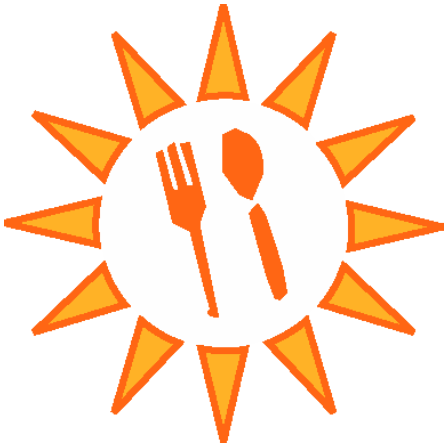
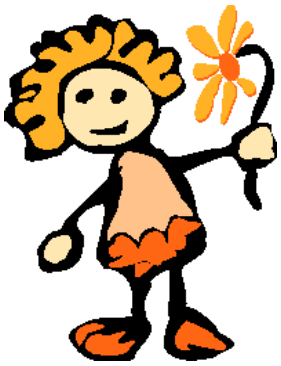
United States Department of Agriculture

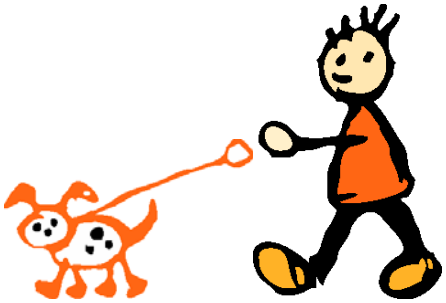
Food and Nutrition Service

# Summer Food Service Program for Children

## 2004 Administrative Guidance for Sponsors







## Food That's In When School Is Out!

**For your reading ease, changes from last year's edition are highlighted.**

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# INTRODUCTION

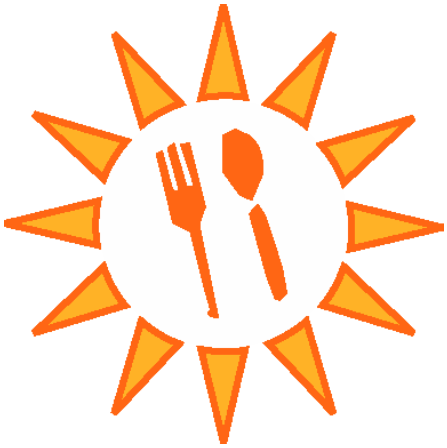
The Summer Food Service Program (SFSP) was established to ensure that low-income children continue to receive nutritious meals when school is not in session. Free meals, that meet Federal nutrition guidelines, are provided to all children at approved SFSP sites in areas with significant concentrations of low-income children.

The SFSP operates during school vacations, primarily in the summer months – from May through September. It may also provide meals during vacation breaks where schools are operated on a year-round basis or a continuous school calendar, or during emergency school closures from October through April.

**Who Administers The Program?**

The U.S. Department of Agriculture's Food and Nutrition Service (FNS) administers the SFSP at the national level. Within each State, the program is administered by the State department of education, an alternate State-designated agency, or the appropriate FNS Regional Office. (Note: FNS administers the SFSP in Michigan and Virginia)

Locally, public or private non-profit organizations that want to "sponsor" the Program apply and are approved by the State agency to operate the Program. These sponsoring organizations sign annual Program agreements with their State agency and are responsible for overseeing Program operations. Sponsors receive Federal reimbursement from the State agency to cover their administrative and operating costs of preparing and serving meals to eligible children at one or more feeding sites.



## ABOUT THIS GUIDANCE:

This publication provides information for staff of all local organizations that participate or plan to participate as sponsors in the Summer Food Service Program for Children (SFSP). It consists of the following parts:

**PAGES 5 - 50** **PLANNING THE PROGRAM** provides information to help guide potential sponsors through the early stages of program planning. This part includes information on eligibility requirements for sponsors, sites, and participants; evaluating and selecting feeding sites; determining the type of meal service to offer; staffing needs; and applying to operate the SFSP.

**PAGES 51 - 87** **ADMINISTERING THE PROGRAM** outlines the administrative responsibilities of a sponsor in the areas of training, monitoring, civil rights, program payments, record keeping, reviews, and evaluations.

**PAGES 89 - 108** **FOOD SERVICE MANAGEMENT COMPANIES** discusses how a sponsor can contract with a food service management company to obtain meals. This part includes information on the sponsor's and food service management company's responsibilities in relation to the food service operations at feeding sites.

**PAGES 109 - 198** **REFERENCE SECTION** provides sample copies of forms, worksheets, and other reference materials that may be helpful to sponsors in administering the Program.

## Summer 2004

FNS and State agencies are engaged in a continued effort to increase participation in the SFSP. Did you know that the SFSP is one of the most needed but underused Federal food assistance programs? Although over 16 million eligible children get free or reduced price school meals during the regular school year, only 2 million participate in the SFSP during the summer months. There are many hungry children that we need to reach with this Program!

As an organization interested in administering the SFSP, you are the link that translates this Federal benefit into meals for children. If you are new to the Program, please consider participating as a site or a sponsor. If you are a returning sponsor, please consider adding sites and activities that will help draw children to your existing program. Let us know how we can help you in this important mission that we all share!

# PART I – PLANNING THE PROGRAM

## Chapter 1 – Eligibility

In this chapter, you will find information on:

- how to determine the eligibility of a child
- how to determine the eligibility of a sponsor
- the different kinds of Summer Food Service Program (SFSP) sites

### Participant Eligibility

**(7 CFR 225.2 Definitions, Attachment 1)**
Children age 18 and under may receive meals through SFSP.
A person 19 years of age and over who has a mental or physical disability (as determined by a State or local educational agency) and who participates during the school year in a public or private non-profit school program (established for the mentally or physically disabled) is also eligible to receive meals.

### Sponsor Eligibility

**(7 CFR 225.14(b),(c), and (d))**
Every potential sponsor must meet certain requirements. These requirements are discussed below:

1. Types of Organizations - Only certain types of organizations can sponsor the Program. Sponsors must be one of the following:

- a public or private non-profit school food authority
- a public or private non-profit residential private camp
- a public or private non-profit college or university participating in the National Youth Sports Program
- a unit of local, county, municipal, State or Federal government
- any other type of private non-profit organization

**Note:** Special rules apply to private non-profit organizations. They are limited as to the location of their sites, the total number of sites they may operate, and the maximum number of participants they may serve. All private non-profit sponsors must be tax exempt under the Internal Revenue Code of 1986. State agencies can provide more specific details about the participation of private non-profit organizations.

2. Sponsors Must Demonstrate Financial and Administrative Capability: Potential sponsors must demonstrate that they have the necessary financial and administrative capability to comply with Program requirements. They must accept final financial and administrative responsibility for all of their sites.

3. Sponsors Must Not Have Been Declared Seriously Deficient: To be approved, applicants must not have been declared seriously deficient in operating the program in previous years.

4. Sponsors Must Serve Low-Income Children: Approved sponsors must agree to provide regularly scheduled meal service for children in designated low-income areas (called "areas in which poor economic conditions exist") or they must agree to serve low-income children. Camps do not need to meet this criterion.

5. Year-Round Service: Sponsors must provide a year-round public service to the area in which they intend to provide the SFSP. State agencies may grant exceptions to this year-round service requirement for sponsors of residential camps, migrant sites and in certain other limited circumstances.

6. Direct Operational Control Over Sites: New applicants and returning sponsors (not exempted by the State agency) must certify that they have direct operational control over all of their sites. Direct operational control means that the sponsor is responsible for managing site staff, including such areas as hiring, determining conditions of employment and termination, and for exercising management control over SFSP operations at sites during the period of program participation.

7. Pre-Operational Visits: Sponsors must certify that all new and problem sites have been visited and are capable of providing meal service for the number of children as planned.

8. Written Agreements: Approved sponsors must sign a written agreement with the State agency.

**Note:** Certain sponsor types will have to provide more specific information to be approved (7 CFR 225.14(d)). Interested organizations should consult the State agency for more detailed information. Attachment 8 contains a chart that compares the Federal application requirements for new (first-time) sponsors and experienced sponsors.

**Management responsibilities cannot be delegated below the sponsor level.** The quality of the meal service, the conduct of site personnel, and the adequacy of record keeping reflect directly upon the sponsor's performance. This performance is subject to audit by the State agency, by the U.S. Department of Agriculture's (USDA) Office of the Inspector General, and by the General Accounting Office.

## Site Eligibility

**(7 CFR 225.6(c)(2) and (3))**

Sponsors may operate the SFSP at one or more sites, which are the actual locations where meals are served and children eat in a supervised setting. Eligible sites are those that serve children in low-income areas or specific groups of low-income children. Sponsors must provide documentation that their proposed sites meet the income eligibility criteria required by law. The most common types of sites are: open sites; restricted open sites; and closed enrolled sites. There are also sites that serve special populations of children or have unique characteristics. These include: residential and nonresidential camps, migrant sites, and National Youth Sports Program (NYSP) sites. In the following section, we describe these sites and discuss how sponsors can document their eligibility. See Attachment 6 for a summary of site descriptions and ways to document site eligibility.

1. **Open Sites** (7 CFR 225.2 definitions, Attachment 1) **are sites at which meals are made available to all children in the area.**

2. **Restricted Open Sites** (7 CFR 225.2 definitions, Attachment 1) **are initially open to broad community participation, but which the sponsor restricts or limits attendance for reasons of security, safety or control.**

Open and restricted open sites serve children in geographical areas where 50 percent or more of the children residing in the areas are eligible for free or reduced price school meals. This percentage must be documented by data provided by public and non-profit private school officials, census data, welfare or education agencies, zoning commissions, or other appropriate sources.

**Special Restricted Open Sites**

Sites that are located in non-needy areas but otherwise meet the criteria for open site eligibility may be treated as restricted open sites. An example of this type of site is one that is located outside of a city in which all areas are eligible (based on school enrollment or census data); the children from the city are bused to the non-needy location without cost.

To qualify as restricted open, these sites must:

- Draw children exclusively from eligible areas;
- Be open to broad community participation from eligible areas: the only limits that can be imposed on participation are daily limits for reasons of security, safety, or control;
- Not charge a fee for children to attend;
- Not allow children from the surrounding non-needy area to attend.

3. **A Closed Enrolled Site** (7 CFR 225.2 definitions, Attachment 1) serves only identified groups of children, as opposed to the community at large. At least 50 percent of the enrolled children at the site must be eligible for free or reduced price school meals under the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). See Attachment 3 for Income Eligibility Guidelines.

   Closed enrolled sites are usually established where:

   - an identified group of needy children live in a "pocket of poverty";
   - identified low-income children are transported to a congregate meal site located in an area with less than 50 percent eligible children; or
   - a program providing recreational, cultural, religious, or other types of organized activities for a specific group of children. Accredited summer schools do not qualify as closed enrolled sites and should obtain reimbursement for their meals under the National School Lunch Program.

## Documenting Site Eligibility

**1. Documenting an Area for Open or Restricted Open Site**

**Eligibility**: The two primary sources of data that may be used to determine whether the area that will be served is eligible are school data or census data.

School Data**:** Generally, sponsors will find it most helpful to directly contact their local school district in order to obtain the current year free and reduced price data to document the need of the area they wish to serve. In most cases, current-year school data provide the most accurate representation of an area's current economic circumstances. When sponsors use school data, they must contact the school (or schools) serving the children who live in the area where they intend to offer the SFSP. The local public school district and non-profit private schools serving the area can then provide sponsors with the number of children who are eligible for free and reduced price National School Lunch Program and/or School Breakfast Program meals and the total enrollment(s) of the school(s). Sponsors may use data from nearby elementary, middle, or high schools to qualify sites.

The sponsor must then submit to the State agency, as part of the

application process, the following information to document the eligibility for each site they intend to serve:

- the names of the public and non-profit private schools used to establish eligibility;
- the number (**but not names**) of all children eligible for free and reduced price meals who are enrolled in those schools; and
- the total number of children enrolled in those schools.

The State agency will determine the eligibility of each proposed site located in the area based on the data submitted by the sponsor. Since the local school or district offices must certify that the data is accurate, sponsors should ask local schools or districts to provide the necessary figures on school or district stationery, with the signature of an authorized school official.

Census Data**:** Sponsors may also document the area eligibility of their proposed open or restricted open sites on the basis of census data. However, we encourage sponsors to use school data rather than census data because it is usually more current, and more accurately represents current neighborhood economic conditions.

Upon conclusion of the data collection efforts for the 2000 decennial census, the Census Bureau was asked to provide the Food and Nutrition Service with a special tabulation of population data using specific SFSP criteria. The criteria included the 2000 income eligibility guidelines, the total number of children 18 years or younger within a Census Block Group (CBG), and of those children, the total number at or below 185% of poverty. The Census Bureau also calculated the percentage of children 18 years or younger at or below 185% of poverty compared to the total number of children 18 years or younger. One of the more critical pieces of information in the Census data is the calculated percentage. The increased level of detail available using CBG data can help to more clearly identify the "pockets of poverty" that the legislation intended. Sponsors wishing to use census data to determine site eligibility should request assistance and specific step-by-step guidance from their State agency.

There may be certain circumstances that warrant the use of census data to establish area eligibility even when current-year local school data is available. Some of these circumstances include:

- The potential site is located in a rural area, where geographically large elementary school attendance areas obscure localized "pockets of poverty," which can be identified through the use of CBG data.
- Available current-year school data shows an area to be close to, but under, the 50 percent threshold, and the CBG data may reveal specific portions of the school's attendance area that are SFSP eligible.

- Mandatory busing has affected the percentage of free and reduced price eligibles in neighborhood schools, and the school is unable to "factor out" the pupils bused in from other areas and provide the sponsor with data on the percentage of free and reduced price eligibles living in the school's immediate neighborhood.

In any of these circumstances, use of the local CBG data contained in the computerized special tabulation may help the State agency assist sponsors to more precisely document the area eligibility of their proposed sites.

**2. Documenting Closed Enrolled Site Eligibility**

Sponsors can document an enrolled site's eligibility by:

- Obtaining lists of names and eligibility status of enrolled children for free and reduced price meals from schools where the children receive school lunch or breakfast; or
- Asking the parent or guardian of each enrolled child to complete an income eligibility form. At least 50 percent of the enrolled children must be from households that meet the income eligibility guidelines (See Attachment 10).
- Sponsors may also document site eligibility using school-based eligibility data. Parental consent forms are not required in order for the local School Food Authority (SFA) to provide this information to SFSP sponsors. **This option is not available for camps.**

Whichever method is used to document eligibility of closed enrolled sites, sponsors must demonstrate that at least 50 percent of the enrolled children meet the income eligibility criteria for free or reduced price meals.

As part of the application process, sponsors of closed enrolled sites must provide the State agency with:

- a statement of how they intend to document SFSP eligibility, using one of the methods listed above;
- an estimate of the total number of children enrolled at the site; and
- an estimate of the number of children enrolled at the site who are documented as eligible for free or reduced price school meals.

Sponsors of closed enrolled sites must have the following information on file at the site:

- records of the total number of children enrolled at the site; and
- list(s) of income eligible children provided by the school system; or
- the actual eligibility forms for income eligible children.

## Income Eligibility Forms (7 CFR 225.15(f))

**Using the Income Eligibility Form:**
The Income Eligibility Form, found in Attachment 10, is a multi-program prototype that was designed by USDA/FNS to determine the income eligibility of applicants for Child Nutrition Programs. For the SFSP, the Income Eligibility Form may be used by closed enrolled sites and camps to determine the income eligibility of enrolled children. The information collected on the Income Eligibility Form includes household size and household income or the case number for benefits received under the Food Stamp Program; the Temporary Assistance to Needy Families (TANF); or the Food Distribution Program on Indian Reservations (FDPIR). Sponsors may also use alternate forms developed either by themselves or the State agency, as long as the forms request the same information as is found on the Income Eligibility Form in Attachment 10.

**Using Head Start Eligibility Forms:**
In some cases, sponsors can use documentation of income-eligible Head Start participants, provided and certified by a Head Start grantee, to document the eligibility of the SFSP closed enrolled sites. Sponsors should contact their State agency if they have questions on the use of Head Start eligibility forms for this purpose.

Here are some examples of acceptable use of Head Start forms:

⇒ a school food authority sponsoring SFSP that uses automatic eligibility for Head Start enrollees for school meal programs;
⇒ a community action agency that operates several programs, including SFSP and Head Start; or
⇒ a local government agency that operates Head Start during the school year and sponsors SFSP during the summer.

**Workforce Investment Act Participation:**
Applicants that participate in the Workforce Investment Act (WIA) program are considered categorically income-eligible for the SFSP. The WIA, which replaced the Job Training Partnership Act (JTPA) program in July 2000, is designed to link local labor market needs and community youth programs and service. For purposes of establishing SFSP eligibility, sponsors must obtain either:

⇒ a signed free and reduced price SFSP meal application with a notation that the applicant is a WIA participant; or
⇒ a list containing the names and ages of individual WIA participants enrolled at that site and signed by a WIA official.

**Additional Documentation Sources**

If sponsors are unable to document the need of their area or site(s) by using sources such as current-year school data, recent census tract or block group data, enrollment data, or serving migrant children, they should consult with their State agency about the possibility of using other types of data (e.g., local zoning data, housing authority information, economic surveys, etc.) to document their site(s) eligibility.

Also, sponsors offering the program at sites located on Indian reservations may obtain and submit statistics on the population from one of the 12 Bureau of Indian Affairs area offices.

**Frequency of Site Eligibility (7 CFR 225.6(c)(3) (i)(B))**

Sponsors whose open or open restricted sites have qualified on the basis of school data must submit documentation every three years. If a sponsor has used census data in previous years, then documentation need only be submitted when new census data is available, unless the State agency requests more recent data from another source. Sponsors using other data sources must document site eligibility annually.

**Special Types of Sites**

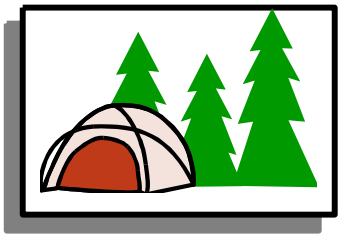
## 1. Camps: Residential and Nonresidential

**(7 CFR 225.2 definitions, 225.6(c)(2)(i)(J), and 225.6(c)(3)(i)(D))**

Residential summer camps and nonresidential day camps that offer a regularly scheduled food service as part of an organized camping program for enrolled children may participate. In addition, nonresidential day camps must offer a continuous schedule of organized cultural or recreational programs for enrolled children and can only participate as sites under eligible sponsoring organizations.

Unlike other types of sites, camps do not have to establish income eligibility at the 50 percent level, which open, restricted open or closed enrolled sites must do. Instead, camps are reimbursed only for meals served to children who meet the income eligibility criteria.

In order to determine enrolled children's eligibility, State agencies may require camp sponsors to use the Income Eligibility Form (Attachment 10) or a State agency equivalent form. Please see the discussion on page 10 about income eligibility forms.



Sponsors of camps are not required to submit the individual households' approved eligibility forms to the State agency. However, they must maintain the original approved forms for all eligible children in separate files for each camp session. In addition, the forms must be available for review by the State agency.

Sponsors of residential and nonresidential camps must provide the State agency with the number of children enrolled in each session at each camp site who have been determined eligible for reimbursable SFSP meals. This information must be submitted at the time the sponsor's claim for reimbursement is submitted or at an earlier time specified by the State agency.

> Camp sponsors receive reimbursement only for meals served to campers who have been individually determined eligible for free or reduced price school meals.

## 2. Migrant Sites (7 CFR 225.6(c)((2)(i)(K))

Migrant sites are eligible for participation in the SFSP. To confirm migrant status, sponsors must submit information obtained from a migrant organization, which certifies that the site serves children of migrant workers to document its eligibility. If the site also serves non-migrant children, the sponsor must certify that the site predominantly serves migrant children.

**Note:** Sponsors of migrant sites are reimbursed for program meals served to ALL attending children.

### 3. Continuous School Calendar / Year-Round Sites (7 CFR 225.2 Definitions)

A "continuous school calendar" is defined in the SFSP regulations as a situation in which all or part of the student body of a schools is (a) on a vacation for periods of 15 continuous school days or more during October through April and (b) in attendance at regularly scheduled classes during most of May through September.

Some school districts use a calendar that provides less than 15 days for off-track periods. In these situations, State agencies may waive the 15-continuous school day requirement provided that the school system is operating regular class sessions (i.e., not summer school or remedial classes for a portion of the student body) on a year-round basis.

When schools operate on a year-round, or continuous school calendar, the SFSP may offer meals throughout the year to pre-school children and off-track students (i.e., year-round students on vacation at times other than the summer). These sites may be open or closed enrolled sites, located in the school or at other locations.

If operated as an open site at a location other than the school, the meal service must be open to the entire community and must be eligible based on school or census data. In these situations, sponsors are not expected to exclude on-track students, that is, students that are attending school and are not on vacation. Sponsors should plan for or prepare for additional meals and consider adding more site staff to supervise the meal service.

If the site is operating as closed enrolled, meals may be served only to enrolled preschool children and off-track students (at least 50 percent of enrolled participants must be eligible for free or reduced price school meals).

If a year-round site is located in the school, sponsors must be careful not to "double claim" meals or claim SFSP rates for meals served to on-track students participating in the NSLP. Schools that operate both year-round SFSP and school lunch or school breakfast should establish different meal services for the year-round and on-track populations, keep separate meal counts, and develop cost allocation plans for proper proration of overhead and administrative costs between the programs.

### 4. NYSP Sites (7 CFR 225.2 definitions and 225.6(c)(2)(i)(I))

A National Youth Sports Program (NYSP) site may qualify for the program by:

- Determining that 50 percent of the children enrolled reside in geographical areas where poor economic conditions exist;

- Determining that 50 percent of the children enrolled meet the income eligibility guidelines for free or reduced price school meals; or

- Certifying in writing that it meets the income eligibility guidelines of the Department of Health and Human Services (DHHS), which is the primary grantor for NYSP.

The DHHS income eligibility standards for participation in NYSP are stricter than those used to determine eligibility for free or reduced price meals. To qualify for participation in NYSP under DHHS rules, at least 90 percent of the enrolled children must be at or below the Federal income poverty guidelines. Thus, if a site meets this standard and qualifies for DHHS funding, then it will qualify for participation in the SFSP as well.

In addition to certifying in writing that the site meets DHHS income eligibility guidelines, sponsors must review NYSP records to verify that the information is correct.

**5. Upward Bound Programs**

In some cases, Upward Bound programs may be eligible for participation in the SFSP. Sponsors can use documentation of income-eligible Upward Bound participants, provided and certified by an Upward Bound grantee, to document the eligibility of the SFSP closed enrolled sites, residential or non-residential camps. Upward Bound income applications may be used in lieu of the SFSP application to determine income eligibility for all SFSP participants. For example, an income eligible Upward Bound participant is considered income eligible in the SFSP while an Upward Bound participant who is not income eligible for that program would not be considered income eligible in the SFSP. Sponsors should contact their State agency if they have questions on the use of Upward Bound eligibility forms for this purpose.

Here are some examples of acceptable use of Upward Bound forms:

- ⇒ a college or university operates the SFSP in conjunction with Upward Bound during the summer; or
- ⇒ a local government agency that operates Upward Bound and sponsors SFSP during the summer.

## Sponsor Participation In Other Child Nutrition Programs

**The Special Milk Program**
Sponsors may elect to operate the SFSP at some of their sites while operating the Special Milk Program (SMP) at other sites. However, a single site cannot simultaneously participate in the SFSP and the SMP.

Sponsors electing to administer the SMP must enter into a separate agreement with the State agency to operate the SMP at those sites or at those times when they are not participating in the SFSP. The State agency can provide information on operating the SMP.

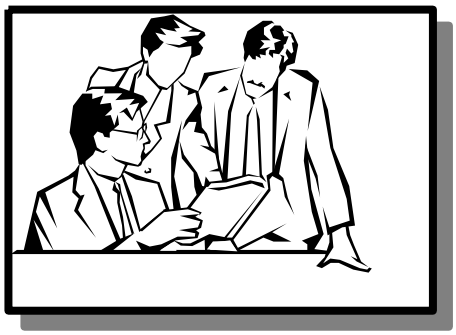
**Child and Adult Care Food Program (CACFP)**
CACFP institutions that have sufficient changes in their activities or enrollment, or develop a separate food service program for children who are not enrolled in their CACFP, and meet SFSP eligibility criteria, may be approved to participate in the SFSP. Institutions that are approved for both the CACFP and the SFSP must ensure that the same children are not served meals in both programs. Separate records must be kept for each program.

**For more information about child nutrition programs, visit the Food and Nutrition Service website at: www.fns.usda.gov/cnd.**

## How Does the SFSP Work in Summer School?

If a sponsor intends to operate the Program at a site where an accredited summer school program is in session, the sponsor must ensure that the food service is open to all children residing in the area served by the site. If a summer school site is not open to the children of the community and provides meals only to enrolled summer school students, the site is not eligible to participate in the SFSP. In this situation, the meals may be reimbursed through the National School Lunch Program and School Breakfast Program.

If a school is only offering enrichment courses that are not considered part of the academic curriculum and do not require mandatory attendance, the school may be eligible to participate in the SFSP as an open or enrolled site.



## Chapter 2 – Evaluating and Selecting Sponsors and Sites

In this chapter, you will find specifics on:

- what to look for when selecting your program sites;
- your operating limitations;
- the Sponsor/Site agreement; and
- requirements to meet before you open the sites.

### Priorities for Selection of Sponsors (7 CFR 225.6(b)(5))

Confusion and waste result when two or more sponsors compete for the same sites or to serve children in the same geographical area. Since such an overlap in service conflicts with program objectives, the State agency usually approves only one sponsor to serve a target population. When determining which of the competing sponsors will serve a target population, the State agency must give priority to:

1. local school food authority sponsors;

2. government and private non-profit organization sponsors that have successfully operated the Summer Food Service Program in a prior year;

3. new government sponsoring organizations; and

4. new private non-profit organization sponsors.

**Note:** If you feel you have a unique situation, contact your State agency for additional assistance when competition poses a significant problem in your area.

### Evaluating an Area

It is important that a sponsor adequately evaluate the needs and resources of the area(s) it hopes to serve prior to making final plans for site operations. In particular, a sponsor should try to determine the type and size of the program that would best meet the needs of the community. As part of the inquiry into the community's needs, a sponsor should:

- ask parks and recreation centers about their summer recreation programs;
- contact youth organizations, including YMCAs, YWCAs, Boys and Girls Clubs, and scout troops about their summer plans;
- contact your local food bank or pantry to ask about opportunities to partner in the community;
- contact minority referral sources and relevant minority organizations in the prospective site area;
- contact other groups and organizations in the area that may be

planning to participate in the SFSP;
- contact local parent groups to determine the level of parental support; and
- ensure that the site is eligible.

After sponsors have made these initial contacts in any area(s) they hope to serve, they will have an easier time evaluating different sites and deciding on the size of their operations. Sponsors will have to make three especially important decisions. They must:

- select the particular sites where they will serve meals to children, closely examining the circumstances if they plan to have several sites in the same neighborhood;
- decide how many sites they will sponsor during the summer; and
- determine how many children they will serve at each site they sponsor.

If sponsors take particular care in making these decisions before their programs start, they may be able to prevent problems that could arise later. Consider consulting your State agency if you have further questions.

## Selecting Sites

Since sponsors must assume administrative and financial responsibility for total program operations at all sites under their supervision, they must be certain that a site can offer a quality meal service before they decide to sponsor that site. Sponsors should not select sites where site supervisors have had a poor performance record in past summers and where supervisors were unable to institute timely corrective action. Depending on the nature of these problems, the State agency may choose not to approve such sites for the Program.

The following paragraphs outline several major issues that should be considered when the sponsor evaluates sites. A Site Selection Worksheet is included in the Reference Section as Attachment 13 and may be useful to sponsors in determining a site's suitability.

### Meal Service Facilities

Sponsors are responsible for choosing the most appropriate facilities available for food service. If sponsors prefer onsite meal preparation, they should visit all sites to:

⇒ make sure that sites are properly equipped with the appropriate facilities and equipment for meal preparation and service for the anticipated number of children; and

⇒ check that sites can meet State and local public health standards and have or can obtain any required health department certification. The sanitation or health inspector from the local health department can

assist in complying with State and local rules and regulations.

Because of the many variables at different sites, the kinds of equipment that will be needed will vary based on the number of children being served and the type of menu being prepared. Attachment 9 provides a chart to assist in determining whether the equipment available is adequate. During the visit, determine the condition of the equipment and, if appropriate, delegate responsibility for maintenance and repairs.

Whether a sponsor plans to have the meals prepared or delivered by a food service management company, school food service, or a central kitchen, the food preparation, holding and delivery capabilities should be checked.

Sponsors should determine whether meals will be served and consumed inside or outside. If regular meal service is outdoors, sponsors must make sure there is adequate indoor space for meal service during inclement weather.

**Site Supervision**

According to program meal service requirements, sponsors should assess how much supervision will be necessary to ensure proper program operations. These supervisory needs will differ from site to site.

**Serving Capacity**

Sponsors need to determine the maximum number of children who can be served at any of their sites. When estimating the number of children to be served at each site, you should consider three factors:

- the site’s administrative capabilities;
- the physical capacity at each site for serving children; and
- the number of children living in the area of each site who are likely to participate.

The importance of estimating as accurately as possible the number of children each site will serve cannot be overemphasized. You can plan your programs adequately only when you know approximately how many children you will serve, and therefore about how much total potential reimbursement you will receive. An excellent way for you to find out the potential number of participating children is by contacting schools and other children's organizations in the areas of your sites. Then determine the number of needy children within a short walking distance of the site.

**Site Activities**

If possible, select sites that offer organized activities during the day. In addition, you should determine whether there are any year-round public service programs in the community that might serve as sites. These sites will usually have facilities that can be used for the meal service and have a permanent staff.

**Number of Sites**

In addition to selecting the sites at which meals will be served, you have to decide how many sites you will administer. This decision will depend greatly on the need for a site in the area, your administrative capabilities as a sponsor, and the size of the programs at the sites. You must be sure to plan to operate programs that are consistent with the size of your administrative staff and the extent of your expertise. A small sponsor with limited administrative experience should carefully place limits on the number of sites where it will offer meals.

## Operating Limitations (7 CFR 225.6(b)(6))

- All sponsors, **except private non-profit organizations**, may be approved for a maximum of 200 sites.

- All sponsors, **except private non-profit organizations**, may be approved for a total average daily attendance at all sites of 50,000 children.

- If a sponsor needs to exceed these levels, the State agency must determine that the sponsor has the capability and facilities for managing a larger operation before waiving these limits.

- Private non-profit organizations may be approved to operate up to 25 sites: urban, rural, or both. They may serve up to 300 children at an approved meal service at any one site. However, the State agency may approve a waiver to allow private non-profit sponsors to operate more than 25 sites and serve up to 500 children per meal service at any one site. To be approved for the waiver the sponsor must demonstrate that it is fully capable of managing more than 25 sites or sites with more than 300 children and there must be no other sponsors in the area that can serve the additional children (over 300).

## Sponsor/Site Agreement

If you plan to administer a multi-site operation with sites that are not under your direct administrative control, you should enter into an agreement with the site supervisor or responsible site official. The agreement should list, in specific terms, the responsibilities of the site supervisor for the food service program, which will make it easier for the site supervisor to understand his/her duties. However, the agreement does not relieve you, as the sponsor, of final administrative and financial responsibility for operating the SFSP at the site. A sample Sponsor/Site Agreement form is included in the Reference Section as Attachment 14.

Site agreements are not applicable to Federal, State, local, municipal, or county government sponsors or private non-profit organizations, as they must directly operate the program at all sites under their sponsorship.

## Pre-operational Requirements

### Health and Sanitation

When sponsors have chosen their prospective sites, they must:

⇒ notify the health department in writing of all prospective site locations; and

⇒ arrange for prompt and regular trash removal.

### Site Visits

Prior to approval, sponsors must visit all new sites and any sites that had operational problems in the previous year. These visits are to determine that the sites have the facilities to provide meal service for the anticipated number of children in attendance and the capability to conduct the proposed meal service. Sponsors should note the date of the pre-operational visit to each site and the name of the person who visited each site. Attachment 32 provides a sample form that can be used to record pre-operational visit information. When they apply for the SFSP, sponsors will have to certify that all required site visits have been conducted. If sponsors wish, monitors may complete the required pre-operational visits. These pre-operational visits must not be confused with required site visits during the first week of program operations (**see Part II, Chapter 2 – Monitoring for a further discussion of these site visits**).

## Chapter 3 – Meal Service

In this chapter, you will find information on:

- different methods to provide meals;
- meal pattern requirements for the meals you serve;
- what to do with leftovers;
- meal service requirements; and
- summer food safety rules.

Before the State agency approves the Program application, a sponsor will have to indicate the method it will use to provide meals to children. Several factors such as the cost of food, the number of meals required, the type of meal service, the number and type of sites, and the facilities available at each site will influence the sponsor's choice.

Sponsors may choose from several methods of providing meals. They may either:

- prepare and assemble their own meals;
- obtain meals from a school food authority; or
- obtain meals from a food service management company.

### Sponsor Meal Preparation

**(7 CFR 225.2 definitions)**

Many sponsors choose to prepare their own meals, which allows the sponsor to have maximum control over the quality of preparation. Depending on the facilities available at its sites, a sponsor may prepare meals at each site location or at a central kitchen. Preparing meals at the site requires that each site have adequate kitchen and storage facilities. Sponsors preparing meals at a central kitchen must decide how they are going to distribute the meals from the central kitchen to the sites, and safely store them until meal service. Sponsors preparing or assembling their own meals either at each site or at a central kitchen will receive higher administrative reimbursement rates. (See Attachment 22 for a sample menu production worksheet.)

### Purchasing Meals From Schools

**(7 CFR 225.15(b))**

If sponsors choose not to prepare meals for their sites, they may enter into a noncompetitive agreement to purchase meals from a school food authority that does not obtain meals or management services from a food service management company. Most schools have meal preparation and service facilities since they serve meals to children during the school year. Also, experienced school food service personnel are often available for summer jobs. If meals for the summer program will be prepared in schools that participate in the National

School Lunch Program (NSLP) or School Breakfast Program (SBP), the State agency can permit the service of meals that meet the requirements of these programs rather than the SFSP meal patterns.

If a sponsor wishes to exercise this option, a request for permission should be submitted to the State agency along with the application for program participation. Sponsors that wish to obtain their SFSP meals from a school should contact their local superintendent of schools, or the principals of local non-profit private schools. (**See Part III – Food Service Management Companies, for additional information on soliciting local schools**.)

Such an arrangement will require either a written agreement or a contract between the sponsor and the school food authority. Attachment 7 in the Reference Section includes a sample agreement between the school and sponsor to furnish prepared meals.

## Purchasing Meals From a FSMC

**(7 CFR 225.6(g)(2))**

All SFSP sponsors may choose to contract with a food service management company or with a school to obtain their meals. Generally, sponsors may **not** contract with a school using a food service management company. However, it may be permissible if the school's Invitation for Bid and/or the contract with the food service management company included the provision of SFSP meals.

**Consult Part III – Food Service Management Companies of this guide, for additional information**. That part explains the various requirements and procedures that such sponsors must follow when they are contracting with a food service management company.

## Commodities

**(7 CFR 225.9(b))**

The following sponsors are eligible to receive donated commodities under the SFSP:

- Sponsors preparing meals onsite or at a central kitchen
- Sponsors purchasing meals from a school food authority that participates in the NSLP
- School food authority sponsors that procure their SFSP meals from the same food service management company that competitively provided their most recent NSLP and/or SBP meals

The State agency will provide information about currently available commodities to all eligible sponsors.

**Unitized Meals**

**(7 CFR 225.6(h)(3))**

Food service management companies and school food authorities contracting to prepare SFSP meals must provide unitized meals to the sponsors' site(s) unless the State agency has approved a waiver of the unitized meal requirement. The unitized meal requirement specifies that the meal components (except the milk or juice) must be packaged, delivered, and served as a unit. Milk or juice, which may be packaged and provided separately, must be served with the meal and only such complete meals are reimbursable.

**Number and Type of Meals**

**(7 CFR 225.16(b))**

Regular Open and Enrolled Sites

With State agency approval, sponsors may serve up to two meals or one meal and one snack each day. Allowable meal combinations include:

- Breakfast only
- Lunch only
- Snack only
- Supper only
- Breakfast and lunch
- Breakfast and snack
- Breakfast and supper
- Lunch and snack
- Supper and snack
- Two snacks

Camps and Migrant Sites

With State agency approval, sponsors may serve up to three meals each day or two meals and one snack. Allowable meal combinations include:

- Breakfast, Lunch, Supper
- Breakfast, Lunch, and Snack
- Lunch, Supper, and Snack
- Any combination of meals or snacks that is less than the maximum number allowed

## Meal Pattern Requirements

**(7 CFR 225.16(d))**

The goal of the SFSP is to serve nutritious meals that meet meal pattern requirements and that are appetizing to children. Careful menu planning is necessary to meet this goal. The meal pattern requirements assure well-balanced meals that supply the kinds and amounts of foods that children require to help meet their nutrient and energy needs. The meal patterns establish the minimum portions of the various meal components that must be served to each child in order for the participating sponsor to receive reimbursement for each meal.

**For a breakfast to be a reimbursable meal, it must contain:**

- one serving of milk;
- one serving of a vegetable or fruit or full-strength juice; and
- one serving of grain or bread.
- A meat or meat alternate is optional.

**For a lunch or supper to be a reimbursable meal, it must contain:**

- one serving of milk;
- two or more servings of vegetables and/or fruits;
- one serving of grain or bread; and
- one serving of meat or meat alternate.

**For a snack to be a reimbursable meal, it must contain two food items. Each item must be from a different food component. However, juice cannot be served when milk is served as the only other component**.

The following chart shows the required food components for each meal type with the minimum required serving sizes. This chart is also provided as Attachment 4.

## Summer Food Service Program Meal Patterns

| Food Components | Breakfast | Lunch or Supper | Snack[1] (Choose two of the four) |
|---|---|---|---|
| **Milk** | | | |
| Milk, fluid | 1 cup (8 fl. oz.)[2] | 1 cup (8 fl. oz.)[3] | 1 cup (8 fl. oz.)[2] |
| **Vegetables and/or Fruits** | | | |
| Vegetable(s) and/or fruit(s) | ½ cup | 3/4 cup total[4] | 3/4 cup |
| or | | | |
| Full-strength vegetable or fruit juice or an equivalent quantity of any combination of vegetables(s), fruit(s), and juice | ½ cup (4 fl. oz.) | | 3/4 cup (6 fl. oz.) |
| **Grains and Breads[5]** | | | |
| Bread | 1 slice | 1 slice | 1 slice |
| or | | | |
| Cornbread, biscuits, rolls, muffins, etc. | 1 serving | 1 serving | 1 serving |
| or | | | |
| Cold dry cereal | 3/4 cup or 1 oz.[6] | | 3/4 cup or 1 oz.[6] |
| or | | | |
| Cooked pasta or noodle product | ½ cup | ½ cup | ½ cup |
| or | | | |
| Cooked cereal or cereal grains or an equivalent quantity of any combination of grains/breads | ½ cup | ½ cup | ½ cup |
| **Meat and Meat Alternates** | (Optional) | | |
| Lean meat or poultry or fish or alternate protein Product [7] | 1 oz. | 2 oz. | 1 oz. |
| or | | | |
| Cheese | 1 oz. | 2 oz. | 1 oz. |
| or | | | |
| Eggs | 1/2 large egg | 1 large egg | 1/2 large egg |
| or | | | |
| Cooked dry beans or peas | ¼ cup | ½ cup | ¼ cup |
| or | | | |
| Peanut butter or soynut butter or other nut or seed butters | 2 tbsp. | 4 tbsp. | 2 tbsp. |
| or | | | |
| Peanuts or soynuts or tree nuts or seeds | 1 oz. | 1 oz.= 50%[8] | 1 oz. |
| or | | | |
| Yogurt, plain or sweetened and flavored | 4 oz. or ½ cup | 8 oz. or 1 cup | 4 oz. or ½ cup |
| or | | | |
| An equivalent quantity of any combination of the above meat/meat alternates | | | |

For the purpose of this table, a cup means a standard measuring cup.
Indicated endnotes can be found on the next page.

**Endnotes**

1. Serve two food items. Each food item must be from a different food component. Juice may not be served when milk is served as the only other component.

2. Must be served as a beverage, or on cereal, or use part of it for each purpose.

3. Must be served as a beverage.

4. Serve two or more kinds of vegetable(s) and/or fruit(s) or a combination of both. Full-strength vegetable or fruit juice may be counted to meet not more than one-half of this requirement.

5. All grain/bread items must be enriched or whole-grain, made from enriched or whole-grain meal or flour, or if it is a cereal, the product must be whole-grain, enriched or fortified. Bran and germ are credited the same as enriched or whole-grain meal or flour.

6. Either volume (cup) or weight (oz.), whichever is less.

7. Must meet the requirements in Appendix A of the SFSP regulations.

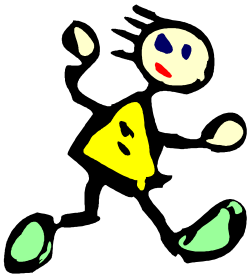
8. No more than 50 percent of the requirement shall be met with nuts or seeds. Nuts or seeds shall be combined with another meat/meat alternate to fulfill the requirement. When determining combinations, l oz. of nuts or seeds is equal to 1 oz. of cooked lean meat, poultry, or fish.

## Meal Pattern Exceptions

SFSP sponsors may, in certain cases, be approved to serve meals that meet the meal pattern requirements of other Child Nutrition Programs:

**Infant Meals (7 CFR 225.16(f)(2))**

Because an infant's first year's dietary needs are individually prescribed and may be more complicated than those for toddlers and older children, sponsors must receive prior approval from the State agency to serve meals to infants 1 year of age and younger. All meals served to infants must comply with infant meal pattern requirements in Section 226.20(b) of the Child and Adult Care Food Program (CACFP) regulations. Your State agency can assist you in making sure that your meals comply with these requirements if you serve infants.



**Meals for Children Aged 1 to 6 (7 CFR 225.16(f)(2))**

SFSP regulations allow for the adjusting of meal portion sizes for younger children. The sponsor must demonstrate to the State agency that it can control portion sizes and follow the age-appropriate meal pattern requirements for children in Section 226.20(c) of CACFP regulations.

**Meals for Children Aged 12 to 18 (7 CFR 225.16(d))**

The meal patterns specify the minimum portion of each food component for each meal or snack. Because teenagers have greater food needs, sponsors may serve adult-size portions to older children.

**Meals Prepared in Schools (7 CFR 225.16(f)(1)(i))**

Schools participating in NSLP or SBP are accustomed to preparing meals that meet Federal nutritional requirements. Sponsors serving meals that are prepared in schools may, with prior State agency approval, use the meal requirements of those programs instead of the SFSP meal patterns. Sections 210.10 and 210.10(a) of NSLP regulations and Sections 220.8 and 220.8(a) of SBP regulations describe requirements for school meals.

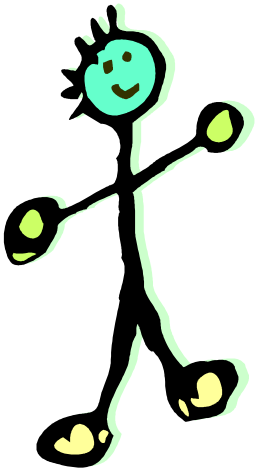
**Offer Versus Serve (7 CFR 225.16(f)(1)(ii))**

Offer versus serve (OVS) in SFSP can simplify Program administration for school-sponsored sites while maintaining the nutritional integrity of the SFSP meal that is served. All school-sponsored sites, regardless of the location of the sites, may use OVS in SFSP. School sponsors operating breakfast programs at school sites that want to implement OVS must follow SBP meal requirements. Otherwise, the nutritional content of the breakfast may be compromised. For lunch or supper, the school sponsor may follow the SFSP meal pattern or request approval from the State agency to continue to use the menu-planning option it uses for school lunches. Each child who participates must be offered a complete meal. OVS is not available for snacks.

## Leftover Meals or Components

**(7 CFR 225.15(b))**

All sponsors must plan, prepare or order meals with the objective of providing one meal per child at each meal service, and must ensure that entire meals and food components are not often left over and unusable. You will want to minimize the amount of waste and unusable leftovers. Some suggestions for avoiding loss or at least reducing the amount of loss are discussed below:



- Sponsors should be monitoring sites' reports of the number of children attending the sites and the number of meals being delivered to sites to reduce waste and cost.

- A limited number of second meals **served as a unit** can be claimed for reimbursement, as long as the total number of second meals does not exceed 2 percent of first meals served by the sponsor for all sites during the claiming period.

- Extra meals can be transferred, if allowed by the local health code, from a site with too many meals to a site with a shortage, keeping in mind that meals in excess of the receiving site's approved meal level are not reimbursable.

- Designate a "sharing table" or stations where children may return whole items that they choose not to eat, provided that this is in compliance with local and State health and safety codes. These items are then available to other children who may want additional helpings. This practice may be facilitated by serving meal components so that they can be easily "recycled." For example, if sandwich halves are wrapped separately, a child can return an uneaten half to the sharing table.

- Where equipment is available, complete meals and nonperishable components that remain on a sharing table can be stored under refrigeration for subsequent service. Please note that all recycled food items must be stored in accordance with local health codes, and must be documented.

- The form of the food should be suitable to the age of the children so that it can be easily consumed within the meal service period. For example, if fruit is cut into smaller pieces, it is easier for young children to eat.

Sponsors may still find their sites with leftover meals or food items, despite diligent efforts to prepare or order the appropriate number of meals, adjust portion sizes, encourage consumption of all meal components, and refrigerate leftovers for later service. Other options for avoiding waste and disposing of leftovers should be explored. If health and food service codes permit, such options could include donations to homeless shelters, food pantries, or other types of facilities that serve meals or distribute food to needy persons. Sponsors electing to do so should request guidance from the State agency on including the cost of such donated meals or components in their total operating costs for claiming purposes.

## Requirements for Meal Service

**(7 CFR 225.6(e), 225.15(b), and 225.16)**

In addition to serving meals that meet meal pattern requirements, sponsors must be certain that they comply with the following rules when serving meals at each of their sites:

- Serve the same meal to all children. (This means all children receive a meal meeting the meal pattern requirement, not that all meals must be identical in every component.)

- Except where permitted by the State agency, ensure that children eat all meals **onsite**. Your State agency may allow items from the fruit/vegetable component of the meal pattern to be taken off-site. Sponsors should check with State agency staff before allowing any fruits or vegetables to be taken off-site. If the State agency permits this practice, sponsors may allow this option for sites. However, sponsors should allow this only at sites where there is enough staff to monitor this practice. Finally, site personnel must be sure to supervise all children on the site while they are eating meals.

- Ensure that all children in attendance at the site receive one meal before any child is served a complete second meal, or any adult meals are served.

- Adhere to local health and sanitation regulations.

- Make adequate arrangements for food service during inclement weather if meals are usually served at an outdoor site.

- Serve meals during the times of meal service submitted on the Site Information Sheet and approved by the State agency. The State agency must approve any changes in meal service times.

**Serving Meals Family Style**

Serving family style meals can help children develop good eating habits through the personal example provided by supervising adults. A family style meal service can work well at camp sites if adults are available to assist children during the meal and if staff and children are together for an extended period of time to provide a relaxed, stable environment conducive for teaching good eating habits. Family style service should not be used at other types of sites.

If a family style service is allowed by State agencies at camp sites, sponsors should make sure that:

- Enough food is placed on each table to provide minimum portions of all required meal components;
- Some amount of each required component must be placed on each child's plate and the minimum amount required by the meal pattern must be offered; and
- Staff should actively encourage children to accept the full portion during the meal.

For more information on family style service, consult FNS Instruction 783-3, rev. 1, Family Style Meal Service in the Summer Food Service Program.

**Field Trips in the SFSP**

- If the site is planning a field trip that affects the time or location of the meal service, the sponsor must notify the vendor, if applicable, and the State agency in advance. Along with written notice, it may be helpful to provide a calendar with scheduled field trips listed.

- Sponsors must notify the State agency of any changes (additions and/or cancellations) to scheduled field trips.

- If the State agency is not notified prior to the field trip, meals served may be considered "consumed off-site" and not be reimbursed.

- Sponsors must carefully ensure the safety and quality of the meals

by using adequate storage equipment to transport them.

**Time Restrictions**

**(7 CFR 225.16(c))**

In addition to making sure that meals served meet the meal pattern requirements, sponsors should be aware of time restrictions for meal service. **Except for residential camps, as a sponsor you must ensure that:**

- 3 hours elapse between the beginning of one approved meal service (including snacks) and the beginning of another.
- 4 hours elapse between lunch and supper when a migrant or day camp site serves lunch and supper, with no afternoon snack between the two meals.
- Supper begins before 7:00 p.m. (unless the State agency grants a waiver) and, in all cases, must end by 8:00 p.m.
- The serving period for lunch and supper does not exceed 2 hours.
- The serving period for breakfast and snacks does not exceed 1 hour.

**Note:** If you feel that any of these rules present a barrier to participation in SFSP, please contact your State agency for an exception request to the general rule. The State agency must always ensure that food safety and oversight are adequate.

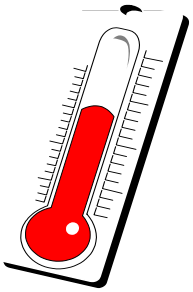
In addition, all sites participating in the program must:

- Arrange for delivery if the meals are not prepared at the site and arrange for storing the meals according to standards prescribed by local health authorities until mealtime. If the meals are not prepared onsite, the State agency will not approve meal service at that site unless either:

  ⇒ meals can be delivered no more than 1 hour prior to the beginning of the meal service, or

  ⇒ proper facilities exist onsite for storing the food.

## Keep These Food Safety Rules in Mind



- Keep hot foods HOT! (Keep food at 140 °F or above)
- Keep cold foods COLD! (Refrigerate or chill food at 41 °F or below)
- Keep frozen food in a freezer at 0 °F or lower.
- Be sure thermometers are available and use them properly.
- Cook hazardous foods to proper internal temperatures. Use a meat thermometer.
- Do not partially cook food one day and complete cooking the next day.
- Prepare sandwiches and salads with a minimum amount of handling. Use disposable plastic gloves.
- Promptly refrigerate or freeze leftovers. Divide large quantities into smaller containers or use shallow pans, and cover loosely for quick cooling. Once cooled, tightly cover and date leftovers.
- Reheat leftovers to at least 165 °F.
- Maintain proper holding temperatures of 140 °F or above.
- Thaw poultry and meat in a refrigerator and not on counters. Refreeze only if ice crystals are still present.
- Never let perishable food reach a temperature between 41 °F and 140 °F. Discard food if it does.
- Keep meals and milk not being served at the time in the refrigerator or cooler at a temperature of 41 °F or below. Hot meals should be in a warming unit or insulated box at a holding temperature of 140 °F or more.
- Empty garbage cans daily. They should be kept tightly covered and thoroughly cleaned. Use plastic or paper liners.
- Remember that you cannot determine food safety by sight, taste, odor, or smell. If there is *any* doubt, throw the food away.
- Follow instructions exactly on how to use and clean kitchen equipment.
- Train food service employees on the safe use of all types of equipment and on personal hygiene.
- Keep a fire extinguisher and first-aid kit handy and instruct all personnel in their use.

# Chapter 4 – Staffing

In this chapter, you will find information on:

- determining the staff members needed to effectively run your program; and
- what the staff members' responsibilities are.

The size and type of a sponsor's Summer Food Service Program (SFSP) will dictate many of the sponsor's staffing needs. Depending on a sponsor's program, many positions will require only part-time employment, particularly in the planning and close-out phases. The need for record-keeping personnel varies according to the size of the program. To meet program monitoring requirements, USDA recommends one monitor for every 15 to 20 sites in urban areas. The number of monitors necessary for rural sites may increase depending upon the geographic area to be covered. Also, varying opening and closing dates of individual site operations affect staffing needs. In every case, however, the sponsor must provide adequate personnel for overall program management and monitoring.

## Staff Duties

For guidance on staff duties, refer to the list of responsibilities by position that follows. Small programs will not need a different person for each of the duties described. Sponsors needing more specific staffing guidance should consult their State agency.

### Director's Responsibilities

- Attend State agency training
- Provide overall management and supervise the SFSP
- Select sites
- Submit applications/agreements to State agency
- Correspond with State agency
- Coordinate with other agencies and conduct outreach efforts
- Hire, train, and supervise staff
- Arrange for food preparation or delivery
- Ensure that all monitoring requirements are met
- Adjust meal orders
- Submit reimbursement vouchers
- Ensure civil rights compliance
- Handle all agreements and contracts, bidding, and negotiations with vendors for purchased meals

**Assistant Director's Responsibilities** (large program only; otherwise these duties should be undertaken by the Director)

- Provide initial and ongoing training for sponsor and site personnel
- Design forms for record-keeping purposes
- Maintain liaison with vendor to adjust meal delivery
- Check reimbursement vouchers
- Maintain time and attendance records of staff
- Maintain records on number of meals served

**Area Supervisor's Responsibilities** (very large program only; otherwise these duties should be undertaken by the Director or Assistant Director).

- Schedule monitors' visits
- Check monitors' reports
- Prepare weekly summaries of monitoring efforts
- Provide ongoing training for monitors
- Visit sites with monitors
- Determine need for and following through on corrective action
- Review the meal counts submitted by sites for unusual meal count patterns, e.g., first meals always or usually equals meals delivered

The area supervisor is in charge of several monitors and reports site problems to the Director or Assistant Director.

**Bookkeeper's Responsibilities**

- Maintain records on the following:
  - Daily site reports, invoices, and bills
  - Food costs
  - Labor costs
  - Administrative costs
  - Other costs
  - Program income
- Prepare reimbursement vouchers
- Prepare payroll
- Purchase office supplies

## Monitor's Responsibilities

- Check onsite operations to ensure that site personnel maintain records
- Ensure the program operates in accordance with the requirements
- Visit all sites within the first week of food service operations
- Review food service operations of all sites within the first 4 weeks of operation
- Prepare reports of visits and reviews
- Revisit sites as necessary
- Suggest corrective actions for problems encountered
- Ensure that the site takes corrective actions
- Conduct onsite training as necessary

The monitor visits sites on a regular basis and observes meal service operations. At a minimum, one monitor is needed for every 15 to 20 sites. **See Part II, Chapter 2 -- Monitoring of this guide, for more details**.

Monitors are critical to the successful operation of your SFSP sites. They are your “eyes and ears”, providing valuable feedback to you about how the sites are operating by visiting sites on a regular basis and observing meal services. As such, monitors are administrative staff, and you must account for their salaries and other expenses as administrative costs. (For more information about categorizing costs, see Part II, Chapter 5, Recordkeeping.)

## Site Supervisor's Responsibilities

- Serve meals
- Clean up after meals
- Ensure safe and sanitary conditions at the site
- Receive and account for delivered meals
- Ensure that children eat all meals onsite
- Plan and organize daily site activities
- Implement alternate food service arrangements during inclement weather
- Take accurate meal counts (at point of service unless an alternate system that provides an accurate count has been approved by the State agency)

## Chapter 5 – Application

In this chapter, you will find specifics on:

- applying to become a SFSP Sponsor;
- how applications are approved;
- what to check for on the program agreement before signing;
- what happens if an application is denied;
- what a sponsor may appeal; and
- a planning checklist.

Potential sponsors must submit an application to the State agency before the agency's deadline date. Applicants should be certain that they have filled out the application completely and that they have forwarded all of the necessary supporting documentation to the State agency. Incomplete applications will cause a delay in approval of the sponsor.

### Requirements

**(7 CFR 225.6(c))**

Federal regulations (7 CFR 225.6(c)(1)) allow State agencies to exempt standard application procedures for those sponsors that want to provide program benefits in times of emergencies (i.e., unanticipated school closures from October through April or at any time during the year for an area with a continuous school calendar). These sponsors may be exempted from filing an application if they have participated in the SFSP in the current year or in either of the two previous calendar years.

Federal regulations (7 CFR 225.6(c)(2) and (3)) also allow State agencies to vary application requirements based on their assessment of sponsors' experience or expertise in operating the program. For new sponsors or those sponsors that have had operational problems, a State agency will require more detailed information on the site information sheets. For other sponsors that the State agency considers to be experienced in operating the program, less information may be required. Since this regulatory change is optional, not all State agencies may adopt this variation in application processing. (See Attachment 8, which shows how the regulatory requirements for site information sheets differ between new and experienced sponsors/sites.)

A list of application requirements cannot be all-inclusive, since variations occur with each State agency and with the nature of different food services. However, the following list indicates the

basic application requirements that sponsors must satisfy.

1. **Submit documentation of tax-exempt status** under the Federal Internal Revenue Code of 1986 if they are private non-profit entities. **Note: church sponsors are not required to provide Federal tax-exempt documentation; however, they are required to provide proof of State non-profit status.**

2. **Demonstrate adequate administrative and financial responsibility to manage an effective food service.**

3. **Provide a site information sheet for each proposed site.** The site information sheet includes documentation of eligibility and meal service times and capabilities for each site, or, if the sponsor qualifies as a camp, documentation of the number of children enrolled in its program who are eligible for free or reduced price school meals. Attachment 4 displays information that new vs. experienced sponsors are required to include on site information sheets.

   **(See also Part I, Chapter 1 – Eligibility for documenting open, restricted open, and closed enrolled site eligibility**.)

4. **Provide a written policy statement on free meals.** This policy statement, which must be approved by the State agency, explains that:

   - meals are free to enrolled children who are documented as eligible for free or reduced price school meals according to the income eligibility guidelines for the NSLP and SBP; and

   - the same meal is served to all enrolled children regardless of reimbursement status and without discrimination against any child because of race, color, national origin, sex, age or disability.

   Camps that charge separately for meals must also:

   - explain that the camp uses USDA's eligibility standards for family size and income levels at the level of reduced price school meals;

   - describe how the camp accepts income eligibility applications from campers and assure that children whose families receive food stamp, FDPIR, or TANF benefits are automatically eligible for free meals;

- describe how the camp will collect payments from children who must pay the full price for their meals and how the camp ensures that children receiving free meals are not overtly identified;

- assure that the camp has a hearing procedure for families who want to appeal a denial for eligibility of free meals; and

- assure that if a family requests a hearing, the child will continue to receive free meals until a decision is made by the hearing official.

5. **Sign a program agreement with the State agency**.

6. **Provide a copy of a proposed media release with the application**. The application cannot be approved without it. Once the media release statement is approved by the State agency, it must be provided to media outlets (e.g., newspapers, television and radio stations) serving the area where the SFSP sites are located.

   The purpose of the media release is to announce the availability of free meals, the nondiscrimination policy, and complaint procedures if an individual wishes to file a complaint for violation of non-discrimination policy. Enrolled sites and camps must include the reduced price income eligibility guidelines in the media releases. Children who are part of households that receive food stamps, FDPIR, or TANF benefits are categorically eligible for free meals. However, TANF households are categorically eligible only if the States' TANF program utilizes income eligibility criteria at or below what was used in AFDC.

   Attachment 12 provides sample news releases, one for open and one for closed enrolled sites. In addition to the information that is required to be included in the media release, we encourage sponsors to include other relevant information, such as activities that will be provided for children at the SFSP sites.

7. **Submit a complete management plan that includes staffing needs and an administrative budget**. Sponsors will need to indicate the number of people who will be working in each position, the number of hours per day each will work, and the total estimate for employee salaries, including hourly wages and fringe benefits. Sponsors should complete their

administrative budgets after estimating the potential amount of Program payments they will receive during the summer. **(See Part II, Chapter 4 for more information on how to estimate Program income.)**

8. **Apply for advance payments**. These are payments that may be received before the program begins to pay for administrative and operating costs that are incurred before the program starts. **(Advance payments are explained in detail in Part II, Chapter 4 -- Program Payments.)**

9. **Certify that a training program will be conducted for monitor and site personnel**. Include information explaining when the training will be held and the topics that will be discussed. **(Part II, Chapter 1 -- Training contains an in-depth explanation of this training requirement.)**

10. **For sponsors that plan to use a food service management company to provide meals, provide a copy of the invitation for bid; for sponsors that plan to use a school food authority to provide meals, provide the proposed agreement**. Sponsors should also submit plans for advertisement for bids, if they intend to contract with a food service management company.

11. **Apply for start-up payments if they are available, and if the sponsor wants to receive them**. Start-up payments are described in Part II, Chapter 4 -- Program Payments.

12. **Certify that they will directly operate the food service at each of their sites if the sponsor is a governmental entity or a private non-profit organization**.

**Deadline for Submitting Applications**

**(7 CFR 225.6(b)(1))**

The deadline for submitting a written application to operate the SFSP in the summer months is June 15. However, State agencies may establish earlier deadlines. Sponsors that apply to operate the program during emergencies are exempt from application deadlines.

**Approval of Applications**

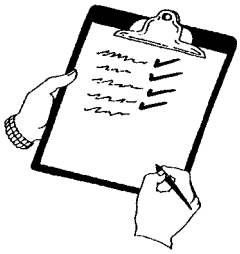
**(7 CFR 225.6(b)(3)**

During the approval procedure, the State agency will communicate with the sponsor's director in writing and by phone. If the application is incomplete, the State agency must notify the applicant within 15 days and help the applicant complete the application process. The State agency must approve or deny any complete application within 30 days after receiving the application.

**State - Sponsor Agreement**

**(7 CFR 225.6(e))**

At the time it approves sponsors to operate the program, the State agency will complete and sign a program agreement with each sponsor. The agreement should be read carefully before being signed, since it is a legally binding document that specifies the rights and responsibilities of both the sponsor and State agency. When they receive the completed agreement back from the State agency, sponsors should be certain to check the following items:



- **The approved administrative budget:** this budget will include the levels of potential administrative costs approved by the State agency and will be based on the budget submitted by the sponsor. The approved budget does not imply in any way that sponsors will be reimbursed for the full amount of each budgeted item, but rather specifies the areas of administrative costs that will be allowable. If a sponsor finds that the levels approved in the administrative budget are inadequate, it may amend the budget with the approval of the State agency. However, all costs must be documented in order to be claimed.

- **The approved list of sites:** the agreement will include a list of approved sponsor sites. Only meals served and consumed at these sites will be eligible for program reimbursement. Sites may be added or deleted later with the approval of the State agency.

- **The approved meal service(s) at each site:** the agreement will specify the type(s) of meals approved for each site. You will not receive any reimbursement for the service of any meal type that is not approved by the State agency.

- **The approved time of meal service:** the agreement will include the approved time of meal service for each site. Sponsors will not receive reimbursement for meals served outside of meal service times unless approved by the State agency.

- **The approved level(s) of meal service for each site serving vended meals:** the agreement will include an approved maximum level of meals for each type of meal service at each vended site. (This approved meal level is discussed in **Part III -- Food Service Management Companies** of this guide.) Those meals served that exceed the approved level at any meal service will not be eligible for reimbursement. If you determine that an approved level is too low, you should seek an adjustment by contacting the State agency.

Most important, you will be able to receive reimbursement **only** for meals that are served **after** they have been approved for program operations. Sponsors must be certain that they have been approved **before** they begin their meal service.

Before program operations begin, sponsors must submit to the State agency a copy of their letter notifying the local health department of their intention to provide a food service at specific times at planned sites.

## Appeal Rights

**(7 CFR 225.6(b)(3) and 225.13)**

Any sponsor that is denied participation in the program may obtain a review by an official other than the one directly responsible for the original determination. At the time of the denial, the State agency must tell the sponsor whom to contact for a review.

You may also appeal the following State agency actions:

- denial of sponsor's request for an advance payment;

- denial of a sponsor's claim for reimbursement (except on decisions made by FNS with respect to late claims or upward adjustments);

- termination of a sponsor's (or a site's) participation in the program;

- denial of a sponsor's site application;

- if applicable, denial of a food service management company's application for registration or the revocation of a food service management company's registration;

- claim against a sponsor for remittance of a payment; and

- refusal by the State agency to forward to FNS an exception request by the sponsor for payment of a late claim or a request for an upward adjustment to a claim.

**Planning Checklist**

A checklist which summarizes the planning activities described throughout Part I of this guide is included as Attachment 11.

## Chapter 6 – Questions and Answers

**1. What requirements must I meet to become a sponsor of the Summer Food Service Program?**

The first requirement is that your sponsoring organization must be a public or private non-profit school food authority, or a public or private non-profit college or university, or a public or private non-profit residential summer camp, or a unit of local, county, municipal State or Federal Government, or any other type of private non-profit organization. Also, all sponsors must be tax exempt and must demonstrate the administrative and financial ability to manage a food service effectively. In addition, most sponsors must provide a year-round public service to the area in which they intend to provide the SFSP.

**2. At what types of sites can meals be served?**

Meals can be served at open, restricted open, closed enrolled, migrant, or NYSP sites, or at residential or nonresidential camps.

**3. Are there any pre-operational requirements I must fulfill once I have chosen my prospective sites?**

Yes. Once prospective sites have been chosen, the health department must be notified in writing of all prospective site locations and arrangements for prompt and regular trash removal must be made. Further, all sites must be visited to determine that they have the facilities to provide meals for the anticipated number of children in attendance and the capability to serve SFSP meals.

**4. What are my choices of meal preparation methods to use when providing meals to children?**

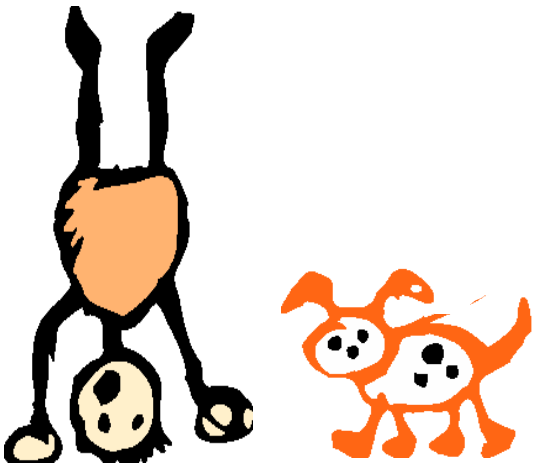
Sponsors may choose from several methods of meal preparation when providing meals. They may either prepare and assemble their own meals, or obtain meals from a school food authority or from a food service management company.

**5. How many and what type of meals can I serve each day?**

Open, restricted open, or closed enrolled sites may be approved to serve up to two meals each day, either breakfast and lunch or lunch and a snack. Camps and sites serving primarily children of migrant families may serve up to three meals or two meals and one snack with State agency approval.

**6. What are the meal pattern requirements for the meals I serve to children?**

The goal of the SFSP is to serve nutritious meals that meet meal pattern requirements and that are appealing to children. The meal pattern establishes the minimum portions of each component that need to be served to each child for a reimbursable meal. Breakfast must contain one serving of milk, one serving of a vegetable or fruit or full-strength juice and one serving of grain or bread. A meat or meat alternate is optional. A lunch or a supper must contain one serving of milk, two or more servings of vegetables and/or fruits, one serving of grain or bread and one serving of meat or meat alternate. A snack must contain two food items from different food components. However, juice cannot be served when milk is served as the other component. See the meal pattern chart in this part to see required food components for each meal type and the minimum required serving sizes.



**7. What are the other requirements for the meals I serve to children?**

Besides serving meals that meet meal pattern requirements, sponsors must be certain that: all children eat all meals onsite (unless the State agency allows the fruit/vegetable component to be taken off-site and the sponsor approves sites with adequate supervisory staff), and all children receive one meal before any child is served a complete second meal. Also, sponsors must adhere to local health and sanitation regulations, make adequate arrangement for food service during inclement weather, serve meals during the approved times of meal service and notify the State agency if the site is planning a field trip.

**8. Are there time restrictions for any of the meals I serve?**

Yes. Except for residential camps, sponsors must ensure that 3 hours elapse between the beginning of one approved meal service (including snacks) and the beginning of another. Also, 4 hours must elapse between lunch and supper when a migrant or day camp site serves lunch and supper with no afternoon snack between the two meals. Further, supper must begin before 7:00 p.m. and end by 8:00 p.m. The serving period for lunch and supper must not exceed 2 hours and the serving period for breakfast and snacks must not exceed 1 hour.

**9. What things should I consider when deciding my staffing needs?**

It is very important for the sponsor to provide adequate personnel for overall Program management and monitoring in order to fully comply with Program requirements. Depending on a sponsor's program, many positions will require only part-time employment, particularly in the planning and closeout phases. The need for record keeping personnel varies according to the size of the program. To meet Program monitoring requirements, USDA recommends one monitor for every 15 to 20 sites in urban areas. The number of monitors necessary for rural sites may increase depending upon the geographic area to be covered. Also, varying opening and closing dates of individual sites affect staffing needs. In every case the sponsor must provide adequate personnel for overall Program management and monitoring.

**10. What do I need to do to apply to participate in the SFSP?**

Contact your State agency and they will supply you with a sponsor application. Make sure to submit the application to the State agency before the agency's deadline date. Applicants should be certain that they have filled out the application completely and that they have

forwarded all the necessary supporting documentation. Incomplete applications will cause a delay in approval of the sponsor.

**11. What happens when I'm approved to participate in the SFSP?**

When a sponsor is approved to participate in the SFSP, the State agency will complete and sign a program agreement with each sponsor. The agreement should be read carefully before being signed, since it is a legal binding document that specifies the rights and responsibilities of both the sponsor and State agency. When the completed agreement is received back from the State agency sponsors should be certain to check the approved administrative budget, approved list of sites, approved meal service(s) at each site, approved meal service time, and approved level(s) of meals service for each site serving vended meals.

# PART II – ADMINISTERING THE PROGRAM

Once sponsors are approved, they must operate the Summer Food Service Program (SFSP) according to:

- Federal regulations;
- SFSP instructions, circulars and guidance materials; and
- applicable State and local laws.

See Attachment 5 for a list of current SFSP Federal Policies. Check with your State agency about any changes in SFSP policies.

## Chapter 1 – Training

In this chapter, you will find information on:

- training requirements for you and your staff; and
- specific training needs for administrative staff, site staff, and monitors.

Training is one of the sponsor's major administrative responsibilities. A smoothly operating program will require that sponsors provide training throughout the summer. A comprehensive training effort, including weekly or biweekly meetings on program requirements, will help to make certain that monitor, site and administrative personnel are performing according to program regulations, that all meals will be eligible for reimbursement, and that accurate and adequate records are available to document the costs and meals claimed.

To enhance this training effort, a communications network (both internal and external) should be established with the State agency, the school vendor or food service management company, the in-office staff members, the monitors, and the site staff. For example, meetings and telephone contacts with site and monitor staff will provide them with opportunities to ask questions about and discuss site operations, and will give sponsors a chance to provide specific training on any problem area. In addition, discussions of job descriptions and explanations about the organizational structure enable staff members to understand their own responsibilities as well as those of their coworkers.

**Sponsor Requirements**

**(7 CFR 225.7(a) and 225.15(d)(1))**

You are required to attend State agency training and then train both your administrative staff and site staff before they undertake their responsibilities. However, sponsors that provide SFSP meals during emergency school closure situations (from October through April or anytime of the year in an area with a continuous school calendar) may be exempted from the State agency annual training. Because these staff groups have different program responsibilities, most sponsors will want to offer two different training sessions so that they can stress each group's specific functions. All staff should receive a letter or flyer announcing the date, time, location, and importance of attending the training session that has been planned for their particular function. You should also remind staff shortly before the date of the session. For each training session that you offer to your administrative and site staff, you must record the date, names of the attendees, and document the topics covered. See Attachment 15 for training checklists for administrative, monitor, and site staff training sessions.

**Administrative Staff**

**(7 CFR 225.15(d)(1)**

The training session that you offer your administrative staff will explain the responsibilities and duties of all sponsor personnel who are helping to administer the SFSP at the sponsor level. These personnel include the office staff (assistants, clerks, bookkeepers, and secretaries), area supervisors, and most importantly, monitors.

The specific training needs of sponsor administrative staff will vary, so you may need to cover specific areas of the training in greater depth with different employees. However, all your training for administrative staff should cover the following topics and use the training materials listed in the sample outline. This outline is also provided in the Reference Section as Attachment 15.

1. Begin with general explanation of the program, emphasizing the following topics (use Administrative Guidance for Sponsors).

    a. Purpose of the program
    b. Site eligibility
    c. Record-keeping requirements
    d. Organized site activity
    e. Meal requirements
    f. Nondiscrimination compliance

2. Describe how the program will operate within the framework outlined in this guide (use the menu schedule, sample delivery receipts and sample daily reporting forms for sites).

    a. How meals will be provided
    b. The delivery schedule (if applicable)
    c. What records are kept and what forms are used

3. Outline the specific duties of monitors (use monitor review form and visit report and the mileage log).

    a. Conducting site visits/reviews
    b. Sites for which they are responsible
    c. Monitoring schedule
    d. Reporting procedure
    e. Follow-up procedure
    f. Office procedures

**Monitor Personnel**

Monitors should be present at both the site and administrative training meetings to ensure a good grasp of program operations at both levels. The sponsor must provide monitors with thorough training because only those monitors knowledgeable in program requirements and duties will be able to provide the kinds of feedback that a sponsor must have. Since the monitors' role is so important for proper program operations and full reimbursement, sponsors should conduct a separate training session for monitors that highlights their specific functions. This training should outline the specific duties of monitors including:

1. Sites for which they will be responsible
2. Conducting site visits/reviews
3. Monitoring schedules
4. Reporting/recordkeeping procedures
5. Follow-up procedures
6. Office procedures
7. Local sanitation and health laws
8. Civil rights
9. Reporting of racial/ethnic data
10. Considerations for personal safety, if necessary

This training outline may be found in Attachment 15. Materials to use include the site visit and review forms, monitor mileage log, Monitor's Guide, and racial/ethnic data form.

**Site Staff**

**(7 CFR 225.15(d)(1)**

**SFSP regulations require that no food service site may operate until personnel at the site have attended at least one of the sponsor's training sessions.** (Note: State agencies may waive this requirement for sponsors that provide program benefits during emergency situations from October through April or at anytime in an area with a continuous school calendar.)

Sponsors must document the attendance at site training sessions and schedule additional sessions for those staff who are absent. Regulations also require that 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. This means that if a site supervisor who has attended the sponsor's training session resigns during the summer, the sponsor is responsible for ensuring that the new site supervisor receives all necessary training before taking charge of the site.

At a minimum, sponsors should be certain that they cover the following topics in the training session for site personnel. (See Attachment 15 for this training outline.)

1) Begin with general explanation of the program (use Administrative Guidance for Sponsors).

   a. Purpose of the program
   b. Site eligibility
   c. Necessity for accurate records
   d. Importance of organized activities at sites

2) Describe how the site will operate.

   a. For sites obtaining meals from food service management companies, school food authorities or sponsor's central kitchen:
      1. meal pattern requirements and types of meal service offered (use planned menus);
      2. delivery schedules (exact times);
      3. adjustments in the delivery amount;
      4. facilities available for storing meals;
      5. who to contact about problems (provide sponsor's name and telephone number); and
      6. approved level of meal service.

b. For sites where meals are prepared onsite:
   1. meal pattern requirements;
   2. inventory (use inventory forms);
   3. meal adjustments (use production records); and
   4. meal preparation adjustments.

3) Explain record-keeping requirements.
   a. Daily record-keeping requirements
   b. Delivery receipts (sample forms)
   c. Seconds, leftovers and spoiled meals
   d. Daily labor -- actual time spent on food service and time and attendance records
   e. Collection of daily record forms
   f. Maintain copies of meal service forms

4) Outline the Monitor's responsibilities (use monitoring forms).
   a. Duties and authority
   b. Areas of assignment and introduction to site supervisors

5) Explain Civil Rights requirements (use Site Supervisor's Guide).

6) Explain other miscellaneous policy (use sponsor's policy).

   a. Problems of inclement weather and alternate service areas
   b. Problems with unauthorized adults eating program meals
   c. Problems with discipline
   d. Review of equipment, facilities, and materials available for organized recreational activities
   e. Review of trash removal system
   f. Corrective action
   g. Nutrition education

**Accurate Point-of-Service Counts are Critical!**

It is critical that site personnel and monitors understand the importance of accurate point-of-service meal counts. Meal counts should represent only the number of meals actually **served** to children. Only complete meals **served** to eligible children can be claimed for reimbursement. Therefore, meals must be counted at the actual point-of-service, i.e., meals are counted as they are served, to ensure that an accurate count of meals served is obtained and reported. Counting meals at the point-of-service also allows site personnel to ensure that only complete meals are served.

**Meal Count Forms**

Attachments 19, 20, and 21 are sample meal count forms are in the Reference Section. Attachment 19 is a daily meal count form. Attachment 20 is a weekly, consolidated meal count form.

Attachment 21 is a consolidated form for 20 days that also provides guidance on calculating reimbursable second meals.

The training session attendance sign-in sheet for site personnel can be used by sponsors to assemble a list of the signatures of the site supervisors and assistants who are responsible for signing daily records. As a sponsor, you should then keep this list at your office to use when reviewing the records returned by the sites.

You should also send a notice of the site training session to local health inspectors so that they have the opportunity to attend the training and become more familiar with the food service operations. If any site receives meals through a food service management company or school food authority, you should also invite the company or school representatives to attend the training and participate in the discussion of menus and delivery schedules.

## Chapter 2 – Monitoring

In this chapter, you will find information on:

- what the monitoring requirements are;
- sample monitoring reports; and
- what to look for when reviewing reports.

An efficient and capable monitoring staff is essential for any sponsor's program to be successful. A monitor serves as a direct link between the sponsor's headquarters and the actual food service sites. Establishing a workable monitoring system will help to prevent problems from occurring and will make it much easier to correct any problems that arise during the summer. The size of the monitoring staff will, of course, depend on the size of the sponsor's program. (**This is discussed in Part I, Chapter 4 -- Staffing.)**

The sponsor must ensure that the authority and responsibilities of its monitors are clear to the monitoring staff, site supervisors, and office personnel. Monitors must ensure that the site operates the program according to program guidelines. Monitors must understand program requirements, including civil rights requirements, must train site personnel when necessary, and must spend enough time at each site to be sure of proper program operations. The monitor should also have a supply of all necessary forms.

### Visits and Reviews

When monitors observe program operations at sites, they will usually make either a "visit" or a "review." A site "visit" requires a monitor to ensure that the food service is operating smoothly and that any apparent problems are immediately resolved. These site visits must not be confused with the pre-operational visits. A site "review" requires the monitor to determine if the site is meeting all the various program requirements. To accomplish this, a monitor will have to observe a complete meal service from beginning to end. This includes delivery or preparation of meals, the meal service, and clean up after meals. A sample Pre-operational/First Week Visit Form is included as Attachment 32 in the Reference Section. Sample Site Review Forms for Self-Preparation Programs and for Vended Programs are also included in the Reference Section as Attachments 33 and 34.

**Requirements**

**(7 CFR 225.15(d)(2) and (3))**
Sponsors must ensure that they meet minimum monitoring requirements. Summer Food Service Program regulations require:

- **Pre-operational Visits** – Sponsors must visit all new and problem sites before they may begin operations. These visits are required to make sure that the sites have facilities to provide meal services for the number of children expected to attend.
- **Site Visits (7 CFR 225.15(d)(2))**-- Sponsors must visit all sites at least once during the first week of operation. However, State agencies may waive this requirement for sponsors on a site-by-site basis, provided that the sites were operated successfully in the previous year and have an experienced program staff at each of the sites for which the waiver is requested.
- **Site Reviews (7 CFR 225.15(d)(3))**-- Sponsors must review all sites at least once during the first 4 weeks of program operations. After this initial period, sponsors must conduct a "reasonable" level of monitoring. If a site operates less than 4 weeks, the sponsor must still conduct a review.

For a "visit", a monitor need not be present during the entire meal service as opposed to a "review" which would require a monitor to be present before, during and after the meal service to observe all aspects of the site's operations.

If any problems are found at the sites, prompt action must be taken to correct the problems. Monitors should follow-up on problems found in previous reviews and inspections by the health department and document that corrections were made. Also, monitoring must continue throughout the summer at a level sufficient to ensure that sites comply with program regulations.

**Reports**

All visits and reviews must be documented. Records of visits and reviews will help sponsors assess the operation of their sites. Records are only useful, however, when they are carefully reviewed by sponsor personnel and when follow-up monitoring is scheduled to ensure that any suggested corrective actions have been taken to improve site operations.

Each sponsor must, therefore, design a system for handling monitor reports. Sponsors should have a system that will ensure that monitors return reports frequently -- if possible every day. The reports should be immediately reviewed by a specific member of the sponsor's staff who is responsible for following up on any problems. The staff member should:

- review any problems found by the monitor;
- call the site supervisor, if necessary;

- document corrective action taken at the site;
- schedule a follow-up review, if necessary; and
- sign and date the report.

The sponsor review official will have to base the timing of a follow-up review on the severity of the problem.

**Reviewing Reports**

When sponsors or their staff review monitor reports, they should also pay attention to the quality of the reports. There are several indicators that may be apparent in the monitors' reports that may suggest the monitor's lack of program knowledge or the monitor's misunderstanding of his or her responsibilities. A monitor is very likely to need additional training if:

- not all questions on the report are answered;
- the monitor rarely notes problems and does not include comments in the remarks section of the report;
- the monitor observes that the number of meals delivered or served and the number of children who are in attendance are always the same and yet does not follow-up on this suspicious pattern to see if meal counts are really being taken;
- the monitor recommends a corrective action and fails to note the action taken or fails to initiate correction of the problem(s);
- the monitor fails to recommend adjustments in meal orders when the number of meals exceeds attendance; or
- the monitor arrives at sites late and/or the monitor does not stay for the entire meal service.

You must be sure that monitors schedule their visits and reviews so that they can meet the program requirements. This is particularly true for the sponsors with a large number of sites. A good monitoring schedule and an efficient system for the review and follow-up on the monitor's reports are necessary for effective program operations.

## Chapter 3 – Civil Rights

In this chapter, you will find information on:

- civil rights requirements; and
- racial/ethnic data you must collect at your sites.

### Requirements

**(7 CFR 225.7(g) and FNS Instruction 113-8)**

All participating sponsors must inform potential participants, particularly minorities, of the availability of the Summer Food Service Program. In addition, all sponsors and their sites are required to:

- display in a prominent place at the site and in the sponsor's office, the nondiscrimination poster developed by USDA or approved by the Food and Nutrition Service;

- make reasonable efforts to provide information in the appropriate translation concerning the availability and nutritional benefits of the program;

- make program information available to the public upon request;

- include the nondiscrimination statement, and instructions for filing a complaint, in their public release and in any program information directed to parents of participants and potential participants;

- make sure that meals are served to all attending children, regardless of their race, color, national origin, sex, age, or disability; and

- make sure that all children have equal access to services and facilities at the site regardless of race, color, national origin, sex, age or disability.

### Racial/Ethnic Data

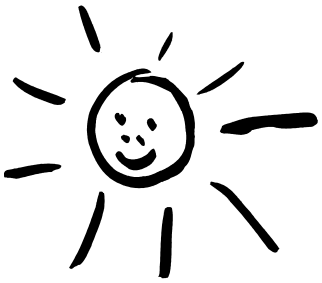
Each year, every sponsor must determine the number of potential eligible participants by racial/ethnic category for the area served. This information may be obtained from census data or public school enrollment data.

The sponsor must also collect racial/ethnic category data each year by racial/ethnic category for each site under the sponsor's jurisdiction. Sponsors of residential camps must collect and maintain this 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 racial/ethnic category. For collection purposes, a participant

may be included in the group to which he or she appears to belong, identifies with, or is regarded as a member of by the community.

The sponsor must retain data, as well as documentation for the data, for the required 3 years. The sponsor must use safeguards to prevent the data from being used for discriminatory purposes. Such safeguards include allowing access to program records containing this data only to authorized personnel. A sample Racial/Ethnic Category Data Form is shown as Attachment 23 in the Reference Section.

## Chapter 4 – Program Payments



In this chapter, you will find information on:

- requirements for requesting advance payments;
- startup payments;
- what sponsors may claim for reimbursement;
- unallowable costs to the program;
- claims for reimbursement; and
- what's considered a non-reimbursable meal.

This chapter discusses the methods and procedures for program payments. These payments are the reimbursement that sponsors receive based on the number of meals they serve that meet SFSP requirements for reimbursement. Sponsors may receive reimbursement for the eligible operating and administrative costs they incur up to authorized reimbursement levels.

### Advance Payments

**(7 CFR 225.9(c))**

When sponsors apply for the program, they may request advance payments for their total program costs, for their operating costs, or for their administrative costs. These payments are advances on the reimbursement that sponsors will receive for a month of operations and will be deducted from future reimbursement payments. The advances should help sponsors maintain a positive cash flow because they will have funds available to meet program costs as they arise throughout the month.

**Advances for Operating Costs (7 CFR 225.9(c)(1))**

Sponsors must request each advance payment for operating costs from the State agency at least 30 days before the payment dates of June 1, July 15, and August 15. If sponsors have participated in last year's program, the advance payments for operating costs will usually be based on the reimbursement they earned during the same month of the previous year. The State agency may also estimate advance payments as a percentage of anticipated costs. The State agency must receive certification that a sponsor (except for school sponsors) has held training sessions on program requirements for site and sponsor personnel before it will release the second month's operating advance to the sponsor. A sponsor may not receive an advance for operating costs in any month when it will not be operating for at least 10 days.

**Advances for Administrative Costs (7 CFR 225.9(c)(2))**

Sponsors must request each advance payment for administrative costs from the State agency at least 30 days before the payment dates of June 1 and July 15. Before the second month's administrative advance, sponsors must certify that they currently operate the number of sites provided for in the administrative budget, and that no significant change has occurred in their administrative costs since approval of the administrative budget. If sponsors operate the program less than 10 days in June but at least 10 days in August, they will be issued the second month's payment for advance administrative costs on August 15. Sponsors planning to operate the program for less than 10 days cannot receive advance payments for administrative costs.

If the State agency's monitoring or audits reveal that a sponsor may not be able to submit an adequate claim, then the State agency will not send the advance payment for the following month until the sponsor submits a valid claim.

## Startup Payments

**(7 CFR 225.2 definitions and 225.9(a))**

The State agency may, at its option, provide the sponsor with a limited amount of startup payments (up to a maximum of 20 percent of the sponsor's approved administrative budget). These startup payments, which are deducted from later administrative reimbursements, are for administrative costs incurred in planning a food service and in establishing effective management procedures for that service. Sponsors may request the startup payments if they are available, when they apply for the program. If approved, the start-up payments may not be provided any earlier than two months before food operations begin.

## Program Reimbursement

**(7 CFR 225.9(d))**

Sponsors may claim reimbursement for operating and administrative costs. Any sponsor that receives startup or advance payments for administrative costs must claim administrative costs for reimbursement. Sponsors must maintain complete records to document all costs and meals they claim for reimbursement. **(The necessary records are discussed in Part II, Chapter 5 of this guide.)**

**Reimbursements for Operating Costs (7 CFR 225.2 definitions and FNS Instruction 796-4, Rev. 4)**

Allowable operating costs are those costs incurred by the sponsor for providing and serving meals to eligible children and program adults. These costs include, but are not limited to, cost of food used, labor, nonfood supplies, and space for the food service.

The amount of reimbursement to you as a sponsor for operating costs will be the **lesser** of:

- actual net documented operating costs; or
- the number of meals by type actually served to eligible children multiplied by the appropriate rates of reimbursement for those meals.

The State agency will be able to tell sponsors the current rates of reimbursement.

**Reimbursements for Administrative Costs (7 CFR 225.2 definitions and FNS Instruction 796-4, Rev. 4)**

The prorated share of the program's administrative costs are costs incurred by your organization for activities related to planning, organizing, and administering the program.

Payment to you as a sponsor for administrative costs will be the **lesser** of:

- actual net documented expenses incurred for administrative costs; or
- the number of meals by type actually served to eligible children multiplied by the administrative rates for those meals; or
- the administrative budget that was approved by the State agency and included in the program agreement, along with any approved amendments to it.

The SFSP has two different levels of administrative reimbursement rates. The higher reimbursement rates are for sponsors of sites that prepare or assemble their own meals and for sponsors of sites located in rural areas. The lower rate is for all other sponsors.

A rural area is any area that is not part of a Metropolitan Statistical Area as defined by the Office of Management and Budget. With the approval of the State agency, an area may be defined as rural if it is a part of a Metropolitan Statistical Area, but is isolated from the urban center. The State agency will be able to provide information on whether sites are considered rural for program purposes.

The current administrative reimbursement rates are available from the State agency.

## Camp Reimbursement

**(7 CFR 225.9(d)(10) and 225.16(b)(1))**

By law, camp sponsors can only be reimbursed for meals served to children who are eligible for free or reduced price meals according to the income guidelines for the National School Lunch and School Breakfast Programs. With State agency approval, camps may claim reimbursement for serving up to three meals or two meals and one snack to eligible children each day. Therefore, a camp may not claim reimbursement for snacks on days that it claims reimbursement for breakfast, lunch, and supper. Alternately, a camp may not claim reimbursement for a third meal on days that it claims a snack for reimbursement.

Camp costs are paid based on the percentage of children served who are eligible for free or reduced price meals. Camps must first determine what portion of their meals and food service costs are eligible for reimbursement. Sponsors make this determination by computing two different adjustment factors: one enables sponsors to determine the number of reimbursable meals served, and the other enables sponsors to determine the percentage of operating costs that may be claimed for reimbursement based on the total allowable cost of their food service.

Sponsors with camps that offer more than one session during a claiming period will need to compute combined adjustment factors that will take into account the size of each session and the percentage of eligible children enrolled in each session. Attachment 17, Worksheet for Camp Sponsors (including example and instructions) explains how sponsors determine combined adjustment factors.

**Program Costs**

Sponsors may only claim reimbursement for actual documented costs that are directly related to program operation and administration. All funds accruing to the program must be deducted from total costs. Funds accruing to the program include program income and other cash resources that must be used for SFSP purposes. Sources of funds that are earmarked for food service and counted as funds accruing to the program include:

- payment received from food sales to adults when the cost of the adult meal is not deducted from total operating costs;
- cash donations specifically identified for use in the program; and
- any Federal, State or local funds specifically provided to the program.

**Unallowable Costs**

**(FNS Instruction 796-4, Rev. 4)**

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

- Bad debts, which are any losses arising from non-collectible accounts and other claims and related costs.
- Repayment of over-claims and other Federal debts.
- Contributions and donations including contingency reserves, USDA donated commodities and other donated food, labor, and supplies.
- Fines or penalties resulting from violations of, or failure to comply with Federal, State, or local laws and regulations.
- Entertainment and fund raising costs.
- Interest on borrowings, bond discounts, costs of financing and refinancing operations, and legal and professional fees paid in connection therewith.
- Costs resulting from an under-recovery of costs under other grant agreements.
- Administrative costs not included in the sponsor's budget as approved.
- 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; non-expendable equipment of any kind; repairs which materially increase the value or useful life of buildings, facilities, or non-expendable equipment; and other capital assets including vehicles.
- Rental costs for periods beyond the close-out date for program

operation.

- Cost for excess meals, i.e., meals in excess of legitimate program adult meals and reimbursable meals, unless specifically approved by the State agency.
- Any other costs incurred which program officials determine to be in violation of applicable laws or regulations.
- The cost to purchase food (including coffee, etc.) for use outside of the SFSP.
- The cost of meals served to administrative adult personnel, or any other adults that are not in the operation of the food service.
- Meals served in violation of Program requirements; e.g. meals served outside approved serving time, meals or components consumed off-site, second meals served in excess of the 2% tolerance;
- Cost of spoiled or damaged meals;
- For vended sponsors, the cost of meals delivered by a food service management company to an non-approved site, or for meals not delivered within the agreed upon delivery time, meals served in excess of the approved CAP, spoiled or unwholesome meals, or meals which do not meet meal requirements or quality standards;

**Claim for Reimbursement**

Sponsors receive their program payments based on claims for reimbursement that they submit to the State agency. Sponsors assume complete responsibility for all of the information they submit on their claims. Claims for reimbursement must only reflect meals that meet SFSP requirements and are actually served to eligible children during the claiming period, and the actual costs that are associated with those meals. There are four major types of data that sponsors must report on their claim for reimbursement forms:

1. **Meal Counts:** Based on records that are regularly submitted by the sites, you must report the number and type of first and second meals served to all children; sponsors of camps need to report the meals served to eligible children only. However, the total number of second meals claimed cannot exceed 2 percent of the number of first meals, for each type of meal served during the claiming period. State agencies can provide further guidance on serving second meals and on those situations where seconds will not be reimbursed. A sample Meal Count Worksheet for Camps is included as Attachment 17 and a sample Consolidation Form for 1st and 2nd Meals is included as Attachment 21.

2. **Operating Costs:** Based on your operating cost records, you must report the cost of food used, the cost of labor, and the other costs directly incurred in preparing and serving meals.

3. **Administrative Costs:** Based on your administrative cost records, you must report the costs related to administering the program -the program's share (if those costs are being claimed).

4. **Program Income:** Based on State agency requirements, you may need to report the amount of money that has accrued to your food service program.

After the reimbursement claim form is completed, as a sponsor you must then sign the form and send it to the State agency as soon as possible within the month following the month covered by the claim. **Claims will not be paid if they are submitted more than 60 days after the last day of the month covered by the claim.** The State agency may impose a shorter deadline for submission of the claim within the 60-day requirement. Revised claims that reflect an increased reimbursement amount must be submitted within 90 days.

State agencies may allow sponsors to consolidate claims in the following ways:

- 10 days or less in their initial month of operations with the claim for the subsequent month;
- 10 days or less in their final month of operations with the claim from the preceding month; or
- up to 3 consecutive months may be combined, as long as the combined claim only includes 10 days or less from the first and last month of program operations (i.e., a total of 20 extra days).

If you operate for less than 10 days in the final month, you must combine the claim for the final month with the claim for the previous month. This combined claim must be submitted to your State agency within 60 days of your last day of operation.

**7 CFR 225.15(a)(3)**

**Sponsors may not contract out management responsibilities of the Program, including but not limited to the following tasks:**

- Meal ordering
- Assuming official record keeping responsibilities, including meal count information to substantiate claims
- Submitting claims
- Training and monitoring administrative and site staff
- Announcing availability of meals to the news media
- Determining income eligibility and maintaining individual income eligibility statements

Sponsors should check with the State agency before allowing a food service management company to undertake any other tasks that may be considered management functions or any tasks that are related to the bulleted items listed above.

Attachment 20 provides a Potential Reimbursement Worksheet that will help sponsors estimate the amount of reimbursement they can anticipate.

**Non-Reimbursable Meals**

Sponsors may only claim for reimbursement those meals that meet SFSP requirements. Reimbursement may not be claimed for:

- meals not served as a complete unit (except in "offer versus serve" sites where complete meals must be offered to participants);
- meal patterns or types not approved by State agencies;
- meals served at sites not approved by State agencies;
- meals consumed off-site (this does not include a fruit or vegetable that the State agency and sponsor **may** allow to be taken off-site);
- more than one meal served to a child at a time;
- second meals in excess of 2 percent of the number of first meals served by type during the claiming period;
- meals served outside of approved timeframes or approved dates of operation;
- meals served to ineligible children in camps (those not meeting the income eligibility guidelines for free or reduced price school meals);
- meals that are spoiled or damaged;
- meals in excess of the site's approved level of meal service (cap for vended sponsors);
- meals that were not served; and
- meals served to anyone other than children.

FNS Instruction 796-4, Rev. 4, Financial Management – Summer Food Service Program for Children, provides information on establishing standards, principles and guidelines in the development and maintenance of financial management systems. The State agency can provide this information.

## Chapter 5 – Recordkeeping

In this chapter, you will find information on what records must be kept for:

- meal counts;
- operating costs;
- administrative costs;
- funds accruing to the program;
- training records;
- visits and reviews; and
- retention of records.

Sponsors must keep full and accurate records so they can substantiate the allowable administrative and operating costs and the number of program meals that they have submitted on each claim for reimbursement.

To justify claims for reimbursement, sponsors must maintain the following records:

- records of meal counts taken daily at each site;
- records of claimed operating costs, including food, and other costs;
- records of claimed administrative costs, including labor and supplies; and
- records of funds accruing to the program.

## Meal Counts

All sponsors will use daily site records in order to document the number of program meals they have served to children. The sponsor must provide all necessary record sheets to the sites. Site supervisors are then responsible for keeping the records each day. The site personnel must complete the records based on actual counts taken at each site for each meal service on each day of operation. Site personnel must be sure that they record all required counts. These counts should include:

- the number of meals delivered or prepared, by type (breakfast, snack, lunch, supper). Vended programs must support this information with a signed delivery receipt. Programs with a central kitchen should also support this information with a signed delivery receipt for good program management. A designated member of the site staff must verify the adequacy and number of meals delivered by checking the meals when they are delivered to the site;
- the number of complete first meals served to children, by type;
- the number of complete second meals served to children, by type;
- the number of excess meals or meals leftover;
- the number of non-reimbursable meals;
- the number of meals served to program adults, if any; and
- the number of meals served to non-program adults, if any.

Sponsors should collect these site records at least every week. They may have their monitors pick up site reports on designated days, or the site supervisors may be asked to mail the records to the sponsor's office. When they collect the site records, sponsors should check for the site supervisor's signature. Any sponsor serving vended meals must be sure that the figure entered as the number of meals delivered on the site record is the same as that entered on the vendor's report. If there is any discrepancy between the numbers, the sponsor should immediately contact the vendor and site supervisor and resolve the problem. The sponsor should make a permanent note of the discrepancy as well as the action that was taken to resolve it.

A sample Daily Meal Count Form is included in the Reference Section as Attachment 19. A consolidated (weekly) meal count form is included as Attachment 20.

## Operating Costs

**(7 CFR 225.2 definitions and FNS Instruction 796-4, Rev. 4)**

Operating costs are allowable costs incurred by the sponsor for preparing and serving meals to eligible children and program adults. These costs include, but are not limited to, cost of food used, labor, nonfood supplies, and space for the food service. Rural sites may include costs that are directly incurred in transporting children from rural homes to rural food service sites. **All** costs must be fully documented and they must represent actual program costs.

**Food Costs for Onsite Preparation (FNS Instruction 796-4, Rev. 4)**

The data that are necessary for computing the cost of food used are more extensive when sponsors prepare their own meals onsite or at a central kitchen. Records to support the cost of food used should include, at a minimum:

- receiving reports which record the amount of food received from the supplier;
- purchasing invoices;
- records of any returns, discounts, or other credits not reflected on purchase invoices;
- inventory records that show the kinds of food items on hand at the beginning and end of the inventory period, the quantity of each item, documented major inventory adjustments, and the total value of the beginning and ending inventory; and
- canceled checks or other forms of receipt for payment.

Cost of food used means beginning inventory plus purchases, plus other costs of food, minus credits to costs of food, minus inventory adjustments, minus ending inventory. Sponsors must record the dollar value of food that is unused (ending inventory) at the close of program operations. Sponsors must subtract this ending inventory from all food costs incurred as a result of Program operations.

Food costs cover the cost of purchases and the cost of processing, transporting, storing, and handling food that is donated (including USDA commodities) or purchased by the sponsor. Sponsors cannot charge the program for major reductions of food in stock that are the result of fire, theft, spoilage, contamination, or any event other than normal usage. Attachment 18 in the Reference Section provides a sample inventory form and instructions for sponsors that prepare meals on-site or at a central kitchen. Attachment 31 provides a worksheet to compute the cost of food used.

**Food Costs for Vended Programs (FNS Instruction 796-4, Rev. 4)**

The cost of food used means the cost of the preparation or the cost of preparation and delivery of meals charged to the sponsor by the food service management company or the school facility. This cannot include charges for meals delivered to non-approved sites, meals not delivered within the established delivery time, meals that are spoiled or unwholesome, or meals that do not meet the requirements or terms of the contract. The sponsor should not pay the food service management company or school facility for these meals. The sponsor must maintain records that include the signed delivery slips to support the claim for reimbursement. The site supervisor or designated site personnel should check the quantity and wholesomeness of the meals and note any errors/differences on the delivery slip.

**Labor Costs (FNS Instruction 796-4, Rev. 4)**

Labor costs include compensation by sponsors for labor that is required to prepare and serve meals, to supervise children during the meal service, and to clean up after the meal service. These costs may include wages, salaries, employee benefits, and the share of taxes paid by the sponsor. Sponsors must keep accurate time and attendance records for all labor costs that are submitted on the claim for reimbursement. A sample Staff Time Report for food service and site staff is included in the Reference Section as Attachment 29.

**Other Operating Costs (FNS Instruction 796-4, Rev. 4)**

Other operating costs may include, but are not limited to:

- costs of nonfood supplies;
- rental costs for buildings, food service equipment, and vehicles;
- utility costs; and
- mileage allowances.

A sample mileage form for food service and site staff is included in the Reference Section as Attachment 26. If sponsors feel that they may have "other" costs that are not listed, they may contact the State agency for a determination as to whether or not those costs are eligible for reimbursement. Sponsors must keep all records and documentation to support any costs that they claim for reimbursement.

**Administrative Costs**
**(7 CFR 225.2 definitions, FNS Instruction 796-4, Rev 4)**

Administrative costs are costs incurred by the sponsor for activities related to planning, organizing, and administering the program. Generally, these activities include:

- preparing and submitting an application for participation, including a management plan containing budgets of operating and administrative costs, and staffing and monitoring plans;
- establishing the eligibility of open or restricted open sites by collecting school or census tract data or family size and income forms for closed enrolled sites to determine if 50 percent or more of the children are eligible;
- for camps, determining the number of children eligible based on a review of family size and income forms;
- attending training provided by the State agency;
- hiring and training site and administrative personnel;
- visiting sites, reviewing and monitoring operations at sites, and documenting these visits and reviews;
- preparing and submitting a plan for and synopsis of the invitation to bid when the sponsor wants to contract with a food service management company;
- preparing and submitting claims for reimbursement; and
- performing other activities that are necessary for planning, organizing, and managing the program.

Generally, costs incurred for these activities are:

- labor costs for administrative activities;
- rental costs for offices, office equipment, and vehicles;
- vehicle allowance and parking expenses;
- office supplies;
- communications;
- insurance and indemnification;
- audits; and
- travel.

**Maintaining Records of Costs (7 CFR 225.15(c))**

You must be certain that you have records that document the amount and purpose of <u>all</u> administrative costs you claim. For example, you must keep time and attendance records to document labor costs. Attachment 30 in the Reference Section includes a worksheet and instructions for determining administrative costs.

Attachments 25, 28, and 30 are sample forms for tracking administrative costs. Attachment 25 is a sample form for administrative staff (including monitors) to use in keeping track of mileage, Attachment 28 tracks administrative staff hours worked, and Attachment 30 is a sample form for summarizing all administrative costs.

## Funds Accruing to the Program

Funds accruing to the food service include all funds received from Federal, State, local, and other sources, except for program advances, startup funds, or reimbursement payments received from the State agency. These funds must be designated specifically for the Summer Food Service Program. Records reflecting income may include:

- deposit records;
- voucher stubs; or
- receipts.

## Training

You must keep records that document:

- date(s) of training for site and administrative personnel;
- attendance at each training session by having all attendees sign an attendance form; and
- topics covered at each training session.

Sponsors that have requested advance payments for operating costs must send certification that they have completed training for site and administrative personnel to the State agency. Without this certification, the State agency will not release the second advance payment for operating costs to the sponsor. This requirement, however, does not apply to school sponsors (7 CFR 225.9(c)(1).

**Visits (7 CFR 225.14(c)(6) and 225.15 (d)(2) and (3))**

Sponsors must be able to document that they have met their monitoring requirements. Monitors must submit a report for:

- pre-operational site visits;
- site visits during the first week of program operations; and
- site visits throughout the summer.

A sample Pre-Operational/First Week Site Visit Form is included as Attachment 32 in the Reference Section.

**Reviews (7 CFR 225.15(d)(3))**

Monitors must submit a review report form for each site review during the first 4 weeks of program operations, and for site reviews throughout the summer. This form will contain much of the same information as the Site Visit Form plus information concerning meal preparation and delivery schedules, the quality and accuracy of site records and record-keeping, the regular adjustment of meal orders, and whether changes are made in menus. Sample Site Review Forms for Self-Preparation Programs and for Vended Programs are included in the Reference Section as Attachment 33 and Attachment 34, respectively.

## Checklist of Records

There is a number of additional records you must maintain in your files. These records and the records discussed in this chapter are summarized in Attachment 24 -- Checklist of Records.

**Retention of Records (7 CFR 225.8(a))**

As a sponsor, you must maintain all records for 3 years following the submission date of the final claim for reimbursement for the fiscal year, or longer if required by the State agency. These records must be accessible to Federal and State agency personnel for audit and review purposes. Further, these records can only be disposed of if there are no unresolved audit findings or the program is not under investigation.

# Chapter 6 – Administrative Reviews

In this chapter, you will find information on:

- review procedures and statistical monitoring;
- violations of program requirements; and
- how to create a corrective action plan.

During the course of the summer, State agencies will complete an administrative review of most sponsors' program operations. This administrative review will involve visits by State agency personnel to the sponsor's site(s) and office. The reviews are designed to ensure that a sponsor's overall program is operating according to requirements and to provide assistance and advice to a sponsor if there are questions about program operations.

**Review Procedures (7 CFR 225.7(d)(2))**

A State agency review of site operations should involve observing the meal service operations and the record-keeping at the site. 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 State agency's review and must proceed with the corrective actions recommended by the State agency, if there are any. The results of an administrative review may affect the amount of reimbursement a sponsor will receive.

**Statistical Monitoring (7 CFR 225.7(d)(8))**

The State agency may elect to use statistical monitoring procedures when it conducts administrative reviews of sponsors. The State agency may use the results of statistical monitoring to determine the sponsor's reimbursement. The State agency will inform the sponsor if it plans to use statistical monitoring and will provide the sponsor with the necessary information on its procedures for conducting statistical monitoring. The State agency can provide additional information on the use of statistical monitoring.

### Violations (7 CFR 225.11(c)(1), (2), (3),(4))

Violations of program requirements may result in withholding or recovering reimbursement, temporary suspension, or termination and exclusion from future program participation.

**Violations include but are not limited to:**

- Noncompliance with the time requirements between meals.
- Failure to maintain adequate site or sponsor records.
- Failure to adjust meal orders to conform with changes in site attendance.
- Failure to have trained site supervisor at each site during the meal service.
- Serving more than one meal to a child at one time.
- Children eating complete meals off-site (Note: This does not refer to the permissible practice of allowing children to take a piece of fruit or vegetable off-site.)
- Claiming meals served to anyone other than eligible children.
- Serving meals (or in the case of OVS sites, offering meals) that do not include all required meal components and/or correct quantities.
- Failure to report sites to health department.
- Continued use of food service management companies that violate health codes.
- Submission of false information to the State agency.
- Failure to return excess payments to the State agency.
- Not adhering to competitive bid procedures.
- Noncompliance with civil rights laws and regulations.

### Corrective Action Plan (7 CFR 225.11(f))

When the State agency finds violations during a site review, it will require the sponsor to correct the problems found. If the State agency 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 State agency will initiate a follow-up system to ensure that sponsors take the specific action (as outlined in the plan) for correcting site violations.

## Chapter 7 – Post Program Evaluation

Upon the completion of the local program, the sponsor should prepare an evaluation. The following format is suggested for these evaluations:

- **Sponsor personnel** -- evaluate the size and efficiency of the staff.
- **Site personnel** -- evaluate the ability of site personnel to control and supervise the program at the site level.
- **Food preparation** -- evaluate the major facets of food preparation as well as the quality and variety of foods offered within meal requirements, special meals and plate waste.
- **Activities** -- evaluate the activities at the site.
- **Organization** -- evaluate the administrative structure of the organization.
- **State agency or FNS regional office** -- evaluate the relationship between the sponsoring agency and the State agency, noting the adequacy of training efforts and the availability of guidance, information, and assistance.

## Chapter 8 – Questions and Answers

1. **Once I'm approved to operate the program, what are my training responsibilities?**

   Training is one of the sponsor's major administrative responsibilities. A smoothly operating program will require that training be provided by sponsors throughout the summer. A comprehensive training effort, including weekly or biweekly meetings on program requirements, will help to make certain that the monitor, site, and administrative personnel are performing according to program regulations. Sponsors should attend State agency training and then train both their administrative and site personnel before these staff members undertake their responsibilities. SFSP regulations require that no food service site may operate until personnel at the site have attended at least one of the sponsor's training sessions.

2. **What are my monitoring requirements for the SFSP?**

   An efficient and capable monitoring staff is essential for any sponsor's program to be successful. Monitors must ensure that the site operates the Program according to program guidelines. This requires a pre-operational visit, which is conducted before a site operates the SFSP. These visits are required for all sites to determine that the sites have the facilities to provide meal service for the anticipated number of children in attendance. Also, a sponsor must visit all sites at least once during the first week of operation to make sure the food service operation is running smoothly and to verify information such as the site address, storage, holding and preparation facilities, and serving capabilities. Further, sponsors must conduct site reviews at least once during the first 4 weeks of program operations to observe delivery or preparation of meals, service of meals, children eating the meals, and clean up after meals.

3. **What are my civil right requirements?**

   All participating sponsors must inform potential beneficiaries, particularly minorities, of the availability of the SFSP. Sponsors are required to display the nondiscrimination poster in a prominent place at the site and the sponsor's office. Also sponsors need to make program information available to the public, make reasonable efforts to provide information in the appropriate translations and include the nondiscrimination statement and instructions for filing a complaint. In addition, make sure meals are served to all attending

children regardless of race, color, national origin, sex, age or disability and make sure all children have equal access to services and facilities. Further, all sponsors must collect beneficiary data each year by racial/ethnic category for each site under the sponsor's jurisdiction.

**4. Will I be reimbursed for any of my costs associated with running the SFSP?**

You receive program payments for both the operational and administrative costs of running a program. Operating costs are allowable costs incurred by your organization for providing and serving meals to eligible children and program adults. These costs include food consumed, labor, non-food supplies, and space for the food service. Administrative costs are costs incurred by your organization for activities related to planning, organizing, and administering the program. The amount of reimbursement you receive is an amount equal to the number of eligible meals served to children, multiplied by the current rates of reimbursement or your actual costs, whichever is less.

**5. How do I receive my reimbursement?**

Reimbursement is based on claims for reimbursement that you submit to your State agency. Claims for reimbursement reflect meals that meet SFSP requirements and are served to eligible children during the claiming period, and the actual costs that are associated with those meals. The type of data that sponsors must report on their claim for reimbursement forms are meals counts, operating costs, administrative costs and program income. Claims must be submitted to your State agency within 60 days after the operating month.

**6. Can I request an advance payment from the State agency?**

Yes. When sponsors apply for the program they may request advance payments for their total program costs, for their operating costs, or for their administrative costs. These payments will be advances on the reimbursement you will receive for a month of operation and will be deducted from future reimbursement payments. The advances will help you maintain a positive cash flow because you will have funds available to meet program costs as they arise throughout the month.

**7. What type of records do I need to keep for the program?**

To substantiate your claim for reimbursement, you will need to keep all records of meal counts taken daily at each site, records of claimed operating costs including food and other costs, records of claimed administrative costs including labor and supplies, and records of funds accruing to the program. In addition, records need to be maintained that document the training you have provided for your site and administrative personnel and records that document you have met your monitoring requirements. Additional records that need to be maintained would be any records that document your eligibility for the SFSP such as the application to participate in the SFSP and the signed agreement with the State agency.

**8. How long am I required to maintain these records?**

You must maintain all records for 3 years following the submission date of the final claim for reimbursement, or longer if required by your State agency. For audit and review purposes these records will need to be made available upon request to Federal and State agency personnel. Further, records can only be disposed of if there are no unresolved audit findings or the program is not under investigation.

**9. Will my program be reviewed by the State agency?**

You will probably receive an administrative review by the State agency or FNS Regional Office during the course of your operation, which will include both your office and at least one site. You must make your records available for the State agency reviewer and must take any corrective actions required by the State agency. Results of an administrative review may affect the amount of reimbursement your program will receive. The review may involve assessing how the claim for reimbursement is prepared and looking at the records your organization maintains. It will also include a look at site operations to observe the meal service operation and recordkeeping.

# PART III – FOOD SERVICE MANAGEMENT COMPANIES

In Part III, you will find information on:

- soliciting food services from local schools;
- selecting a company;
- invitation for bid and contract;
- competitive bid waivers and standard competitive bid procedures;
- bid specifications; and
- how to award and administer a contract for food service.

## What is a Food Service Management Company?
**(7 CFR 225.2 definitions)**

The term "food service management company" includes any organization (including commercial for-profit companies, schools, or private non-profit organizations) which provides unitized meals under a contract with a program sponsor.

## What a Food Service Management Company Can't Do (7 CFR 225.15(a)(3))

**Sponsors may not contract out management responsibilities of the Program, including but not limited to the following tasks:**

- Meal ordering
- Assuming official recordkeeping responsibilities, including meal count information to substantiate claims
- Submitting claims
- Training and monitoring administrative and site staff
- Announcing availability of meals to the news media
- Determining income eligibility and maintaining individual income eligibility statements

Sponsors should check with the State agency before allowing a food service management company to undertake any other tasks that may be considered management functions or any tasks that are related to the bulleted items listed above.

## Contracting with a Food Service Management Company
**(7 CFR 225.2 definitions, 225.6(h), and 225.15(g))**

There are several factors that can influence a sponsor's decision to contract for meals with a food service management company. These factors may include the sponsor's lack of food preparation facilities or personnel, a site that is unsuited for meal preparation, or a large number of sites spread over a wide geographical area.

Sponsors that decide to contract with a food service management company to obtain meals are called "vended sponsors" and must meet various program requirements and follow certain procedures. Food service management companies that enter into a contract with a sponsor to prepare and deliver meals must provide meals that comply with program regulations and their contract with the sponsor. Therefore, both sponsors and food service management companies should be familiar with the information in this section. A successful vended operation depends on both parties fully understanding their mutual responsibilities in the program.

**Soliciting Local Schools (7 CFR 225.15(b)(1)**

Federal regulations strongly encourage sponsors to first consider their local school food authority as a source for obtaining meal service. Using the facilities of local public or private schools to prepare or obtain meals offers the sponsor several advantages. These schools often prepare large numbers of meals during the school year and already have the facilities and the staff to prepare meals for the SFSP. In addition, many schools are accustomed to preparing meals that meet USDA requirements if they participate in other Child Nutrition Programs. Finally, the contractual arrangement needed to obtain the service of a school food authority, a written agreement, is simpler to execute than the formal competitive procurement process that is required to use a commercial company.

When assessing a school's ability to provide meal service, sponsors must consider whether or not an adequate delivery service to sites can be established and whether the meals prepared by the school are comparable in price and quality to those available from commercial vendors. Furthermore, if the school itself obtains its meals from a food service management company, the sponsor must not enter into an agreement for meal service; rather, the competitive bid procedures described below must be utilized. Sponsors that can use local school food service facilities must enter into a written agreement with the school, but are not required to utilize the competitive bid procedures described below. Attachment 9 in the Reference Section includes a sample agreement between the school and sponsor to furnish prepared meals.

## Selecting a Company

If a written agreement with a local school is not possible or is not beneficial, sponsors may contract with a food service management company to prepare and deliver meals. No sponsor may, however, contract out the management responsibilities of the SFSP such as monitoring, staff training, enforcing corrective action, or preparing program applications and claims for reimbursement. Sponsors remain legally responsible for seeing that the food service operation meets all requirements specified in the agreement they sign with the State agency. It is also important to note that the contract is between the sponsoring organization and the food service management company only, and neither USDA nor the State agency have jurisdiction to enforce it with either party, or resolve any disputes that may arise.

## Procurement

All procurement of food, supplies, goods, and other services with program funds by sponsors must comply with procurement standards prescribed in USDA's Uniform Federal Assistance Regulations, 7 CFR Part 3016 for public sponsors and 7 CFR Part 3019 for private non-

profit sponsors. (Note: USDA issued a final rule on August 14, 2000 that establishes Part 3016 and Part 3019 as the appropriate USDA procurement regulations for USDA entitlement programs, including the SFSP and other Child Nutrition Programs.) The State agency will make these documents available to sponsors upon request, and can provide more detailed information about these minimum purchasing requirements. In addition to complying with the minimum Federal standards, sponsor purchases may have to meet other State, local, and/or State agency standards, as well as special procurement requirements which may be established by the State agency, with approval of FNS, to prevent fraud, waste, and program abuse.

**Minority Business Enterprise (7 CFR 3016.36(e) and 3019.44(b))**

All sponsors are encouraged to procure their food, supplies, goods, and services from minority business enterprises. Sponsors may wish to divide their total procurement needs into smaller quantities to facilitate participation by minority business enterprises. They may also want to establish delivery schedules that will help minority business enterprises meet deadlines. Sponsors can use the services and assistance of the Small Business Administration and the Office of Minority Business Enterprise of the Department of Commerce.

**Invitation for Bid and Contract (7 CFR 225.6(h)(2))**

State agencies may require all sponsors under their jurisdiction to use a standard contract for meals provided by a food service management company. These standard contracts may vary according to different State and local requirements. This document can serve a dual purpose. It may contain the specific information a bidder needs to submit (The Invitation for Bid) and, upon acceptance of the bid and execution, it becomes the contract.

**Formal Competitive Bid Waivers (7 CFR 225.15(g)(4))**

In addition to the noncompetitive solicitation of local schools described above, there are two other circumstances that warrant waivers from formal competitive bid procedures. First, a public sponsor, including a school or university, that has an existing year-round contract with a food service management company to prepare meals not exceeding either the lower of the State or local threshold, or $100,000, does not have to comply with competitive bid procedures. Second, any private non-profit sponsor that has total contracts with food service management companies not exceeding the lower of the organization's threshold or $100,000 is not required to comply with the competitive bid procedures.

These exceptions do not relieve the sponsor of the responsibility to ensure that applicable competitive procurement procedures are followed in contracting with any food service management company. All sponsors must ensure that they meet the requirements of the SFSP regulations. The State agency is responsible for ensuring that contracting and bidding procedures meet USDA requirements and will provide technical assistance to sponsors to help them meet these requirements.

**Formal Competitive Sealed Bid Procedures**
**(7 CFR 225.15(g)(4)(i)-(xii))**

Formal competitive sealed bid procedures include five steps:

1. Preparing an Invitation for Bid (IFB) package.

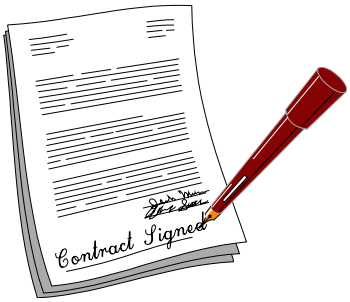
2. Publicly announcing all IFBs not less than 14 days before bids are opened. Announcements must include the time and place of the bid opening.

3. Notifying the State agency at least 14 days before the bid opening. The notification must include the time and place of the opening.

4. Publicly opening all bids.

5. Submitting to the State agency copies of all contracts, a certificate of independent price determination, and copies of all bids received, as well as the sponsor's reason for selecting the chosen food service management company. (In some cases, these documents must be submitted to the State agency **prior** to contract award.)

Careful preparation of the IFB is the most important step in the competitive bid process. Sponsors must supply the IFB to all companies responding to the public announcement.




The sponsor's IFB must include:

- a cycle menu approved by the State agency;

- food specifications and meal quality standards;

- a statement requiring compliance with SFSP regulations;

- nonfood items essential for conducting the food service;

- special meal requirements to meet ethnic or religious needs or dietary modifications for children with special physical or medical

needs, only if these are necessary to meet the needs of the children to be served; and

- the location of the sponsor's sites and the estimated range of meals required.

The sponsor's IFB must **not**:

- specify a minimum price;

- provide for loans or any other monetary benefit, term, or condition to be made to sponsors by food service management companies; nor

- include nonfood items which are not essential to the conduct of food service.

**Bid Bond (7 CFR 225.15(g)(5)**
If food service management companies submit a bid over $100,000, they must submit a bid bond in an amount between 5 percent and 10 percent of the value of the contract for which the bid is made, as determined by the sponsor and specified in the IFB. Food service management companies are prohibited from posing any alternative forms of bid bonds. Cash, certified checks, letters of credit, and escrow accounts, are not acceptable substitutes for bid bonds. The bond must be from one of the companies listed in the most recent issue of the U.S. Department of Treasury Circular 570, which is available from the Government Printing Office for a small fee. Sponsors may obtain a copy by calling (202) 512-1800, or by downloading at: http://www.fms.treas.gov/c570/index.html.

It is important that the food service management company respond to the IFB accurately and completely. Food service management companies which attempt to modify any provision of the IFB, or which otherwise fail to comply with all IFB requirements, will be considered "non-responsive" and ineligible for contract award. A more detailed discussion of bid specifications follows.

## Bid Specifications

### Sponsor Responsibilities (7 CFR 225.6(h)(2))

The sponsor must include the following information in the IFB so that bidders will know the exact terms of the bid.

- **Site Information (7 CFR 225.6(h)(2)(iii)):** The sponsor must include a list of proposed site names, addresses, delivery locations, times of meal service, and days of operation. With this information, a bidder can estimate the cost of delivery and the feasibility of meeting the sponsor's requirements. The sponsor should specify in the IFB that single deliveries for multiple meals (e.g., breakfast and lunch) are allowed only at those sites that are equipped with adequate storage and refrigeration facilities.

- **Cycle Menu (7 CFR 225.15(g)(4)(v) and (vii)):** The sponsor must also attach a cycle menu that lists the types and amounts of food in each meal. Program regulations specify minimum meal pattern requirements, but sponsors may improve upon these minimums to increase the variety and appeal of menus. Sponsors may request approval from the State agency for variations from the meal requirements only when necessary to meet ethnic, religious, economic, or nutritional needs.

- **Meal Requirements (7 CFR 225.15(g)(4)(vi) and 225.7(c)):** As part of the IFB, the sponsor must provide the food service management company with a copy of the meal requirements outlined in Section 225.16 of the SFSP regulations. The sponsor must also provide a copy of the minimum food specifications and model meal quality standards required by Section 225.7(c) of the SFSP regulations. (The State agency can supply copies of the regulations). The food service management company must deliver meals that meet these meal requirements and minimum food specifications and model meal quality standards.

- **Reimbursable Meals (7 CFR 225.6(h)(2)(ix) and 225.15(g)(4)(ix):** Under the provisions of the contract between the sponsor and the food service management company, the sponsor is required to pay only for the delivered meals that meet these requirements and should not pay for ineligible meals. Similarly, the sponsor will receive payments from the State agency only for meals that meet these requirements.

**Quality Control:** An effective quality control system is essential for verifying that meal components meet the minimum quantity requirements. During food preparation, the food service management company should regularly inspect and measure items to ascertain correct sizes and weights. Setting production equipment for the desired specifications is no substitute for a quality control system, because equipment settings may become distorted during operation. State agencies and sponsors are responsible for sampling meals and disallowing payment for meals that fail to meet minimum standards. The entire meal must be disallowed for reimbursement if any component does not meet minimum standards.

**Unitized Meals (7 CFR 225.6(h)(3)):** Sponsors must ensure that food service management companies provide "unitized" meals with or without milk or juice. This means that meals must be individually portioned, packaged, delivered, and served as a unit. The milk or juice may be packaged and provided separately, but must be served with the meal unit. Other variations of unitized meals can be approved by the State agency.

**Commodities (7 CFR 225.9(b)):** Sponsors of vended programs can only receive commodities if the vendor is a school or school district, or if the sponsor is a school food authority that competitively procures its SFSP meals from the same food service management company that competitively provided its most recent NSLP meals.

**Meal Range Adjustments (7 CFR 225.6(h)(2)(xi):** Actual participation under a given sponsorship frequently varies from the estimate specified in the IFB. The food service management company bases a bid on the specifications and expects to be serving close to the number of meals listed in the estimate. A sizeable discrepancy between estimated and actual participation can increase or decrease the food service management company's unit production cost. Therefore, the sponsor must carefully estimate the number of meals it will need each day. Sponsors should also consider including a provision that will decrease the per meal price if the number of meals served exceeds expectations. Sponsors may increase or decrease the number of meals specified in the IFB only after notifying the food service management company. Sponsors should consider specifying in the IFB a time period during which changes in a site’s meal orders may be made to the vendor. A reasonable time frame for notifying the vendor may be within 24 to 36 hours of the change. Increases in maximum meal service levels at sites receiving vended meals must be approved by the State agency.

**Special Accounts (7 CFR 225.6(f))--** The State agency may require

sponsors to set up special accounts at financial institutions. If such accounts are established, the sponsor must deposit any payments received from the State agency for operating costs in the special account. Both the food service management company and the sponsor must authorize any checks drawn on this account. This is to help ensure that the company receives payment for the eligible meals it provides to the sponsor's program.

**Food Service Management Company Requirements**

There are several specific requirements food service management companies should be aware of before submitting a bid. These requirements are:

- **Health Certification and Inspection** (**7 CFR 225.6(h)(2)(v)):** A food service management company must have State or local health certification for the facility(ies) used to prepare meals for the SFSP. The company must ensure that health and sanitation requirements are met at all times. In addition, the company must ask local health authorities or independent agencies to periodically inspect the meals they serve to determine bacteria levels. These levels must conform to the standards set by local health authorities. The company must submit the results of the inspections promptly to the sponsor and the State agency.

- **State Agency Inspections (7 CFR 225.7(d)(6) and(e)):** Food service management companies should also be aware that the State agency must inspect the food service management company's facilities as part of the sponsor review. In addition, the State agency may conduct inspections of food preparation facilities and food service sites and perform meal quality tests. This inspection is independent of the one the food service management company provides.

- **Records (7 CFR 225.6(h)(2)(vii):** Food service management companies must maintain records (supported by invoices, receipts, or other evidence) that the sponsor needs to meet program responsibilities. Companies must report to the sponsor at the end of each month, at a minimum. The food service management company must keep the books and records concerning the sponsor's food service operations for 3 years, or longer if required by the State agency, from the date of receipt of final payment under the contract. Representatives of the State agency, USDA, and the United States General Accounting Office may examine or audit these records at any reasonable time and place. Records must be retained longer if there is an unresolved audit or investigation.

- **Subcontracts (7 CFR 225.6(h)(2)(ii)):** Food service management companies may not subcontract with another company for the total meal (with or without milk) or for assembling of the meal. Subcontracting is prohibited because it inflates costs and lessens the sponsor's control over the quality and supply of the meals.

- **Contract Responsibility (7 CFR 225.6(h)(2)(ix)): It is important for the prospective food service management company to realize that the contract is a private contract between the food service management company and the sponsor.** Neither USDA nor the State agency has any jurisdiction in the payments made to the food service management company. Before contracting to provide meals for the program, the food service management company needs to assess the sponsor's capability to meet the terms of the contract and the sponsor's capability to pay them for all meals that are properly delivered. If applicable, the company should become familiar with the sponsor's past performance in this or other federally funded programs.

## Awarding the Contract

Sponsors should award the contract to the responsive and responsible bidder whose per meal bid was lowest in price. "Responsive" bidders are those whose bids conform to all of the terms, conditions, and requirements of the IFB. Sponsors are encouraged to use the services of minority-owned companies and should consult local and State authorities regarding the applicability of preference and set-aside provisions. Only statutory or court decreed preferences and set-asides that are not excessive may be used.

The sponsor should award the contract at least 2 weeks before program operations will begin to allow time for both the food service management company and the sponsor to prepare. The sponsor must give to the State agency copies of all bids the sponsor received and the reason it chose that particular food service management company.

**State Agency Approval (7 CFR 225.6(h)(6)**

All bids totaling $100,000 or more must be submitted to the State agency for approval before the sponsor can accept a bid. In addition, any bids (regardless of dollar amount) that exceed the lowest bid must be submitted to the State agency for approval before acceptance, with an explanation of why that particular bid was chosen. The IFB that the sponsor accepts will become the contract for program operations between the sponsor and the food service management company. The State agency will keep copies of all contracts between sponsors and food service management companies.

**Performance Bond (7 CFR 225.15(g)(6))**

When a food service management company and a sponsor enter into one or more contracts totaling over $100,000, the company must obtain a performance bond from a surety company listed in the current U.S. Department of Treasury Circular 570, which is available from the Government Printing Office for a small fee. Sponsors may obtain a copy by calling (202) 512-1800 or downloading the file from http://www.fms.treas.gov/c570/index.html.

The amount of the bond must be no less than 10 percent nor more than 25 percent of the value of the contract, as determined by the State agency and specified in the IFB. Food service management companies are prohibited from posing any alternative forms of performance bonds. Cash, certified checks, letters of credit, and escrow accounts, are not acceptable substitutes for performance bonds. The food service management company must furnish a copy of the bond to the sponsor within 10 days of the contract's award.

**Award Conference**

After awarding the contract, but before executing the contract, all sponsor and food service management company representatives should meet to discuss their mutual and individual responsibilities in the SFSP. In this meeting, which is called the award conference, the representatives should review the IFB's required procedures for adjusting meal deliveries, cycle menus, food quality specifications, and meal packaging, as well as sanitation requirements.

The food service management company must also be familiar with all State and local health requirements, particularly those concerning food preparation and meal delivery. Most vended meals are packaged to prevent contamination. Thus, the greatest danger usually results when meals are held too long or are stored under improper temperature controls. Sponsors should also inform the food service management

company of the function of monitors, reviews, and statistical monitoring, if applicable, in the operation of SFSP.

## Administering the Contract

### Food Service Sites

Sponsors should provide the food service management company with a list of approved food service sites, along with the limit on the number of meals that may be claimed for reimbursement for each site. It is likely that some approved sites, for one reason or another, may have been canceled or dropped from participation before food service operations begin. A new list should be provided to the food service management company well before it is to start food service operations and at any other time during the program when sites are added or deleted. The sponsor should notify the company within the time limits mutually agreed upon in the contract if any site on its delivery schedule is going to be dropped or canceled.

### Approved Meal Levels

During the application approval process, the State agency will approve sponsors that purchase meals from a food service management company to serve a maximum number of meals at each meal service for each site. The approved level represents the maximum number of meals sponsors can serve and claim for reimbursement at each meal service at their vended sites. The State agency may reduce the approved level at any time if it determines that a site's attendance is below its approved level. If a sponsor finds that the approved level is too low, the sponsor may seek an adjustment by requesting the State agency to conduct a site review; or the sponsor may document in writing (to the State agency) that attendance at a site exceeds the approved level.

Sponsors must plan for and adjust meal orders with the objective of serving only one meal to each child at each meal service. A vended sponsor must inform its food service management company of:

- the approved level for each meal service at each site where the food service management company will deliver meals; and

- any adjustments in the approved level for its sites.

Such sponsors must advise the food service management company that the approved level for each site is the maximum number of meals that can be served at that site. This does not mean that these sites will serve

that specific number of meals each day. The sponsor must clearly inform its food service management company that it will only be ordering the number of meals actually needed, based on participation trends and with the intent of serving only one meal to each child at each meal service. During reviews, State agencies will disallow all served meals that exceed the approved level for each site.

**Adjusting Meal Deliveries**

One of the most important topics for discussion in the award conference is the adjustment of meal deliveries. As a sponsor, you should establish a system for collecting information on attendance changes from its sites, translating these changes into adjustments in the meal order, and communicating these adjustments to the food service management company. In turn, the food service management company should have an organized system for:

- receiving orders for delivery adjustments;
- documenting orders for delivery adjustments;
- adjusting production levels, if necessary;
- ensuring that delivery receipts are changed to reflect adjusted meal orders; and
- ensuring that adjusted meal orders for each site are correctly packaged and loaded for delivery.

The food service management company's key personnel must be aware of these responsibilities. For example, the food service management company's delivery personnel must understand that site supervisors cannot independently request more or fewer meals. These requests must be channeled through the sponsor. Meal deliveries may be adjusted only by the sponsor. If the sponsor wants to order in excess of the approved meal level, State agency approval is required.

The attendance at sites will probably fluctuate during the summer, especially if there is no organized activity at a site other than the food service. You should try to anticipate certain fluctuations in attendance (such as local events that may interfere with site participation) and make arrangements in advance with the food service management company to adjust orders. For example, a consistent drop in attendance each Friday should be handled by reducing the number of meals delivered on Fridays.

Whenever possible, meals should be transferred from a site with too many meals to a site with a shortage, provided that the site's approved meal level is not exceeded. Your monitors should be aware of the procedures for handling extra meals so they can assist the site supervisors in making transfers or other arrangements.

During the summer, sites may cease food service operations on either a temporary or permanent basis. Also, new sites may be authorized to participate in the SFSP. Site deletions and additions may necessitate changes in delivery routes and production levels, and will require the food service management company's cooperation. You are responsible for making sure the food service management company is informed of any such changes.

**Planning Delivery Routes (7 CFR 225.16(c)(5))**

The food service management company must carefully plan delivery routes and schedules and should review them with the sponsor. Sites without adequate facilities for holding meals within the temperature ranges established by State or local health ordinances must receive all meals not more than 1 hour prior to the beginning of the meal service. Delivery personnel for food service management companies should become familiar with their routes before the SFSP starts to help avoid confusion. The food service management company or the sponsor should evaluate and restructure the routes if deliveries for some sites are consistently late. The food service management company is responsible for ensuring that sufficient equipment is available to handle such changes (for example, additional trucks, refrigeration, etc.).
You must plan a system for serving meals when the weather is bad, or they must plan a system for canceling meal deliveries and service at sites lacking sheltered facilities. The food service management company should be notified of these contingency plans.

**Communication**

Good communication is essential for smooth program operations. Even with good management and good intentions, complaints about the food service can arise. Food service management companies and sponsors should establish a system for communicating and resolving complaints. Experience indicates that problems can be most efficiently resolved when both the sponsor and the food service management company designate officials to receive and respond to suggestions and complaints.

**Reimbursement (7 CFR 225.6(h)(2)(ix))**

The food service management company should understand that the sponsor must pay for meals delivered by the food service management company in accordance with the contract. State agencies and USDA are not parties to such contracts. Federal reimbursement to sponsors is based solely upon the number of complete meals that are properly served to eligible children. Therefore, if you do not meet your responsibilities (such as ensuring that meals are served as a unit), meals must be disallowed. Although you remain contractually liable for the number of meals delivered in accordance with the contract, the food service management company should make sure that it is informed of any sponsor disallowances made by the State agency.

**Administrative Reviews (7 CFR 225.7(d)(6) and (e))**

During the course of the summer, the State agency will conduct administrative reviews of the sponsor's program operations. The reviews are designed to ensure that the sponsor's overall program is operating according to requirements. The results of these reviews may affect the amount of reimbursement a sponsor will receive and the payment to the food service management company. The food service management company should designate an official to be familiar with the total program, particularly with the sponsor's responsibilities. For example, in addition to reading the SFSP regulations, this guide and other aids for the sponsor, the food service management company's representatives may want to attend training sessions sponsors arranged for food service personnel.

**Sponsor Disallowances (7 CFR 225.11(d) and (e))**

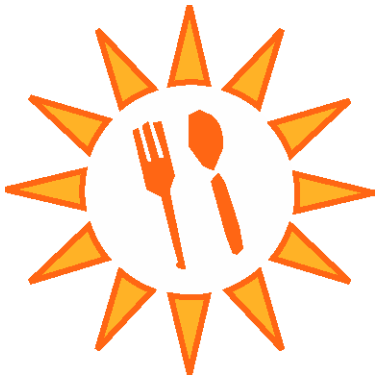
Following is a list of violations by sponsors that will result in disallowances by the State Agency. If the State agency disallows meals for any of these reasons, the sponsor is still responsible for paying the food service management company.

- excess meals, which are a result of failure to plan and prepare, or order and adjust, meal orders with the objective of providing only one meal per child at each meal service;
- allowing meals to be eaten off-site;
- failure to serve meals as a unit;
- claiming meals served to adults;
- serving meals outside the approved timeframes; and
- serving meals in excess of approved levels.

**Food Service Management Company Disallowances (7 CFR 225.6(h)(2) and (3))**

Violations that would cause disallowances in the food service management company's payment from the sponsor's reimbursement are:

- delivering meals that are not unitized;
- delivering meals that are wholly or partially spoiled;
- delivering meals outside the designated delivery times;
- delivering meals with components that are less than the required size or weight;
- delivering meals that are missing components; and
- changing menus or substituting components without the sponsor's prior approval.



**Default of Contract**

As a sponsor, you may terminate the contract if the food service management company does not comply with its terms. You will notify the food service management company (and surety company, if a performance bond is in effect) of specific instances of unsatisfactory performance. If the food service management company does not immediately take corrective action, the sponsor may request the surety company to provide another food service management company, or the sponsor may negotiate another contract. You can negotiate this other contract on a competitive or non-competitive basis. The defaulting food service management company (or surety company if applicable) is liable for any difference in price between the original price and the new contract price.

**Use of Small and Disadvantaged Businesses**
**(7 CFR 225.17(d); 7 CFR 3016 and 7 CFR 3019)**

You are encouraged, whenever possible, to procure services from minority business enterprises, small businesses, or women's-owned businesses on solicitation lists. If it is economically feasible, sponsors may wish to divide their total procurement requirements into smaller tasks or quantities to encourage participation by such entities.

A minority business is a business in which the management and daily operations are controlled by a member or members of a minority group. Such minority groups include Blacks or African Americans, Hispanics or Latinos, American Indians or Alaskan Natives, Asians, Native Hawaiian or other Pacific Islanders.

**Assistance Provided By The Small Business Administration**
**(7 CFR 225.17(d)(5))**

The Small Business Administration (SBA) is an independent Federal agency established to provide assistance to all small businesses. The SBA provides prospective, new, and established members of the small business community with financial assistance, management training, and counseling. SBA's policy is to extend the fullest opportunity for minorities and disadvantaged people to participate in the small business sector. For more information about the SBA and its services, visit the web site at www.sbaonline.sba.gov.

The SBA may be able to help minority-owned and disadvantaged food service management companies improve or develop their businesses in the following areas.

⇒ **Financial Assistance:** Food service management companies that need money and cannot borrow it on reasonable terms from conventional lenders may be able to get assistance from the SBA's loan programs. However, by law, the SBA may not make a loan if a business is able to obtain funds from a bank or other private source. The SBA may either participate with a bank or other lender in a loan, or it may guarantee up to 90 percent of a loan against loss. If the bank or other lender cannot provide funds using either of these methods, the law provides that the SBA can consider lending the entire amount as a direct government loan, if the funds are available. The SBA loans may be used to help food service management companies purchase equipment, facilities, and supplies.

⇒ **Surety Bonds:** Under the SFSP, food service management companies that submit bids over $100,000 and that enter into a food service contract for over $100,000 must obtain bid and performance bonds. The SBA makes the bonding process accessible to small and emerging contractors that find bonding unavailable to them. The SBA is authorized to guarantee a qualified surety up to 90 percent of losses incurred under bid payment bonds. The SBA can also guarantee performance bonds that are issued to contractors on contracts up to $1 million. Food service management companies that anticipate problems in obtaining bid and performance bonds for the SFSP may be interested in contacting the SBA for assistance.

⇒ **Management and Counseling Assistance:** The SBA places special emphasis on improving the management ability of small business owners and managers. Accordingly, small business specialists may be able to assist minority-owned food service management companies with their management problems. They may also provide counseling on the problems or concerns food service management companies may have in meeting requirements for the SFSP.

Minority-owned food service management companies should contact SBA's nearest field office for prompt assistance.

## Questions and Answers

**1. Are there any advantages to obtaining meals from a school food authority?**

You are encouraged to contact the local school food authority about the possibility of obtaining meals under a written agreement with a school. Using the facilities of local public or private schools to prepare or obtain meals offers sponsors several advantages. These schools often prepare large numbers of meals during the school year and already have the facilities and staff for such a service. Many schools are also accustomed to preparing meals that meet USDA requirements if they participate in other Child Nutrition Programs.

**2. Can I contract out any of my management responsibilities?**

No. Sponsors may not contract out the management responsibilities of the SFSP such as monitoring, staff training, enforcing corrective action, or preparing program applications and claims for reimbursement. Sponsors remain legally responsible for seeing that the food service operation meets all requirements specified in the agreement they sign with the State agency.

**3. What type of information do I need to tell food service management companies when I invite them to bid on my contract?**

You will need to include a list of proposed site names, addresses, delivery locations, times of meal service, and days of operation. Also include a cycle menu that lists the types and amount of food in each meal, a copy of the meal pattern requirements and minimum food specifications and model meal quality standards. Sponsors will need to ensure that food service management companies provide “unitized” meals. Also, you need to carefully estimate the number of meals you will need each day because a sizable difference between estimated and actual participation can increase or decrease the food service management company’s unit production cost. In addition, clarify that commodities will only be received if the vendor is a school or school district, or if the sponsor is a school food authority that procures its meals from the same food service management company that currently provides National School Lunch Program meals.

4. **Do commercial food service management companies that I contract out with need to be registered with the State agency?**

   It depends. Commercial food service management companies are no longer required by Federal law to register with the State agency. However, States may continue to require their own registration procedures. This policy gives State agencies flexibility in managing the SFSP. Some State agencies have found the registration process to be beneficial and prefer to continue to require it.

5. **Are there certain requirements food service management companies need to fulfill?**

   Yes. Food service management companies must have State or local health certificates for the facilities they use to prepare meals for the SFSP and they must ask local health authorities or independent agencies to periodically inspect the meals they serve to determine bacteria levels. Further, companies must maintain records which are supported by invoices, receipts, or other evidence that you will need to meet program responsibilities and these records must be kept by the food service management company for at least 3 years from the date of receipt of final payment under the contract. In addition, food service management companies may not subcontract with another company for the total meal or for assembling the meal because this will inflate costs and lessens control of the quality and supply of the meals.

6. **To whom do I award the contract?**

   Sponsors should award the contract to the responsive and responsible bidder whose per meal bid was lowest in price. Responsive bidders would be considered those whose bids conform to all of the terms, conditions, and requirements of the Invitation For Bid. Sponsors are encouraged to use the services of minority-owned companies and should consult local and State authorities regarding the applicability of preference and set-aside provisions. For bids totaling $100,000 or more, or to select a bid that is not the lowest bid, you must first receive State agency approval before acceptance.