attachment shall have only the income eligibility guidelines for reduced-price meals with an explanation that households with incomes at or below the reduced-price guidelines may be eligible for either free or reduced-price meals. The letter to parents

## School Nutrition Programs Permanent Agreement/Policy Statement

of half-day students in schools participating in the Special Milk Program shall have only the income eligibility guidelines for free milk.

1. Interested parents or guardians are responsible for filling out the application and returning it to the school for review. Such applications and documentation of determinations made will be maintained for a period of three years after submission of the final claim for reimbursement for the fiscal year unless there is an audit finding that has not been resolved. In this case, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit.
2. Applications must only require the last four digits of the parent's or guardian's Social Security number. Parents and guardians are eligible to apply for benefits even if they do not have a Social Security Number. If no adult household members have a Social Security Number, leave this space blank and mark the box labeled "Check if no SSN".
3. Applications may be filed at any time during the year. Parents or guardians enrolling a child in a school for the first time shall be supplied with appropriate meal or milk application materials regardless of the time of year the child is registered. If a child transfers from one school to another under the jurisdiction of the same SFA, his/her eligibility for free or reduced-price meals or free milk will be transferred to and honored by the receiving school.
4. Parents or guardians will be promptly notified of the acceptance or denial of their application(s).
5. The SFA agrees to complete a full Direct Certification run, including total student enrollment with access to the Child Nutrition Programs (NSLP, SBP, SSO, or SMP), no less than three times per school year (except if participating in one of the Special Provisions): at or around the beginning of the school year, three months after initial effort, and six months after the initial effort.
6. The SFA agrees to complete a Direct Certification run on or near April 1, annually, including total student enrollment with access to NSLP or SBP for Community Eligibility Provision (CEP) notification purposes.
7. SFAs participating in CEP or Provision 2 agree to annually run direct certification in October for the CEP or Provision 2 schools for the Special Provision Match and report to the SNT by November 15.
8. Parents of students determined through Direct Certification to be eligible for free or reduced-price meals shall be notified using the prototype letter provided by the SA.
9. Children that are under the legal responsibility of a foster care agency or court are eligible for free meal benefits, regardless of income. Foster children may be certified as eligible through the Direct Certification process, on a household application, or with proper documentation from local or state placement agencies. Households with foster children and non-foster children may include the foster child as a household member, as well as any personal income available to the foster child, on the same application that includes their non-foster children. If the foster family is not eligible for free or reduced-price meal benefits, this does not prevent a foster child from receiving free meal benefits.

## School Nutrition Programs Permanent Agreement/Policy Statement

10. The SFA agrees to communicate meal benefits with households of children deemed as categorically eligible under “Other Source Categorically Eligible” after the liaison has indicated the child qualifies as migrant, homeless or runaway.
11. When an application is rejected, parents or guardians will be provided written notification which shall include:
  - a. the reason for the denial of benefits, e.g., income in excess of allowable limits or incomplete application.
  - b. notification of the right to appeal.
  - c. instructions on how to appeal.
  - d. a statement reminding parents that they may re-apply for free and reduced-price benefits at any time during the school year; and
  - e. the reasons for ineligibility shall be properly documented and retained on file at the SFA level.
- D. Agrees to establish a procedure to collect money from children who pay for their meals/snacks or milk and to account for the number of free, reduced-price, and full price meals/snacks and free and full price milk served (as selected on the online contract), all in a way that prevents the overt identification of the children receiving free or reduced-price meals or milk.
- E. Agrees to prevent overt identification of the children receiving free or reduced-price meals/snacks or free milk if the SFA is selling competitive foods during a meal service.
- F. Agrees to take all actions, as in accordance with 7 CFR 245.6 (f-k), that are necessary to ensure compliance to prevent disclosure of confidential information of children eligible to receive free and reduced-price meals or free milk which include:
  1. The names of children shall not be published, posted, or announced in any manner.
  2. There shall be no overt identification of any of the children by the use of special tokens or tickets or by any other means.
  3. The children shall not be required to work for their meals or milk.
  4. The children shall not be required to use a separate dining area, go through a separate serving line, enter the dining area through a separate entrance or consume their meals or milk at a different time.
  5. When more than one lunch/snack or breakfast or type of milk is offered which meets the requirements in accordance with 7 CFR 210.10 and 7 CFR 220.8 or the definition of *milk* in 7 CFR 215.2, the children shall have the same choice of meals/snacks or milk that is available to those children who pay the full price for their meal or milk.
- G. Agrees that there will be no physical segregation of, nor any other discrimination against, any child because of his/her inability to pay the full price of the meal or milk.
- H. Agrees that, in the operation of school nutrition programs, no child shall be discriminated against because of race, sex, color, national origin, age, or disability (except as permitted through an approved waiver as per USDA Policy Memorandum SP 31-2015, titled *Guidance on Prohibition of Separation by Gender during Child Nutrition Program Meal Service*).
- I. Agrees to establish and use a fair hearing procedure as prescribed by the SA.

## School Nutrition Programs Permanent Agreement/Policy Statement

- J. Agrees to set reduced-price charges for lunch, breakfast, and snacks at or below the maximum reduced-price allowed by regulations.
- K. Agrees to submit to the SA any alterations to the annual prototype free and reduced-priced meal application before implementation. This includes paper, electronic and software generated application forms. Such changes will be effective only upon SA approval. Software generated applications are approved by the SA annually, prior to the upcoming school year.
- L. Agrees to verify eligibility for free and reduced-price meals in accordance with program regulations and maintain records as follows:
  - 1. a summary of the verification efforts including the selection process.
  - 2. the total number of applications on file on October 1.
  - 3. the number of applications verified.
  - 4. documentation of each application verified and the results.
  - 5. documentation of verification results on or before November 15; and
  - 6. documentation of submission of results of verification to SA on or before February 1.

Records regarding these requirements will be available for monitoring by SA as part of its supervisory assistance monitoring and verification efforts.

- M. Agrees to submit a public release containing both the free and reduced-price eligibility guidelines and all other information outlined in the parent letter, to the local news media, local unemployment offices, grassroots organizations and major employers contemplating or experiencing large layoffs.
- N. Agrees to submit accurate data, if applying for participation in either Provision 2 or the Community Eligibility Provision, to be used to establish claiming percentages for each participating school, in a timely fashion.
- O. Agrees to have a system in place to identify language needs of families, to ensure that there are no barriers for participation in the USDA Child Nutrition Programs for Limited English Proficient (LEP) families. SFAs can use the information gained through the Home Language Survey conducted during the school enrollment process to identify the language used by households. /SFAs are required to communicate with parents and guardians in a language they can understand throughout the certification and verification processes.
- P. An annual copy of the following documents (along with applicable translations for Wisconsin) can be found on the SA website at <https://dpi.wi.gov/school-nutrition/program-requirements/free-reduced-meal-eligibility> and <https://dpi.wi.gov/school-nutrition/program-requirements/verification> .
  - 1. Free and Reduced-Price School Meal Application
  - 2. Letter to Households
  - 3. Press Release
  - 4. Notice to Households of Approval or Denial of Benefits,
  - 5. Notice to Households of Selection for Verification
  - 6. Notice to Households of Adverse Action due to Verification process
  - 7. Notice of Eligibility Based on Direct Certification

## **Policy Statement for the Summer Food Service Program**

The SFA assures the SA that the policy herein stated will be uniformly applied and implemented for all participating child nutrition sites under its jurisdiction and that all children are served the same meals at no separate charge regardless of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the SA (not all prohibited bases will apply to all programs and/or employment activities); and that there is not discrimination in the course of the food service. (If a charge is made for food service, contact the SA immediately for the proper Policy Statement).

The SFA further assures the SA that for all sites under the SFA's jurisdiction which are using individual enrollment to document areas in which poor economic conditions exist and by camps using individual Household Size-Income Statements to document children's eligibility, the standard of determining eligibility for participation in the SFSP shall be in conformity with the SA's household size and income standards for free and reduced price school meals or that case numbers are used for children from FoodShare households or W-2 Cash Benefits or for a child participating in the Food Distribution Program on Indian Reservations (FDPIR). Unless an alternate method is approved by the SA, the SFA agrees to use the SFSP Household Size-Income Statement form supplied by the SA to obtain household size and income information or FoodShare, W-2 Cash Benefits or FDPIR case numbers from the household of children enrolled in the SFSP.