REMINDER BINDER: A GUIDE TO NSLP/SBP COMPLIANCE REVIEWS

The Texas Department of Agriculture (TDA) conducts compliance reviews to promote program integrity and to assist contracting entities (CEs) in operating a program that is compliant with all regulations. TDA uses risk-based tools for on-site and off-site evaluation processes to conduct three types of standardized compliance reviews.

- **Administrative Review (AR)** – Comprehensive review of the CE's operational practices including, but not limited to, meal access and reimbursement, meal pattern and nutritional quality, and general operational practices.
- **Administrative Financial Review (AFR)** – Comprehensive review of the CE's financial management system of School Nutrition Programs (SNPs).
- **Procurement Review (PR)** – Comprehensive review of the CE's procurement practices and contract management.

CEs will receive one review that includes the AR, AFR and PR within each Four-Year AR Cycle. SY 2022-23 will be the fourth year of the current cycle. Please note that some CEs may have more frequent reviews. CEs operated by a Food Service Management Company (FSMC) will receive an AR once every three years.

TDA has compiled this resource document, *Reminder Binder: A Guide to NSLP/SBP Compliance Reviews* to assist CEs in organizing required data to meet program guidelines and prepare for program compliance reviews. Included is an overview of the process, definitions, review areas, reminders and resources for each type of review that will be conducted.

The *Reminder Binder* does not cover the entire scope of the program; CEs are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance, as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.

The *Administrator's Reference Manual (ARM)* can be found at www.squaremeals.org under: Programs > NSLP > Policy/ARM.

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TDA Administrative Review Specialist (ARS)

Contact Information

Review Specialist

Name:

Phone:

E-mail:

Month of Review:

Review Date/s:

Notes:

Reminders for SY 2022-23 Administrative Review

While the intent of SY 2022-2023 is to return to standard operations, USDA acknowledges that CEs continue to struggle with standard operational processes. To support access to nutritious meals while CEs manage the operational challenges caused by COVID-19, USDA is allowing the following additional flexibilities during SY 2022-2023.

- Offsite monitoring flexibilities
- Paid Lunch Equity (PLE) flexibilities
- 30-Day Carryover flexibilities
- Local Wellness Policy (LWP) triennial assessment extension
- Supply chain issues

Details are included in the School Year 2022-2023 FAQs posted on the Square Meals website. CEs should stay current on updated guidance by frequently visiting the Coronavirus Updates page on the TDA Square Meals Website.

www.squaremeals.org

Click on the Coronavirus Updates icon on the main page to access:
- Important Documentation
- Intake Forms
- Templates
- Frequently Asked Questions
- US Department of Agriculture (USDA) Waivers
- Additional Resources
- Updates

Review Reminders/Tips

- The off-site assessment allows the ARS to gather information about your operation. In most cases, there are no right or wrong answers.

- Organize supporting documentation in electronic file folders in a way to be easily identified.
  - File documents within folders with headings that match the series number for the area of review.
  - Maintain hard copies of all documents scanned and submitted for review.

- All attachments should be uploaded in TX-UNPS in the SNP Reviews – Review Dashboard, under Review Tools "Review Attachments."

- Files for upload should be no larger than 75 MB (per upload) in size.

- Supporting documents should be uploaded in batches of no more than 50 pages each (for example, applications).

- Hover over the ❓ (question mark) in TX-UNPS for additional USDA Guidance.

- Print questions from "Review Forms" in TX-UNPS to review before typing/entering into TX-UNPS.

- Resources to learn more about the review process, including webinars, training, and tools, are available at The National School Lunch Compliance Webpage accessible at https://squaremeals.org/Programs/NationalSchoolLunchProgram/Compliance.aspx.

- Utilize USDA Menu Worksheets to ensure compliance with menu planning and meal pattern requirements for the appropriate age/grade groups.

- Utilize naming conventions for files that are uploaded into TX-UNPS. Include the corresponding number before the file name: *100_Description of file.*

Overview

Definitions/Terminology
Administrative, Financial and Procurement Review Areas
Review Timeline
Technology, Skills and Resources

Definitions/Terminology

Authorized Representative: Person who is authorized to make decisions and sign legally binding documents on behalf of the CE.

Comprehensive Review: In-depth investigation of operational practices or documentation in response to high-risk factors.

Contracting Entity (CE): The organization with an agreement with TDA to participate in the Federal School Nutrition Program; used interchangeably with the term *SFA* or *School Food Authority.*

Corrective Action Documents (CAD) or Corrective Action Plan (CAP): Documentation that demonstrates that the CE has implemented corrective action to achieve compliance.

Day of Review (DOR): The day(s) on which the on-site review occurs.

Fiscal Action: Recovery of overpayment through direct assessment or offset of future claims, disallowance of overclaims as reflected in unpaid claims for reimbursement, submission of a revised claim for reimbursement, and correction of records to ensure that unfiled claims for reimbursement are corrected when filed. Fiscal action may result in the general fund reimbursing the child nutrition fund for unallowable costs.

Local Education Agency (LEA): A public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public elementary schools or secondary schools

Month of Review (MOR): The most recent month for which a claim for reimbursement has been submitted (prior to the on-site), which has at least 10 operating days.

Non-Systemic Finding: Finding for which the contributing factors are unusual or not part of the normal operating procedure, and the system does not require changes to achieve accurate results.

Off-site Assessment Tool: A tool used to determine the CE's level of risk related to meal service, program administration and other topics. This assessment is conducted on-site through TX-UNPS before the on-site review takes place at the CE and includes:
   1. The Meal Compliance Risk Assessment Tool (MCRAT)
   2. The Dietary Specification Risk Assessment Tool
   3. The Resource Management Survey

On-site Assessment Tool: A tool used to validate the information collected in the off-site assessment and determine compliance related to meal service, program administration and other topics; assessment is conducted on-site.

Repeated Finding: The same type of critical area finding or general area finding noted in more than one review in the same review cycle or across multiple review cycles; may occur at different sites or the same site.

Review Period: The most recent month with at least 10 operating days for which a claim for reimbursement has been submitted.

School Food Authority (SFA): The organization with an agreement with TDA to participate in the Federal School Nutrition Program; used interchangeably with the term *CE* or *Contracting Entity.*

Systemic Finding: Finding for which the contributing factors are inherent to the routine operation of the CE or site and are likely to occur again in the same review cycle if operational processes are not changed.

Week of Review (WOR): The week that is selected for review of the meal pattern requirements, production records, standardized recipes, product formulation statements, etc.

Administrative, Financial and Procurement Review Areas

Critical Areas of Review

Performance Standard One (PS-1) – Areas that are reviewed to determine that each child was provided the proper meal benefits and that meals are properly counted and claimed for reimbursement

Certification and Benefit Issuance and Verification:
- Applications
- Rosters
- Categorical eligibility (Direct Certification, Homeless Migrant, Foster, Head Start, Early Head Start)
- Verification documentation

Meal Counting and Claiming:
- Point-of-Service (POS) System, Daily Record/Accuclaim Edit Check, Reimbursement Claims
- Meals claimed for reimbursement are served only to children eligible for free, reduced-price and paid lunches, breakfasts and afterschool snacks
- Meals are counted, recorded, consolidated and reported through a system that consistently yields correct claims

Performance Standard Two (PS-2) – Areas that are reviewed to determine that meals served to students are prepared, offered and served according to the daily and weekly meal pattern requirements for the appropriate age/grade groups

Meal Components and Quantities:
- Lunches claimed for reimbursement by the CE contain food items/components as required by program regulations
- Completed and accurate food production records, Child Nutrition (CN) labels/product analysis
- Age/grade groups, meeting minimum portions
- Offer versus serve (OVS)

Dietary Specifications:
- Meeting minimum requirement for calories, saturated fat, trans fat and sodium
- Nutrient analysis

General Areas of Review
- Civil Rights
- Competitive Foods (Smart Snacks)
- Complaint Policy
- Equipment, Supply Chain Assistance and other Federal Grants
- Food Safety/Health Inspections

- Implementation of Free and Reduced-Price Policy Statement
- Local Wellness Policy (LWP)
- On-site Monitoring Responsibilities
- Overt Identification
- Professional Standards
- Proper Posting of Program Materials and Nondiscrimination Statement
- Public Announcement/Media Release
- Reporting and Record Keeping
- SBP and Summer Food Service Program (SFSP) Outreach
- Water Availability

Other Federal Program Reviews (Critical and General Areas)*
- Afterschool Care Program (ASCP)
- At-Risk Child and Adult Care Food Program (At-Risk CACFP)
- Fresh Fruit & Vegetable Program (FFVP)
- Seamless Summer Option (SSO)
- Special Milk Program (SMP)

*Please note: Not all areas will apply to all CEs

Administrative Review

An AR is a standardized review process developed by the USDA that includes a comprehensive off-site and on-site evaluation of CEs participating in the following programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- Other Federal Programs:
    - Afterschool Care Program (ASCP)
    - At-Risk Child and Adult Care Food Program (At-Risk CACFP).
    - Fresh Fruit and Vegetable Program (FFVP)
    - Seamless Summer Option (SSO)
    - Special Milk Program (SMP)

USDA provides specific guidance and instructions for the review process so that all CEs administering NSLP and SBP across the nation are evaluated in the same manner. The AR is designed to conduct specified parts of the review off-site and others on-site.
The scope of the AR has been expanded to include a risk-based review of program operations to address the following objectives:

1. Determine whether the CE meets program requirements
2. Provide the CE with technical assistance
3. Secure needed corrective action
4. Assess fiscal action, and when applicable, recover improperly paid funds

Additional information pertaining to the AR can be found in the *ARM, Section 31: Administrative & Other Compliance Reviews*.

Administrative Financial Review

The AFR process is a comprehensive review of the CE's financial management system.

Focus Areas for the AFR
At a minimum, the focus areas include but are not limited to the following:
- Accounting method for tracking and verifying income and costs
- Allowable and unallowable costs
- Direct and indirect costs
- Financial management system including CE's standard accounting practices
- Grant funds (such as equipment, professional standards or others), receipt and use
- Methods to promote program integrity and internal controls
- Paid Lunch Equity
- Proportion of non-program and program food revenue and costs
- Singe audit
- Written financial management procedures, policies and practices, including internal controls

Whenever possible, the AFR will be conducted off-site.

Resource Management (Financial Review)

The Resource Management Review is also called the Financial Review. The Resource Management Summary assesses potential risks for the Resource Management portion of the AR. The tool must be completed and submitted at least four weeks prior to the on-site review. If risk is identified or if the Resource Management Summary is not submitted by the due date, a Comprehensive Resource Management review will be conducted. The summary includes the following categories:
- Maintenance of the nonprofit school foodservice account
- Paid Lunch Equity
- Revenue from non-program foods
- Indirect costs

Procurement Review

The PR process is a comprehensive review of the CE's procurement practices and contract management. The PR will determine how a CE complies with USDA's program procurement regulations and guidance as outlined in 2 CFR 200.

The focus will be on the most recently completed fiscal year and the current fiscal year.

Focus Areas for the PR

At a minimum, the focus areas for the PR include, but are not limited to, the following:

- Buy American
- Conflict of interest
- Contract management monitoring forms
- Cooperative purchasing
- Foodservice contracts
- Management of credits, discounts and rebates
- Processor contacts
- Reconciliation of USDA Foods
- Solicitation and contract award process
- Written procurement processes, procedures and practices, including internal controls

Review Timeline

9-10 Week Call/E-mail Prior to On-site Review

TDA E-mail Smartsheet Announcement to Superintendents and Child Nutrition Directors
- Notice of the Child Nutrition Programs
- Training and resource link provided
- Hyperlink to pdf version for download

AR Specialist E-mail to Superintendents and Child Nutrition Directors
- Request for completion of Meal Compliance Risk Assessment Tool in TX-UNPS and due date (not required if only one site selected for review)

AR Specialist E-mails to Superintendents, Business Officials and the district's Procurement Specialist (if applicable) and Child Nutrition Directors
- Date(s) of on-site review
- Confirmation of off-site conference call
- Documents and resources:
  - CE Checklist with due dates
  - TX-UNPS User Guide
  - Application upload template
  - Dietary Specifications Summary
  - Meal Compliance Risk Assessment Tool
  - Resource Management Summary
  - TX-UNPS Helper Guide for Procurement Table
  - PR TX-UNPS training
  - Procurement document list

8 Week Call/E-mail from ARS Prior to On-site Review

CE Responsibility
- Access to TX-UNPS opens
- CE answers off-site questions

Conference Call
- Discuss date(s) of on-site review and PR Review
- Discuss CE Checklist and due dates
- Discuss Dietary Specifications Assessment Summary
- Discuss Resource Management Summary
- Discuss procurement documentation
- ARS will go over the Procurement Table

6 Weeks Prior to On-site Review

CE Responsibility
- Procurement Review invoice samples should be uploaded

Timeline (continued)

6 Week Call/E-mail Prior to On-site Review

CE Responsibility
- Resource Management Summary should be completed
- Upload requested procurement documents
- Upload PR sampling documents (PR vendors)
- Upload selected free and reduced student list from 1st Operating Day of the MOR
- Upload meal count sample
- Upload selected MOR food production records
- Complete off-site questions and assessments in TX-UNPS

Call/E-mail from ARS
- Discuss off-site assessment and PR questions
- Discuss Resource Management Summary
- Entrance and exit conference scheduled
- Discuss Dietary Specifications Assessment Summary results
- Discuss any outstanding document submission

4 Weeks Prior to On-site Review

CE Responsibilities
- Complete off-site questions and assessments in TX-UNPS
- Complete and upload Resource Management Summary (due no later than 4 weeks prior to the on-site)
- Upload MOR Accuclaim/Edit check district-wide
- Upload documentation for sampling requests (PR vendors)
- Upload selected household free/reduced price applications for ARS review if not reviewed onsite.

1 Week Entrance Call Prior to On-site Review

- Off-site review should be completed and all requested documentation uploaded
- PR should be completed
- Resource Management/Financial review should be completed
- CEs that do not meet off-site deadlines may incur findings for egregious and gross mismanagement
- Confirm site locations, meal times and procedures to enter buildings
- Prepare documentation needed for on-site review
  - Charge policy
  - Civil Rights (statements and signage)
  - Competitive Foods (Smart Snacks)
  - Day-of-review food production records/recipes/labels/analysis
  - HACCP plan/food safety
  - LWP
  - On-site monitoring
  - Professional standards

Technology, Skills and Resources

Access to
- Computer
- E-mail
- Internet (high speed internet for uploading documents)
- Scanner (dedicated scanner for uploading documents)
- TX-UNPS (user must have **SNP CE Admin** rights)

Knowledge of
- Microsoft Excel
- Microsoft Word

Resources
- Additional information pertaining to the AR can be found in the *Administrator's Reference Manual, Section 31: Administrative & Other Compliance Reviews*: www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- TDA NSLP Compliance: www.squaremeals.org > Programs > National School Lunch Program > Compliance Main Page and specific review pages

- *USDA Administrative Review Guidance Manual*, AR categories and questions, and fiscal action worksheets: www.fns.usda.gov/nslp/administrative-review-manual-forms-and-tools

- TDA Self-study Training Modules: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP

Off-site Review

Off-site Review Summary
Off-site Procedures and Processes
Off-site Review Assessments
Series 100 – Certification and Benefit Issuance
Series 200 – Verification
Series 300 – Meal Counting and Claiming
Series 400 – Meal Components and Quantities
Series 600 – Dietary Specifications and Nutrient Analysis
Series 800 – Civil Rights
Series 900 – On-site Monitoring
Series 1000 – Local School Wellness Policy
Series 1100 – Smart Snacks
Series 1200 – Professional Standards
Series 1600 – School Breakfast Program and Summer Food Service Program Outreach
Series 2100 – Special Provision Options
Resource Management – Financial Review
Procurement Review

Off-site Review Summary

TDA will post a list of ARs to be conducted for each year in the four-year cycle on www.squaremeals.org > NSLP > Program Compliance. TDA will contact the CE approximately 9 to 10 weeks before the review to request information and documentation. TDA will review the actions both TDA and the CE will take during the compliance review. CEs will be expected to provide information or complete actions for the off-site process in a specified timeframe as described in AR notifications, e-mails and phone calls with TDA staff members assigned to the CE's review.

- Tasks are completed in the TX-UNPS Compliance Module.

- Assessments provide information to TDA on the CE's processes, operational procedures, internal controls and day-to-day tasks. Some questions require supporting documentation.

- The ARS will communicate with the CE regarding due dates and required information.

Off-site Procedures and Processes

The CE will be asked to submit (through TX-UNPS) detailed information regarding procedures and processes on the following topics:

- A la carte
- Accommodating students with special dietary needs
- Adult, visitor and non-student meals
- Backup system for counting and claiming (if electronic)
- BIC counting and claiming procedures
- Charge policy
- Field trips
- How often cashiers are trained on the meal counting and claiming system and backup systems
- Incomplete or non-reimbursable meals
- Internal control measures to ensure meal counts do not exceed enrollment
- LWP
- Lost, stolen, misused, forgotten – tickets, tokens, pins
- New students without an approved free or reduced-price meal application
- OVS
- Procedure for consolidating meal counts by category for each site
- Procedure for extending free meal eligibility to students who are members of a household when one student receives Direct Certification benefits
- Procedure for handling Civil Rights complaints
- Second meals
- Student worker meals
- Training for Civil Rights
- Training to meet Professional Standards requirements
- Verification process
- Visiting student meals
- When and how on-site monitoring is conducted

Off-site Review Assessments

The off-site portion consists of a series of questions, tools and information requests regarding several monitoring areas of the AR. (See questions below.) Assessments are completed through the Compliance Module in TX-UNPS, prior to the on-site portion of the review. Some information may be requested from the ARS via e-mail.

Note: CEs operating Provision 2 in a non-base year or Community Eligibility Provision (CEP) for SY 2022-23 may not be required to complete all questions. Additional information for Special Provision CEs will be included with the CE's checklist.

Series Number	Monitoring Area	# Questions and/or Action
Meal Access and Reimbursement (Critical Area – Performance Standard 1)		
100	Certification and Benefit Issuance	22 & Uploads
200	Verification	5 & Uploads
300	Meal Counting and Claiming	12 & Uploads
Meal Pattern and Nutritional Quality (Critical Area – Performance Standard 2)		
400	Meal Components and Quantities	Uploads
600	Dietary Specifications	Submission
Resource Management (General Area)		
700	Resource Management	Uploads
General Program Compliance (General Areas)		
800	Civil Rights	8 & Uploads
900	SFA On-site Monitoring	1 &Uploads
1000	Local School Wellness Policy	4 & Uploads
1100	Smart Snacks	3 & Uploads
1200	Professional Standards	10 & Uploads
1600	School Breakfast and SFSP Outreach	2
Other Federal Program Reviews (Critical and General Areas)		
	Afterschool Snacks	Uploads
	At-Risk Snack and Supper Program	Uploads
	Fresh Fruit & Vegetable Program (FFVP)	Uploads
2100	Special Provision Option (CEP)	2-5

Series 100 – Certification and Benefit Issuance
(Off-site assessment consists of 22 questions.)

The following documents should be available for upload in TX-UNPS:
- Any template notification letters <u>not</u> already uploaded into TX-UNPS should be uploaded into TX-UNPS > Attachment B: Upload Attachments
- Benefit issuance documents
  - List of all students eligible for free/reduced from the first operating day of the month of review (Excel template will be provided by the ARS)
- List of all students from denied applications
- Applications and Categorically Eligible Lists (Direct Certification, Homeless, Migrant, Head Start/Early Head Start, Foster) of students in sample provided by the ARS
- Denied applications of students in sample provided by the ARS
- Copies of notification letter notifying household of denied benefits in sample provided by the ARS

Definitions/Terminology
Benefit Issuance: The link in the accountability system between the eligibility determination and the benefit delivery

Benefit Issuance Document: Also known as roster or master list; must
- Contain the name and benefit status for all students eligible for free and reduced-price meals
- Be generated from the POS system used in each of the schools
  - For schools that use different POS systems at breakfast and lunch, it is NOT necessary to send duplicative lists (from both meal services). POS benefit issuance documents are those documents directly used in the meal count system to deliver the benefits to students (such as rosters and master lists).
- Not have duplicate names on the list (Each eligible student should only be listed one time.)

Determining Official (also known as Reviewing Official): Person who reviews all household applications, Direct Certification lists and other documentation for categorical eligibility and makes decisions related to eligibility; cannot be the same person as the Confirming or Hearing Official

Direct Certification: The electronic match process under which CEs certify children who are members of households receiving government assistance (Supplemental Nutrition Assistance Program [SNAP], Temporary Assistance to Needy Families [TANF], Medicaid Free and Medicaid Reduced) are identified as eligible for free or reduced-price school meals without further application; based on information provided by the State/local agency administering those programs.

Electronic Application System: Household applications are submitted by the household through a Web-based or scanned application system. The system has limited or no manual data entry by the CE. Records are kept at the CE electronically. All Direct Certification matches at the CE level are completed with a computer match.

Electronic Benefit Issuance System: The transfer of a student's benefits to the POS document is completed through a computerized system. The system has limited or no manual data entry by the CE; however, updates to benefits may be made manually in the electronic system. Benefit issuance identification and rosters are kept electronically.

FDPIR: Food Distribution Program on Indian Reservations

Independent Review of Applications: A second review of applications conducted by LEAs that demonstrate high levels of, or a high risk for, administrative error associated with certification and benefit issuance

Manual Application System: Household applications are submitted by the household to the SFA. SFA completes eligibility determination and Direct Certification matches and enters data manually into a system and/or keeps written records. Hard copy records are kept on file at the SFA.

Manual Benefit Issuance System: The transfer of a student's benefits to the POS document is completed manually by the SFA. All updates to benefits are made manually by the SFA. Benefit issuance identification and rosters are manually developed. Hard copy records are kept on file at the SFA.

Manual/Combination Application System: An electronic system that incorporates one or more aspect of manual application processing (such as applications submitted online and on paper – SFA staff processes paper applications); includes instances in which SFA staff enters paper applications into the online electronic system for determinations

Manual/Combination Benefit Issuance System: An electronic system that incorporates one or more aspect of manual benefit issuance (such as implementing an electronic benefit issuance system at most sites while utilizing rosters/tickets/tokens or any other benefit issuance method at some sites requiring manual updates to those alternate systems)

SNAP: Supplemental Nutrition Assistance Program

TANF: Temporary Assistance to Needy Families

Texas ELMS: Texas Eligibility List Management System

Reminders

- Each year the Application Letter to the Household must be distributed to the households of students attending the school. This letter informs families about which Child Nutrition Programs are available and that meals may be available free or at a reduced- price. The information letter and instructions must be sent to the households of all enrolled students either before the beginning of the school year (*no sooner than July 1*) or very early in the school year so that eligibility determinations can be made, and free and reduced-price benefits provided as soon as possible.

- To diminish any language barriers to participation for Limited English Proficient (LEP) families, application materials and other household communications concerning eligibility determinations must be in a language that parents and guardians can understand. CEs must make reasonable efforts, considering the number of such households, to provide household letters and application forms in the appropriate languages. TDA provides prototype materials in both English and Spanish for CEs operating NSLP during SY 2022-23.

- Annually, prior to the beginning of the school year, CEs must distribute a media release to a major news outlet with information on school meals benefits and how to apply. TDA provides prototype materials specific to the type of meal program being offered. (NOTE: The CE is required to send the media release to appropriate news outlets. The CE is not required to ensure that the release is used by the media outlet and/or to pay to publish a release.) Documentation of this process must be maintained.

- Annually, between July 1 and October 31, CEs must upload a sample household application, letter and instructions to be used for the current school year into TX- UNPS > Applications > Attachment B: Uploads.

- SY 2022-23 - TDA provided a new Media Release for CEs that operated SSO during 2021-22 to communicate the transition back to the standard paid/reduced/free NSLP model.

- TDA requires all CEs to perform a Direct Certification match at least once a month through Texas ELMS.

- CEs must maintain the status "type" (for example, SNAP/TANF/Medicaid Free, Medicaid Reduced) in the system for annual verification data and the AR. Documentation must be retrievable by site to ensure proper delivery of benefits and to allow substantiation of the number of children eligible for free/reduced meal benefits.

- Pre-k students must have a free, reduced-price, or paid eligibility status based on the household application, DC list, or other source categorical eligibility (foster, homeless, migrant or Head Start/Early Head Start status).

- Materials and other household communications must include USDA's <u>current</u> Non-Discrimination Statement, provided May 2022.

- Carryover of the previous year's NSLP eligibility applies to Direct Certification, categorical eligibility determinations and income applications. Carryover is for up to 30 operating days (beginning with the first operating day of school) into the current school year or until a new eligibility determination is made, either approved or denied. The new eligibility determination supersedes the carryover eligibility.

- SY 2022-23 Carry Over Guidance and Flexibilities:
  - CEs that operated NSLP in SY 2021-22 must use SY 2021-22 eligibility data
  - CEs that operated SSO in SY 2021-22, processed applications and conducted verification on applications district wide in SY 2021-22 must use SY 2021-22 eligibility data
  - CEs that operated SSO and processed **any** applications in either SY 2021-22 or SY 2020-21 for P-EBT but did **not** process applications district wide in either of those two years have the following options:

  Option 1 – Use only data from the last year applications were processed district wide.

  Option 2* – Use **last documented eligibility for each student**, which may include applications processed in different years.

  *CEs using **Option 2** must use the student's most recent status and not choose an earlier year's status, even if that status is more beneficial to the student.

  - CEs using data from any other year besides SY 2021-22 must inform TDA through an online Intake Form located on the Square Meals website.

- Students transferring from a CEP site to a non-CEP site anytime during or between school years receive 30 operating days of carryover eligibility or until eligibility is established through Direct Certification or an application.

- Applications must be reviewed in a timely manner. An eligibility determination must be made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application.

- When reviewing the *Total Household Members* in Step 2D of the school meal household application, the number should match total child and adult names in Steps 1 and 2B. The adult completing the application may have forgotten to include a name. The household should be contacted if the number entered by the applicant is higher than the number of names listed. The household is not required to enter a total for the application to be processed.

- Effective Date of Eligibility Options for Household Meal Applications and Categorical Eligibility:

Household Meal Applications
- CEs must select one of the following options:
  - All sites and all SNPs assign the effective date for eligibility based on household applications as the date the completed application is **approved by the Reviewing Official**.
  - All sites and all SNPs assign the effective date for eligibility based on household applications as the date the completed application is **recorded as received by the CE**.

Categorical Eligibility
- CEs must select one of the following options:
  - All sites and all SNPs assign the effective date for eligibility based on participation in a categorical program without household application as the date the categorical program participation list is **reviewed and approved by the Reviewing Official**.
  - All sites and all SNPs assign the effective date for eligibility based on participation in a categorical program without household application as the **date recorded** on the categorical program eligibility documentation, such as the date the originating agency or organization recorded as the date the information was in effect.

- The benefit issuance document (roster or master list) should be organized alphabetically by LAST NAME for all students in the CE (all sites) in excel format.

Resources

- *Administrator's Reference Manual, Section 4: Eligibility Determination*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- Income and Categorical Application Tips: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP > NSLP Resources

- TDA Online Training Modules: Eligibility Guidance in NSLP and Processing School Meal Applications
  www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP

- TDA Prototype Forms: www.squaremeals.org > Programs > National School Lunch Program > Eligibility and Verification > Household Applications

- Texas ELMS Training: www.squaremeals.org > Programs > National School Lunch Program > Texas ELMS

- *USDA Eligibility Manual for School Meals*: https://www.fns.usda.gov/cn/eligibility-manual-school-meals

Series 200 – Verification

(Off-site assessment consists of five questions.)

The following documents should be available for upload in TX-UNPS:
- Alphabetical list of verified students from most recent completed verification
  - Include names of students from all verified applications
- One set of sample Verification Letters sent to households
  - Verification Notification – Selection Letter for Households
  - Verification Notification – Continuation of Benefits Letter
  - Verification Notification – Verification Results/Adverse Action Letter
  - Verification Information Request: Statement of Earning/Social Security Income
- Verification documentation of student names from verified student list in sample provided by the ARS
  - Application Verified/Direct Certification List
  - Notification letters sent to each household verified
  - Verification Individual Household Report Form

Definitions/Terminology

Confirmation Official (optional designation, required action): Person who confirms that the initial determination made by the Determining or Reviewing Official was accurate; cannot be the same person as the Determining or Reviewing Official that initially determined eligibility or the Hearing Official.

Confirmation Review: Process used to ensure that the initial eligibility determination was accurate for all applications selected for verification.
After household selection and prior to notification of verification selection, a Determining Official, other than the official who made the initial eligibility determination, must review each approved application selected for verification to ensure that the initial determination was accurate. This process may be waived if the CE has an approved waiver request on file.

Error-Prone Household Application: Application that includes an income amount within $100 per month ($1,200 per year) of the applicable Income Eligibility Guidelines (IEGs).

Follow-Up Official (optional designation, required action): Person who conducts follow-up with any household or collateral contact if the household or collateral contact does not respond to the request for verification or submits insufficient written evidence; may be the same person as the Confirming or Verification Official.

Hearing Official (required): Person who ensures that all required provisions are followed correctly and makes a determination any time there is an appeal of decisions related to eligibility determinations; cannot be the same person as the Determining, Reviewing, Confirming, or Verification Official; must attend annual Civil Rights training.

USDA School Food Authority (SFA) Verification Collection Report (FNS-742):
Commonly called the **Verification Report, i**s a required annual report of NSLP/SBP
participants and verification process results submitted by November 23, 2022 in TX-
UNPS.

Verification: Confirmation of eligibility for free and reduced-price meals under NSLP
and SBP; only required when eligibility is determined through the application process,
not through Direct Certification or Other Source Categorical Eligibility. Verification must
include either confirmation of income eligibility or confirmation that the child or any
member of the household is receiving assistance under the SNAP, FDPIR, or
Temporary Assistance for Needy Families (TANF).

Verifying Official (required for verification): Person who verifies the eligibility of
applicant households. May be the same person as Determining, Reviewing, Confirming
or Follow-up Official.

Reminders

- Annually, each CE must verify eligibility of children from a sample of household
  applications approved for free and reduced-price meal benefits for that school
  year.

- Approved CEP sites are excluded from the verification process because
  applications are not processed for those sites. All CEs are required to complete
  the Verification Report.

- The verification process must begin on October 1 and end no later than
  November 15 each school year.

  o **October 3, 2022:** CEs must select a sample size based on a count of
    approved applications on this date and begin the verification process.
  o **October 31, 2022:** CEs must determine the total number of students
    enrolled by category for the current school year as of this date. A mid-
    October upload in Texas ELMS should be performed to identify students
    who are directly certified for reporting.
  o **November 1, 2022:** Verification Report opens in TX-UNPS.
  o **November 15, 2022:** CEs must complete verification activities, whether
    the date falls on a weekend or holiday, by this date.
  o **November 23, 2022:** Deadline for all CEs to submit the Verification
    Report in TX-UNPS > Download Forms > SNP-123.

- A CE is exempt from completing a confirmation review if they use a technology-
  based system that demonstrates a high-degree of accuracy. A waiver request
  must be submitted to TDA through TX-UNPS > Download Forms > SNP-000
  Request for Exemptions/Waivers. Approved waivers must be kept on file.

- The ARS will review the CE's Verification Report if the CE operated SSO during SY 2021-22 and did not conduct verification.

- Administration/Forms to ensure accurate data collection from applications on October 1 and students on the last operating day of October.

- All CEs, including those operating CEP, must report Direct Certification data on the Verification Report by November 23, as required by TDA. CEs should utilize the mid-October Direct Certification, extended eligible and local certified lists to accurately count students who are directly certified as of the last operating day in October.

- The ARS will review the Verification Report submitted by CEs that operated SSO during SY 2021-22 and did not process applications or conduct verification.

Resources

- *Administrator's Reference Manual, Section 6: Verification of Eligibility* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- Resources for Direct Certification and Verification: www.squaremeals.org > TX-UNPS > Download Forms > SNP-123

- TDA Sample Method Worksheet: www.squaremeals.org > Programs > National School Lunch Program > Texas ELMS > Direct Verification

- *USDA Eligibility Manual for School Meals*: www.fns.usda.gov/cn > Programs > National School Lunch Program > Guidance and Resources > Determining and Verifying Eligibility (under *Guidance and Handbooks*)

- USDA School Food Authority (SFA) Verification Collection Report (FNS-742) sample: www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms > Search for "742" under Form Number

- Verification Forms and Letters: www.squaremeals.org > Programs > National School Lunch Program > Eligibility and Verification > Application Verification

- Verification of Eligibility online training module: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP

- Verification Report Tips: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP > NSLP Training Resources

Series 300 – Meal Counting and Claiming

(Off-site assessment consists of 12 questions.)

The following documents should be available for upload in TX-UNPS:
- Daily Record/Accuclaim Form (breakfast and lunch for selected sites)
    - Daily Record/Accuclaim Form to correspond with meal count sample
    - Daily Record/Accuclaim Form for entire Month of Review
- Meal Count Sample (transaction detail) by student name and category from the review period
    - ARS will specify the sample for each site selected.
- Month of Review Daily Record/Accuclaim for all CE sites specific to the type of program operated (Special Provision or NSLP)

Definitions/Terminology

Accuclaim: A process developed to improve the accuracy and accountability of reimbursement claims. Proper implementation of the Accuclaim regulations, which include edit checks and on-site reviews, will ensure that the CE has an accurate system of counting and claiming and help to prevent the necessity for an upward adjustment for an underclaim or a downward adjustment for an overclaim.

Attendance Factor: Monthly average of students in attendance at the site divided by the highest daily total enrollment for the claim month; compared to ADP to help identify possible errors in reporting.

Average Daily Participation (ADP): Monthly average of students participating in the meal program that were served a reimbursable meal by meal type (breakfast, lunch or snack) and category (free, reduced-price or paid); compared to the attendance factor to help identify possible errors in reporting.

Daily Record/Accuclaim Form: Must be performed by the CE daily using the TDA prototype Daily Record/Accuclaim Form or a similar locally developed form for each feeding location; allows the CE to compare the percentage of free and reduced-price meals claimed at each site to the number of students eligible to participate in the program at each site (edit check).

Electronic System: Meal counts generated by an automated POS system that may connect to the claim for reimbursement. Electronic systems are able to identify a student's benefit category, tally daily meal counts, transfer daily meal counts to the SFA, consolidate meal counts for the SFA and/or submit the claim for reimbursement. This system requires limited or no manual data entry at the POS. Meal counts are kept electronically.

Equal Access: A requirement that every student, no matter the eligibility, have equal access to reimbursable meals in a line that does not overtly identify the student's eligibility status; any line not made available to all students cannot claim meals for reimbursement.

Manual/Combination System: An electronic system with one or more aspect of manual benefit issuance (such as an electronic POS at most lines but utilizing a roster at an alternate service location that requires manual entry of meal counts).

Manual System: Meal counts generated by a manual POS system; includes manual tallying, consolidation and transfer to the SFA; hard copy records are kept on file.

Medium of Exchange: The way or method students pay for meals during meal service; must ensure no overt identification of a student's eligibility status.

Overt Identification: Any action the CE takes that may result in a student being recognized as eligible to receive or certified for free or reduced-price meals including at the POS.

Point of Service: The point in a foodservice operation where a determination can accurately be made that a reimbursable free, reduced-price or paid meal has been served to an eligible student.

Reimbursable Meal: A meal that offers all the required meal pattern food items in the required serving sizes for the student's age/grade group.

Reminders
- All detailed transaction meal count reports for reimbursable meals must include the following:
  - Date of meal service
  - Type of meal service
  - Student name
  - Student eligibility

- If an electronic system is used, the CE must have a manual backup counting system in place in case of mechanical failure.

- All cashiers and substitute cashiers are to be trained on the meal counting and claiming process and procedures, including the backup system.

- CEs should establish meal counting and claiming policies and procedures for the following situations (as applicable): OVS, incomplete/non-reimbursable meals, second meals, visiting student meals, adult and non-student meals, student worker meals, a la carte, field trips, charged and/or pre-billed/prepaid meals,

students without funds to pay for meals, and new students without approved certification of free or reduced-price benefits.

- CEs should establish procedures to address the handling of lost, stolen, misused, forgotten or destroyed free, reduced-price, or paid meal tickets, tokens, IDs and PINS.

- Review the current *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)* to ensure that no changes need to be made prior to your review. This document should be submitted through the web-based form in TX-UNPS under Applications > Attachment B. Refer to *SNP-131, Attachment B, Web-based Directions* under Download Forms in TX-UNPS for additional instructions.

- Tally sheets may be used to count meals at CEP and P2 sites. These sites are not required to match a meal with a specific child on the enrollment roster. However, the number of meals claimed may not exceed the total number of enrolled children in attendance for that day.

- Counting and claiming procedures for alternate points of service should be outlined in the CE's *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s).*

- Breakfast in the Classroom (BIC) counting and claiming procedures must be clearly outlined and implemented to ensure accurate counting of eligible meals for claiming.

- CEs should establish procedures to address visiting students that are claimed at either the serving site or the enrolled site (home).

Resources
- *Administrator's Reference Manual, Section 20: Counting & Claiming* www.SquareMeals.org > Programs > National School Lunch Program > Policy/ARM

- Counting Reimbursable Meals in NSLP and SBP online training module: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP

- Daily Record/Accuclaim Form: www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms > Search "Daily Record" under Form Name

- Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)
  TX-UNPS > Download Forms > SNP-131 Attachment B, Web-based Directions
  TX-UNPS > Applications > Attachment

Series 400 – Meal Components and Quantities
(No off-site assessment questions)

The following documents should be available for upload in TX-UNPS:
Uploaded during off-site review:
- Completed Dietary Specifications Summary form for the targeted menu school site
- Menu(s)/tech sheets for week of on-site review (for each site selected) by meal service
- Menu(s) and completed food production records for selected week (5-7 days) during the month of review (for each site selected) by meal service

Available during on-site review:
- Product documentation: CN labels, manufacturer-certified product formulation statements, recipes, dietary specifications, etc. for meals served during the month of review and the week of review

Definitions/Terminology

Food Component (Breakfast): One of the three food groups that make up a reimbursable breakfast: fruits (or vegetables as substitute), grains (with optional meat/meat alternates) and fluid milk. Schools must always offer all three food components in at least the minimum daily required quantities.

Food Component (Lunch): One of the five food groups that make up a reimbursable lunch: meats/meat alternates, grains, fruits, vegetables and fluid milk. Schools must always offer all five food components prior to the point of service in at least the minimum required quantities.

Food Items: A specific food offered that contains one or more of the food components.

Food Production Record: A required document with specific information to document menu planning, production and service; all reimbursable meals planned, prepared and served daily must be documented on a food production record.

Point of Service: The point in the foodservice operation where a determination can accurately be made that a reimbursable free, reduced-price or paid meal has been served to an eligible student.

Product Documentation: Supporting documentation showing how the product contributes to the meal pattern (such as CN labels, manufacturer-certified product formulation statements, etc.); reviewed on-site.

Reimbursable Meal: A meal that offers all the required meal pattern food items in the required serving size for the student's age/grade group.

Reimbursable Breakfast: A student's reimbursable meal is determined by how each item is menued. When not using OVS, the CE must serve four food items which contain the following three food components:
- o Grains
- o Fruit (or Vegetable)
- o Milk

Reimbursable Lunch: A students' reimbursable mal is determined by how each item is menued. When not using OVS for a reimbursable lunch, the CE must serve food items which contain the following five food components:
- o Fruit
- o Vegetables
- o Grains
- o Meat/Meat Alternates
- o Milk

Reminders

- Meals served must meet the minimum daily and weekly meal pattern requirements for the appropriate age/grade groups.

- The following transitional meal pattern changes go into effect in SY 2022-23:

  - o Flavored Milk – Schools may offer flavored, low-fat (1 percent) milk at lunch and breakfast and as a beverage for sale a la carte; unflavored milk (fat-free or low-fat) mush be available to each school meal service.
  - o Whole Grain – At least 80% of the weekly grains in NSLP and SBP must be whole grain-rich; the remaining weekly grains offered must be enriched.
  - o Sodium – Sodium Target levels are retained for NSLP and SBP through SY 2022-23.

- Review Meal Pattern Support for SY 22-23 on the Square Meals website.

- Review planned menu and compare to food production records to ensure meal pattern was met.

- Documentation to support meal component contribution and meal pattern requirements must be provided. This may include Child Nutrition labels, nutrient fact labels, product formulation statements, and recipes.

- The CE's menu planner determines whether duplicate items are allowable.

- CEs that regularly and consistently serve lunch <u>more than five days per week</u> must increase the weekly component quantities by 20% for each additional day.

- CEs with <u>occasional decreases</u> in the week length because of holidays, early release, etc., do not have to adjust the planned menus.

- CEs with enrolled pre-kindergarten students must follow the pre-K meal pattern for breakfast and lunch menu planning.
  - CEs that serve meals to pre-K students in the same service area at the same time as older age/grade groups may opt to serve pre-K students the same meal pattern as the older age/grade groups during meal service. The flexibility of a comingled service is based on the CE's ability to identify the age/grade groups of the students and the amount of time needed to serve the meals.
  - The presence of pre-K students in the dining area at the same time as older students does not necessarily mean that the meal service is comingled.

Resources
- *Administrator's Reference Manual, Section 7: Breakfast Meals* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 8: Lunch Meals* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 9: Pre-Kindergarten Meals* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- Meal Pattern Support for SY 22-23: www.squaremeals.org > Programs > National School Lunch Program > Meal Pattern Support SY 22-23

- TDA Online Training Modules: Meal Pattern Requirements in the School Breakfast Program, Meal Pattern Requirements in the National School Lunch Program and Supporting Documentation for Food Production Records www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP

- TDA Prototype Daily Food Production Record for Food-Based – Central Kitchen, Receiving Kitchen, and On-site Production: www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms > Search for "Food Production" under Form Name

- USDA Menu Certification Worksheets: www.fns.usda.gov/cn/nutrition-standards-school-meals > Technical Assistance and Guidance Materials > Certification of Compliance with New Meal Patterns

- Meal Pattern Resources - Meal Pattern Charts, Grains Calculator and Food Production Record Highlighted handout: www.squaremeals.org > Programs > National School Lunch Program > Training > NSLP > NSLP Resources

Series 600 – Dietary Specifications and Nutrient Analysis

The following documents will be completed and/or uploaded into TX-UNPS:
- Meal Compliance Risk Assessment Tool (MCRAT)
- Dietary Specifications Assessment Tool

Definitions/Terminology

Dietary Specifications: Targeted standards for calories, sodium, saturated and trans-fat that must be met for each age/grade group; if the weighted average daily amount for the nutrient standard falls within the range for the dietary specification, the CE has met the requirements for that dietary specification.

Dietary Specifications Assessment Tool: Assesses lunch and breakfast foodservice practices to determine the risk for violations related to calories, saturated fat, sodium and trans-fat; completed by the menu planner during the off-site assessment.

Meal Compliance Risk Assessment Tool (MCRAT): A tool used to identify one school site with the highest risk for non-compliance. The site with the highest risk score will be the (targeted menu) site. This is the school for which the Dietary Specifications Summary will apply for breakfast and lunch.

Nutrient Analysis: A menu analysis to ensure compliance with the meal pattern requirements and dietary standards.

Reminders

- If more than one site is selected for review, CEs must complete the Meal Compliance Risk Assessment Tool (MCRAT) for each site identified. (Found in TX-UNPS under the Site Forms for each school).
    - The Dietary Specifications Summary form will be completed for the school site with the highest Meal Compliance Risk Assessment score.
    - If only one site is selected for review, the Meal Compliance Risk Assessment Tool is **not required**, and the Dietary Specifications Summary form is submitted for the selected site.

- Responses for the Dietary Specifications Assessment Tool should be based on the food production records submitted for the week selected from the month of review.

- Personnel familiar with meal preparation methods, products used on the menu, standardized recipes, etc. (such as the Menu Planner and Kitchen Manager) should complete the Dietary Specifications Assessment Tool.

- USDA's Certification Worksheets can be used to assist with menu planning and to verify that meals planned meet meal pattern requirements.

- A targeted menu review is required for the site with the highest risk score based on the results of the Meal Compliance Risk Assessment Tool (MCRAT).
  - If the school selected for a targeted menu review is low risk based on the responses to the off-site portion of the Dietary Specifications Summary form, then TDA must verify compliance during the on-site review. A nutrient analysis **may not** be required.
  - If the targeted menu at the review school is high risk based on the responses to the off-site portion of the Dietary Specifications Summary form, then **TDA must complete** a nutrient analysis for both breakfast and lunch (if applicable).

- Documentation to support Transitional Meal Pattern changes will be reviewed.

Resources
- *Administrator's Reference Manual, Section 8: Lunch Meals* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- USDA Menu Certification Worksheets: www.fns.usda.gov/cn/nutrition-standards-school-meals > Technical Assistance and Guidance Materials > Certification of Compliance with New Meal Patterns

Series 800 – Civil Rights
(Off-site assessment consists of eight questions.)

The following documents should be available for upload in TX-UNPS:
- Civil Rights training documentation
  - Demonstrate annual training (including certificates, training sign-in sheets, meeting agenda, topics covered, etc.) Documentation can be uploaded in TX-UNPS or available for the ARS to review onsite.
  - Must include Hearing Official, Homeless Liaison and any staff involved in determining eligibility and/or the verification process
- Discrimination complaint process documentation
  - Written procedures on receiving and processing complaints alleging discrimination
  - Copy of Civil Rights Complaint Form
- Public (media) release
  - Documentation that demonstrates the CE issued a media release containing the letter to the household, eligibility criteria, the household application form and full IEGs chart

Definitions/Terminology
Limited English Proficient (LEP): An individual or household that does not speak English as their primary language and has a limited ability to read, speak, write or understand English.

Reminders
- The current non-discrimination statement must be provided on appropriate forms of communication and printed program materials.

- Both handwritten and verbal discrimination complaints are accepted and should be documented and forwarded to TDA.

- CEs should establish a written process that demonstrates how students with special dietary needs are accommodated (even if the CE does not currently have any students with special dietary needs).

- For public schools, race and ethnicity data are collected and reported through the Public Education Information Management System (PEIMS) annually. Private schools and Residential Child Care Institutions (RCCIs) are responsible for collecting race and ethnicity data.

- The USDA "And Justice for All" poster must be displayed in a prominent location, in public view by participants without obstruction in each feeding site. One poster is sufficient per site.
  - Updated posters will be available to downloaded and printed according to USDA specifications from the Square Meals Website.

- Civil Rights training documentation should include date, topic/resources, and the participants' names and signatures of **all** personnel who interact with program applicants and participants OR training certificates for in-class or online training. Participants should include the Hearing Official, Homeless Liaison, teachers responsible for checking student names off rosters in classrooms (e.g., Breakfast in the Classroom BIC), etc. Online Civil Rights training is available on the Institute of Child Nutrition (ICN) website. ICN online registration and training instructions are located on the Square Meals website.

- Materials and other household communications must be in a language that parents and guardians can understand to diminish any language barriers to participation for LEP families. Where households need information in a language other than English, CEs must make reasonable efforts, considering the number of such households, to provide communications in the appropriate languages. TDA provides prototype material in both English and Spanish.

Resources

- *Administrator's Reference Manual, Section 3: Civil Rights & Confidentiality* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 25: Meal Accommodations* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- "And Justice for All" Poster: www.fns.squaremeals.org Search "And Justice For All" Poster

- Civil Rights OnlineTraining: www.theicn.org (English and Spanish)

- TDA Media Release Prototypes: www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms > Search for "Media" under Form Name

Series 900 – On-site Monitoring
(Off-site assessment consists of one question.)

> **The following documents for each selected site should be available for upload in TX-UNPS:**
> - Breakfast On-Site Monitoring Form
> - Lunch On-Site Monitoring Form
> - After School Snack Program Onsite Monitoring Form (if applicable)

Definitions/Terminology

Reminders
- On-site Monitoring Forms are intended to assist Child Nutrition personnel in monitoring program activities. Monitoring reviews should be conducted by the SNP director or their designee in the frequency identified below:

  - Afterschool Care Program (ASCP) – must be completed for all sites participating in ASCP
    - First time: Within first 4 weeks of snack service each school year
    - Second time: Before the end of the school year
  - Community Eligibility Provision (CEP) – must be completed for all sites within a CE with more than one feeding site
    - Prior to February 1 each year
  - National School Lunch Program (NSLP) – must be completed for *lunch meal service* for all sites within a CE with more than one feeding site
    - Prior to February 1 each year
  - School Breakfast Program (SBP) – must be completed for *breakfast meal service* for **50%** of the sites operating SBP each year.
    - Every site is reviewed every other year.
    - Prior to February 1 each year
  - Seamless Summer Option (SSO) – must be conducted for all sites within a CE participating in SSO
    - At least once during SSO operation
    - Should be conducted by the SSO site manager or his/her designee
    - To be in compliance, all responses should be *yes*.

- Required corrective action must be documented on the monitoring form.
- Review SY 2022-23 wavier/intake form information on the Square Meals website.

Resources
- *Administrator's Reference Manual, Section 20: Counting & Claiming*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- TDA Prototype On-site Monitoring Forms: www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms Search for "On-site" under Form Name

Series 1000 – Local School Wellness Policy
(Off-site assessment consists of four questions.)

> ***The following documents should be available for upload in TX-UNPS:***
> - Current school year LWP (board approved)
> - Assessment of Local Triennial Assessment (if waiver was not submitted to TDA and approved by June 30, 2020.
>   - Documentation that demonstrates how the assessment was conducted and made available to the public
>   - Documentation that demonstrates the method used for soliciting participation from permitted stakeholders in the development, review, update and implementation of the policy

Definitions/Terminology

School Campus: All areas of the property under the jurisdiction of the school that are accessible to students during the school day (not applicable to faculty areas in which students do not have access.)

School Day: The period from midnight before to 30 minutes after the end of the official school day.

School Health Advisory Council (SHAC): A group of individuals, representative of segments of the community, generally appointed by the school district to serve at the district level who collectively provide advice on coordinated school health programming and its impact on student health and learning.

Stakeholders: Individuals that must be permitted to contribute to the development, implementation, periodic review and update of the LWP, including school board members, parents, students, nurses, PE teachers, community members, Child Nutrition representatives and school administrators.

Reminders
- Every CE must establish and follow an LWP. The LWP must focus on nutrition education and promotion, physical activity, and school-based activities to promote student wellness.

- The LWP is developed as a layered process:
  - Develop written formal policy for achieving identified goals
  - Develop a plan for implementation
  - Implement the plan
  - Assess the implementation plan toward meeting written policies.

- The development of an LWP will include the involvement of students, parents, and other key stakeholder groups.

- The formal policy must be approved and adopted by the local board of trustees or governing board and must be updated when there is a change in implementation practices or local, State or federal requirements.

- CEs must assign one or multiple staff to be responsible for the following tasks:
    1. Development of the LWP
    2. Implementation of the LWP
    3. Assessment of the LWP
    4. Update of the LWP.

- LWPs must include specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness.

- The LWP must establish nutritional guidelines for all foods and beverages available to be sold or given to students on the school campus during the school day.

- The LWP must establish policies that allow the marketing and advertising of only food and beverage items that meet Competitive Foods Nutrition Standards.

- CEs must notify the public annually about the content of the LWP and any updates to the policy.

- CEs must establish a plan to assess the effectiveness of the implementation of its LWP at least every 3 years, including, but not limited to, and assessment of:
    1. Compliance with the LWP
    2. Alignment to model, evidence-based LWPs
    3. Progress made toward attaining the goals described in the LWP

- SHAC meeting agendas reflecting LWP data collection may be used as documentation to demonstrate assessment of a CE's LWP prior to the triennial assessment publication.

- An LWP worksheet and plan template that comply with the final rule are available and provided by TASB (Texas Association of School Boards).

- USDA issued a nationwide waiver allowing CEs to complete their first triennial LWP assessment by June 30, 2023. CEs electing to use a new deadline were required to submit the Notification form no later than July 15, 2022. The CE must retain waiver documentation for their records.

- For CEs that completed their triennial assessments by the original extended date of June 30, 2022, second assessments will be due June 20, 2025.

Resources

- *Administrator's Reference Manual, Section 29: Local Wellness Policy & Stakeholder Engagement* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- TASB Student Health and Wellness Policy and Plan Resources: www.tasb.org > Services > Policy Service > Resources > Student Health and Wellness

- TDA Square Meals Website Resources www.squaremeals.org > Programs > National School Lunch Program > Local Wellness Policy Requirements

- USDA Local School Wellness Policy Resources: www.theicn.org/cnss/ > Type the words *Local Wellness Policy* in search box

Series 1100 – Smart Snacks

(Off-site assessment consists of four questions.)

The following document should be available for upload in TX-UNPS:
- Current year list of a la carte food and beverages sold across the entire school campus during the school day. This includes vending machines, school stores and concession stands, etc. if used during the school day.

The following documents should be available for the ARS during the on-site visit:
The ARS will observe and review Smart Snacks, a la carte, fundraising and nutrient fact documentation on-site on the day of review.
- List of Child Nutrition a la carte items
- Smart Snacks Calculator results printout
- Product labels or recipes

Fundraising food/beverage items sold on the day of review must be supported by the same documentation required for Child Nutrition a la carte items.

Definitions/Terminology

Combination Food: Products that contain two or more components representing two or more of the recommended food groups: fruit, vegetables, milk, meat/meat alternates or grains.

Competitive Food: All food and beverages sold to students on the school campus during the school day that compete with the school's operation of the NSLP and/or SBP, other than those meals reimbursable under programs authorized by the National School Lunch Act and the Child Nutrition Act.

Exempted Fundraiser: An event that includes the sale of food and beverage items that do not meet the regulatory requirements of the Smart Snacks standards based on the frequency established by TDA. Each campus may have up to six exempt fundraising days per year. Food and beverage items sold for exempt fundraisers cannot be sold in competition with school meals in the foodservice area during the school meal service.

Fundraiser: An event that includes any activity during which currency/tokens/tickets, etc. are exchanged for the sale/purchase of a product (food or nonfood) in support of the school or school-related activities; there are no restrictions on the number of fundraisers that include the sale of food and beverage items that meet the Smart Snacks standards as well as the sale of nonfood items.

School Campus: All areas of the property under the jurisdiction of the school that are accessible to students during the school day (not applicable to faculty areas in which students do not have access).

School Day: The period from midnight before to 30 minutes after the end of the official school day.

Smart Snacks: Another term used in reference to the Competitive Food Nutrition Standards for foods *sold* during the school day on the school campus that are not part of the reimbursable meal.

Reminders

- Smart Snacks standards apply only to food and/or beverages *sold* during the school day on the school campus.

- Competitive foods include, but are not limited to, food and/or beverages sold in a meal service line, in vending machines, in school stores or as part of fundraisers.

- Smart Snacks standards **do not apply** to food sold during non-school hours, weekends and off-campus fundraising events, such as frozen pizza sales or concessions during afterschool sporting events, school plays or concerts.

- Any entrée item offered as part of the lunch or breakfast programs is exempt from all competitive food standards if it is sold as a competitive food on the day of service or the day after service in the lunch or breakfast programs.
  - An exempt entrée item must be in the same serving size or smaller than the entrée item offered in the NSLP or SBP reimbursable meal.

- Side items, snack foods, beverages and any entrées not served as part of a reimbursable meal must comply with the nutrition standards, including calorie, fat, sugar and sodium limits, in order to be sold to students in school.

- Use of accompaniments is limited when competitive foods are sold to students in school. The accompaniment must be included in the nutrient profile as part of the food item served and meet all standards.

- Products that contain two or more components representing two or more of the recommended food groups (fruit, vegetables, milk, meat/meat alternates or grains) and packaged together are considered combination foods. The items must be sold together as one unit and must meet the criteria for a combination food.

- The CE must keep complete and accurate documentation or records for all competitive beverages and foods sold.

- During exempt days, Texas public, charter and private schools that participate in NLSP or SBP may sell any foods and beverages that do not meet nutritional standards outlined in 7 CFR Parts 210 and 220 as part of a fundraiser during the school day, for up to six days per school year on each school campus, provided that these items are not sold in competition with school meals in the foodservice area during the meal service.

- CEs should establish local food sale policies to include the selling of nonfood items in combination with food items.

- Food provided by parents or guardians is considered to be food given to students and is not subject to the Competitive Food Nutrition Standards.

- CEs may establish local policies that are more stringent than requirements set by USDA or TDA related to the food environment at schools per the CE's LWP.

Resources

- *Administrator's Reference Manual, Section 22: Competitive Foods*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- Smart Snacks Product Calculator (Alliance for a Healthier Generation)
  https://www.healthiergeneration.org/resources/smart-snacks-product-calculator

- USDA Tools for Schools: Focusing on Smart Snacks
  https://www.fns.usda.gov/cn/tools-schools-focusing-smart-snacks

Series 1200 – Professional Standards

(Off-site assessment consists of 10 questions.)

> **The following document should be available for upload in TX-UNPS:**
> - List of all personnel who have child nutrition program duties. Include the name, job position, date of hire, and working status (full time, part time, temp., etc.

Definitions/Terminology

Hiring Flexibility for CE Total Student Enrollment of 2,499 or Less (Effective April 30, 2019): If CEs have limited employment resources and have difficulty identifying a candidate for the Program Director Position who will meet the educational and program experience requirements, CEs should contact their ESC or TDA for assistance. A CE must receive TDA approval before hiring a candidate that qualifies under this flexibility.

Minimum Hiring Standards: New Child Nutrition Directors (hired after July 1, 2015) are subject to minimum education standards (based on CE size) and minimum prior training standards.

Minimum Training Standards: Annual continuing education/training standards apply to all employees. The number of training hours vary for four staffing levels:

Summary of Required Minimum Annual Training Requirements for School Nutrition Employees	
Directors	12 hours
Managers	10 hours
All other staff (working 20 hours or more per week)	6 hours
Part-Time staff (working less than 20 hours per week)	4 hours
Mid-year hires in all categories (January 1, or later)	One-half of training requirement for each job category
Temporary and acting employees, substitutes, and volunteers	Any annual training requirements are at the discretion of the State agency and may be required within 30 days of start date
Annual training requirements apply to the 12 months between July 1 and June 30.	

Professional Standards: As a part of the Healthy, Hunger-Free Kids Act (HHFKA), USDA has established minimum education standards for new State and local School Nutrition Directors as well as annual training standards for all school nutrition professionals.

Reminders
- CEs must maintain records demonstrating the following:
  - The Program Director meets the hiring standards.
    - If the Program Director's length of employment covers a period of time that is longer than the required records retention standard, the CE must keep those records for as long as the employee is on staff plus

the required number of years. This documentation must also include records indicating the CE's total student enrollment.

- o The Program Director has met the requirements for food safety training within the last five years.
    - CEs need to ensure that records related to food safety training are kept for the full five years even if other records retention periods expire.
- o All employees have completed the continuing education/training hours each school year.
    - CEs must retain records that demonstrate the following:
        - Learning content
        - Actual time participating in learning activities
        - Attendance.

- Allowable training should focus on the day-to-day management and operation of the SNPs.

- Training must be job-specific and intended to help employees perform their duties well.

- Documentation includes, but is not limited to, attendance sign-in sheets, continuing education/training agendas, certificates of attendance or confirmation emails and other training documents.

- TDA has created a Continuing Education/Training Tracking Record. This form demonstrates what information must be retained by the CE.

- An additional resource to track training has been developed by USDA Food and Nutrition Service (FNS). A downloadable tool is available for tracking training that individuals complete at the CE level.

- Review the updated USDA *"Guide to Professional Standards for School Nutrition Programs"* resource on the USDA Food and Nutrition website.

Resources
- *Administrator's Reference Manual, Section 27: Professional Standards*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- TDA Professional Standards Brochure www.squaremeals.org > Programs > National School Lunch Program > Resources > Professional Standards Brochure

- USDA Professional Standards Resources and Training Tracker
  https://www.fns.usda.gov/cn/professional-standards

Series 1600 – School Breakfast and Summer Food Service Program Outreach

(Off-site assessment consists of two questions.)

Definitions/Terminology

Outreach: Informing families about the availability and location of meals; includes all methods used to promote and publicize meals available.

School Breakfast Program (SBP): Federally assisted meal program operating in public and nonprofit private schools and RCCIs.

Summer Food Service Program (SFSP): Created to ensure that children in low-income areas could continue to receive nutritious meals during long school vacations when they do not have access to school lunch or breakfast.

Reminders

- CEs are required to reach out to families to notify them of the availability of breakfast prior to, or at the beginning of, the school year and multiple times throughout the school year.

- CEs are required (even if a summer feeding program is not offered) to reach out to families before the end of the school year to notify them of the availability and location of free meals for students via SFSP.
  - TDA sends outreach materials to be distributed to all students each spring. Materials are to be displayed and distributed immediately to inform students and families about how to find summer meal sites.

Resources

- TDA Summer Feeding Programs: www.squaremeals.org > Programs > Summer Meal Programs

- USDA Summer Feeding Programs: https://www.fns.usda.gov/sfsp/summer-food-service-program

Series 2100 – Special Provision Options
(Off-site assessment consists of two to five questions.)

Only complete the 2100 series of questions if you operate a CEP or Provision 2 program in any of your sites.

Definitions/Terminology

Community Eligibility Provision (CEP): Provides an alternative to the collection of individual household applications; sites serve all students lunches and breakfasts at no charge. Meal reimbursements are based on the percentage of Identified Students multiplied by a USDA-defined multiplier factor.

Enrolled Student Number: Students enrolled in and attending schools participating in the special provision option who have access to at least one meal service daily (NOTE: This includes half-day students who have access to either breakfast or lunch.).

Identified Students (IS): Students certified for free meals through means other than individual household applications as of April 1 of the prior school year; includes both students who are directly certified through Texas ELMS (SNAP, TANF, FDPIR, Medicaid Free) and by the LEA (Homeless, Foster, Migrant, Head Start, Early Head Start).

Identified Student Percentage (ISP): Percentage used for CEP that is determined by dividing the number of identified students by the number of enrolled students:
(Number of Identified Students) ÷ (Number of Enrolled Students) = ISP

Multiplier Factor: The number that is multiplied by the ISP to calculate the CE's reimbursement rate; adjusts the ISP for reduced-price meals that are not included in the ISP
(ISP) × (Multiplier Factor) = Percentage of Meals Served Reimbursed at the free rate
The remaining meals claimed are reimbursed at the paid rate.

Provision 2 (P2): Designed to decrease the burden of paperwork on parents and CEs by reducing the requirements related to taking household applications, verification and submitting claims by meal eligibility category; operates on a four-year cycle based on a "base year" collection of household meal applications (Meal service is free to all children beginning in the base year).

Reminders

- CE should maintain documentation of the CEP media release and Letter to Household explaining household applications will not be required and breakfasts and lunches will be served at no charge for ALL students enrolled in that CEP school.

- CE must be able to explain and provide documentation on how the ISP was determined – *CEP only*.

- CEs choosing to implement CEP must offer both breakfast and lunch meals at no charge.

- For CEP sites (or grouped sites) records must be retained for the first year of CEP cycle plus years in the cycle plus the required years of retention. In addition, this documentation and all other documentation must be retained for 5 years after final submission of the final claim for public schools and 3 years for private schools.

  - Certification documentation may include Direct Certification lists from the State, documentation for extension of eligibility, lists from Homeless/ Migrant Liaisons, certification of foster children, Head Start and Early Head Start.

- For P2, records must be retained as long as the CE uses the base year data to establish claiming percentages plus the required years of retention. Public schools must retain documentation for 5 years after the final claim. Private schools and RCCIs must retain documentation for 3 years after the final claim.

- Review detailed list of CEP and P2 documents to retain in the ARM, Section 5.

Resources

- *Administrator's Reference Manual, Section 5: Special Provision Options*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- TDA Coronavirus Updates for Contracting Entities
  www.squarmeals.org > Banner in red: "*Click Here for the Latest Coronavirus Response Updates*"

- Community Eligibility Provision
  https://www.fns.usda.gov/cn/community-eligibility-provision

- USDA Provision 2 Guidance
  https://www.fns.usda.gov/cn/provision-2-guidance-national-school-lunch-and-school-breakfast-programs

Resource Management – Financial Review

Definitions/Terminology

Average Monthly Operating Expenses: Prior year's expenses divided by the number of months in operation in the prior year.

Excessive Fund Balance: A fund balance that exceeds three months of operating expenses; for NSLP and SBP, refers to net cash resources.

General Ledger: The central accounting record of a company or organization, showing individual transactions using double-entry bookkeeping.

Indirect Costs: Incurred for the benefit of multiple programs, functions or other cost objectives and, therefore, cannot be identified readily and specifically with a particular program or other cost objective; typically support administrative overhead functions, such as fringe benefits, accounting, payroll, purchasing, facilities management and utilities. Charges are based on two factors: (1) the indirect cost rate established for a specific fiscal year and the corresponding direct cost base and (2) a documented methodology that accurately allocated indirect costs.

Non-Program Food Revenue Tool: USDA provided tool to assist CEs in ensuring that *revenues from the sale of non-program foods* generate at least the same proportion of total school foodservice account revenues that *expenditures from the purchase of non-program foods* contribute to the total school foodservice account food costs.

Number of Months in Operation Prior Year: Includes any month when the CE was operating any meal program, including summer feeding programs.

Paid Lunch Equity (PLE) Tool: USDA tool to assist CEs in ensuring sufficient funds are provided to the nonprofit school foodservice account for meals served to students not eligible for free or reduced-price meals.

Resource Management: General area of review that includes maintenance of the nonprofit school foodservice account, Paid Lunch Equity, revenue from non-program foods, indirect costs and USDA Foods.

USDA Foods: Domestically grown foods from farms across the United States that are procured by the USDA and then donated to CEs for their use in foodservice operations.

Reminders

- The operating fund balance or net cash resources of the SNP account must not exceed three month's average expenditures at any time. If an excessive balance occurs, the CE must immediately take steps to reduce the balance and have an acceptable plan for using surplus revenues. CEs with an excess fund balance must submit a Plan for Reducing Excessive Operating Food Service Fund Balance to TDA.

- CEs are required to use USDA's PLE Tool annually to determine if a paid lunch price increase is required. Any NSLP CE with a positive or zero balance in its nonprofit school foodservice account as of December 31, 2021, is exempt from PLE pricing requirements for SY 2022-23. This does not apply to CEs operating CEP or P2. *NOTE: CEs with a negative food service account balance as of December 31, 2021 may submit a waiver request if they do not intend to raise paid lunch prices in SY 2022-2023.*

- Annually CEs are required to use USDA's Non-Program Food Revenue Tool, TDA's Program/Non Program Cost and Revenue Proportion Calculation Worksheet, or a locally developed method that is consistent with regulations to calculate its non-program food costs and non-program food revenue. If the non-program revenue percentage is less than the non-program food cost percentage, the CE must take action to eliminate the disproportion.

- Adult meal prices must, at a minimum, be greater than the amount of total reimbursement received for a free meal ***plus*** any other supplemental payments received by the CE ***plus*** per-meal value of USDA Foods (Commodities) used for meal service. ARS will review both the current year and previous year calculations.

- CEs must develop and implement a CE-level meal charge policy. The meal charge policy must be communicated in writing to all households at the start of each school year and to households transferring to the school during the school year. Although posting the policy online or e-mailing the policy to families is helpful, this method does not ensure the information reaches all households, particularly those households without access to a computer or the Internet.

- Outstanding **bad debt**, resulting from nonpayment of school meals or milk that is determined to be **uncollectable**, is an unallowable cost to the nonprofit school foodservice account and cannot be absorbed by the SNP department at the end of the school year. It must be paid for with other non-federal sources.

- A Resource Management Comprehensive Review will result (1) for any areas in which one or more risk indicators are assessed during the AR (including maintenance of the nonprofit school foodservice account, PLE, revenue from non-program foods and indirect costs) or (2) if the Resource Management Summary is not submitted by the deadline.

- The Resource Management Summary must be uploaded in TX-UNPS **NO LATER** than four weeks from the date of the on-site review. A Comprehensive Resource Management Review must be performed on-site if the Resource Management Summary is not received four weeks prior to the review.

- The Off-site Assessment Tool assigns risk indicators. If the completed tool indicates risk, TDA will conduct a more comprehensive review. Specific documentation and/or processes will be reviewed off-site and if needed on-site.

Resources
- *Administrator's Reference Manual, Section 16: Financial System* www.SquareMeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrators Reference Manual, Section 19: Meal Pricing* www.SquareMeals.org > Programs > National School Lunch Program > Policy/ARM

- The following forms are located at www.SquareMeals.org > Programs > National School Lunch Program > NSLP Administration/Forms
  - Adult Meal Calculator Worksheet
  - Program/Non-Program Cost and Revenue Proportion Calculation Worksheet
  - SY 2022-2023 Paid Lunch Equity Tool

- COVID-19 Intake Forms are located at www.SquareMeals.org > Coronavirus Update for Contracting Entities > Intake Forms

Procurement Review

The PR will determine how a CE complies with the USDA FNS program procurement standards as outlined in 2 CFR 200.319(a) (OMB Uniform Guidance) as well as State and local procurement regulations. The PR will be conducted in TX-UNPS, and can be found under the compliance tab within the Procurement Review Tracking section.

Definitions/Terminology

Code of Conduct: Set of written standards the CE must develop that outlines the responsibilities of, or proper practices for, an individual or organization and governs the following:

1. Performance of officers, employees or agents engaged in contract awards and administration when the contract is funded in whole or in part by FNS program funds
2. Methods of procurement, including the requirement that the CE perform a cost or price analysis for every procurement (including contract modifications) and determination of which contract clauses and certifications are required in the CE's contracts.

Cooperative Purchasing: Group of entities who join together to purchase products and/or services with the intention of reducing costs and improving the quality of products and/or services available to members of a group.

Cost Analysis: The CE should utilize budgeting and forecasting tools to determine the appropriate procurement method and ensure the price is reasonable. The CE must retain documentation, including any cost comparisons.

Formal Procurement Methods: When the total estimated cost of products and/or services exceeds the simplified acquisition threshold, the CE must use a formal procurement method. Formal procurement methods are intended to be a more rigorous and prescriptive procedure that promotes full and open competition and results in lower prices.

Full and Open Competition: Situation where all potential contractors are competing on a level playing field and have the same opportunity to compete and be awarded a contract. Also commonly referred to as free and open competition.

GL: General Ledger

GBO: Group Buying Organization

GPO: Group Purchasing Organization

Micro-Purchase Method: An acquisition of supplies or services using simplified acquisition procedures; the aggregate purchase amount cannot exceed the micro-purchase threshold. For micro-purchases, there are three elements for proper procurement: (1) aggregate purchase amount less than the $10,000 threshold, (2) equitable distribution of purchase, and (3) reasonable cost.

Noncompetitive Method: Procurement method used when there is an insufficient number of offers submitted in response to a solicitation; in this case, full and open competition is deemed inadequate, and there is no way to remedy the situation.

Nonprofit School Food Service Account (NPSFSA): School nutrition Program accounts are required to comply with generally accepted accounting principles (GAAP) for federally funded programs as well as accounting and financial requirements that are specific to the SNP.

Procedures: Processes, protocols, plans, standards of behavior, expectations or any other written method of describing actions employees are to take related to specific events or financial transactions. (For this section, the word *procedure* is used to refer to all these types of documents.)

Procurement: Act of obtaining goods or services in exchange for money or value (Value may be monetary or material worth or something that has usefulness that can be exchanged for something of worth, merit or importance.)

Procurement Review: Standardized, comprehensive review of the CE's procurement management, including, but not limited to, Buy American; contract management; cooperative purchasing; foodservice contracts; management of credits discounts and rebates; processor contracts; solicitation and contract award process; and written procurement processes, procedures and practices, including internal controls.

Simplified Acquisition Threshold (Small Purchase Threshold): Amount established by federal, State or local regulations that defines when formal and informal procurement methods must be used.

Small Purchase Method: A small purchase is appropriate when the products and/or services have an aggregate total for a single purchase or total purchase that is equal to or less than the simplified acquisition threshold. The small purchase method results in a contract between the CE and the contractor.

Reminders
- Contracting Entities must have an accurate, efficient financial management system that applies sound and consistent practices that allows CEs to:
  - Identify all funds received and expended by program.
  - Identify the source and application of school nutrition program funds.

- o Ensure effective control over, and accountability for, all funds, property, and other assets.
- o Provide accurate, current, and complete disclosure of financial and accounting system as required.
- o Operate under specific written procedures for determining the allowability of costs.
- Any costs incurred as a result of improperly procured products and/or services are unallowable costs to the school nutrition program.
- The Procurement Table must be completed by procurement method, not be purchased amount.
- The procurement process must follow a set of prescribed steps.

Effective Procurement Systems Chart

❶
Develop written procurement procedures that guide the staff through actions necessary for successful procurement.

❻
Manage the contract, as described in the written procurement procedures, including required records retention.

❷
Select the appropriate process/procurement method, as described in the written procurement procedures.

❺
Determine the best price, award contract and execute the contract, as described in the written procurement procedures.

❸
Develop and **publicize** solicitation as appropriate, as described in the written procurement procedures.
(not required for micro-purchase method)

❹
Receive and evaluate offers according to the rubric or scale, as described in the written procurement procedures.

Overview of the PR:

- The CE will upload required documents and complete the procurement table by specified due date.
- The ARS will review the completed documents and procurement table and select a sample of procurement contracts for review.
- The ARS will send notification on selected sample with a due date.
- The ARS will conduct the PR and assess compliance with procurement regulations.
- The ARS may request additional documentation to review.
- The ARS will communicate any findings and technical assistance and require the CE to complete any corrective action, as applicable.
- Once the corrective action has been approved, the ARS will close the review and send notification to the CE.

- Procurement Review Documents
  Initial Upload
    - Written Procurement Procedures
    - Code of Conduct
    - FSMC Monitoring Form if applicable
    - FSMC base year and renewal contracts if applicable
    - Detailed General Ledger (GL) – Nonprofit food service account (NPSFSA) (240) for review period
    - USDA Foods reconciliation documentation
    - Vendor Paid List – NPSFSA (240) for review period
  Sample Vendor Purchases Upload (based on type of procurement)
    - Solicitation documentation
    - Bid/Quote responses
    - Cost/Price analysis
    - Evaluation of responses of award
    - Purchase orders
    - Three (3) receipts/invoices for each vendor selected for review
    - Executed contract/renewal/amendments if applicable

- Review period:
    - While TDA may review multiple years of records, the focus will be on the most recently completed fiscal year. However, TDA may review additional years if warranted.

- Review format:
    - Whenever possible, the PR will be conducted off-site. The CE will submit documentation as requested by TDA. While the review will focus on CE-wide operations, the review may also include assessment activities for individual site procurement transactions that occur at the site level.

- Focus areas for the PR:

  - At a minimum, the focus areas for the PR include the following:
    - Buy American
    - Conflict of interest
    - Consulting contracts
    - Contract management
    - Cooperative purchasing
    - Foodservice vendor/FSMC contracts
    - Management of credits, discounts and rebates
    - Processor contacts
    - Solicitation and contract award process
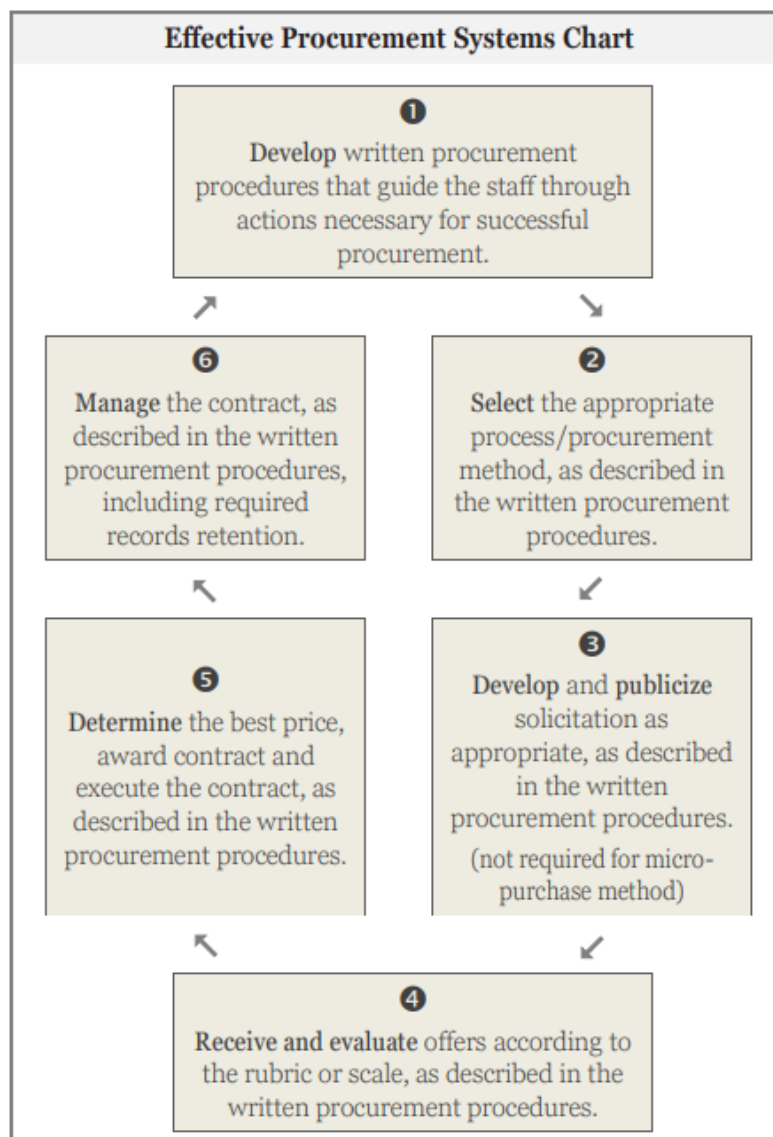   - Written procurement processes, procedures and practices, including internal controls

- Procurement Table
  - CE utilizes Vendor Paid List/Summary of Total Expenditures by Vendor (NPFSA only).
  - CE utilizes the Vendor Paid List (VPL) to complete the table in TX-UNPS.
  - The GL will be reviewed to validate purchases/total expenditures list on the Procurement Table and VPL.
  - Procurement Table is completed based on procurement method used.
  - If RFPs are used, the CE must add the RFP # in the procurement table.

- Vendor Paid List/Summary of Total Expenditures by vendor (NPSFSA only) may include:
  - Vendor name
  - Total amount paid or contract value
  - Number of transactions/purchases
  - Goods/services
  - Procurement method used
  - School District/State Contract/Group purchasing organization (GPO)/Group Buying Organization (GBO)/non-SFA only COOP used by procurement method
  - RFP/IFB #

Review Process Using the Local Agency Procurement Review Tool

State Agency provides Procurement Tool to SFA for completion of the SFA Procurement Table; requests SFA's vendor paid list/summary of expenditures from previous school year, documented procurement procedures and written code of conduct. SFA completes SFA Procurement Table and provides other requested documents to the SA.

Using the SFA Procurement Table, the SA identifies the number/types of procurements the SFA entered into and adds information as needed to SFA Procurement Table from vendor paid list. Using the Contract Selection Chart, the SA then determines which procurements to review and selects them for review in the SFA Procurement Table.

The SA secures necessary documentation from SFA for selected contracts and answers the applicable review questions in the procurement review tabs using the dropdowns.

After completing the questions in the review tabs, the SA uses the Summary of Findings tabs to identify areas needing corrective action and issues report to the SFA.

Resources

- *Administrator's Reference Manual, Section 17: Procurement* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 17a:* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 17b: Buy American* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 17c: Cooperative Purchasing* www.squareMeals.org > Programs > National School Lunch Program > Policy/ARM

- *Administrator's Reference Manual, Section 18: Food Service Contracts* www.squareMeals.org > Programs > National School Lunch Program > Policy/ARM

- Informal and Micro-Purchase Logs, www.squaremeals.org > Programs > National School Lunch Program > Administration/Forms

- TDA Website for Procurement Review: www.squaremeals.org > Programs > National School Lunch Program > Compliance > Procurement Review

On-site Review

On-site Review Summary
On-site Review Procedures

On-site Review Summary

Scope of the On-site Review

The on-site review process allows TDA staff to validate information collected during the off-site assessment, to observe SNP operations at the selected sites, and to evaluate the CE's compliance with program requirements. The On-site Review includes observation of meal preparation and service, additional questions on specified topics, additional documentation review, and an exit conference.

CEs will answer questions and provide documentation on the following topics in the On-site Review in addition to any requests related to validating information provided for the off-site assessment and documentation submissions:

- CE On-site Monitoring
- Civil Rights
- Competitive foodservices
- Food safety
- OVS
- Other federal programs (ASCP, FFVP, SSO, SMP and At-Risk CACFP)
- Reporting and recordkeeping
- Water

Entrance Conference Call

Approximately one week prior to the On-site Review, the ARS will conduct an entrance conference call with the relevant CE staff (CN Director, Superintendent and/or Business Manager) to discuss the results of off-site assessments and to explain what is covered during the On-site Review. The intent of the entrance conference call is to establish the tone for the review. The AR process is intended to provide technical assistance balanced with an assessment of program compliance.

Meal Service Reminders

- All meals offered/served must meet meal pattern requirements for all SNPs the CE is operating.
- Meal preparation and meal service practices must meet all applicable State and local food safety standards.
- If operating with approved meal pattern waivers, the CE must ensure that supporting documentation for the waiver is retained, including documentation showing an active attempt to purchase necessary items to comply with meal pattern requirements.
- Documentation of approved meal pattern waivers should be provided on the food production record.
- CEs must retain food production records that demonstrate compliance with the meal pattern and the quantity of food prepared.
- Documentation may include:

- o CN labels
- o Nutrition facts labels
- o Product Formulation Statements
- o Manufacturer specifications
- o Recipes
- o Reason for substitutions

Exit Conference

At the conclusion of the on-site portion of the AR, TDA will conduct an exit conference to share commendations and to discuss any program findings identified, the extent of the findings and a preliminary assessment of the actions needed to correct the findings. A preliminary report of any findings will be reviewed. TDA will also address timelines for completion of corrective action.

On-site Review Procedures

ARS Tasks

The ARS will validate information collected during the off-site assessment, observe SNP operations at the selected sites, and evaluate the CEs compliance with program requirements. This may be done through staff interviews, documentation review and more.

As part of the validation process, the ARS may perform any of the tasks listed on the following pages.

Meal Access and Reimbursement

Meal Counting and Claiming – *Site Level*
- Interview and observe staff to determine if meal counting and claiming procedures are the same as those outlined on the CE's Attachment B.
- Observe meal service at the point of service to ensure counts and claims are correct and yield an accurate count of reimbursable meals without overt identification.
- Review the meal count documentation to ensure meal counts are correct.
- Review meal counts for the month of review to ensure meal counts do not exceed number of eligible students.

Meal Counting and Claiming – *CE Level*
- Review meal counts for the month of review to determine if meal counts from each school were consolidated correctly.
- Compare the meal counts to the most recently filed claim (month of review claim).

Meal Pattern & Nutritional Quality

Meal Components and Quantities
- Observe meal service lines for breakfast and lunch and review menu documentation for day of review, including meals served in alternate locations, menu substitutions, field trips and more.
- Review planned menu(s) for the day and compare to what is offered.
- Evaluate food production records for day of review and standardized recipes.
- Review CN labels, manufacturer-certified product information statements, food production records, etc.

- Observe meal preparation for breakfast and lunch to ensure standardized recipes are used and followed (such as ingredients are added in specified amounts as indicated in recipe, measurements are being taken, etc.).
- Identify whether all required meal components are available on every reimbursable line.
- Observe that all required meal components are available on every line throughout the entire meal service.
- Observe the point of service and determine if meals selected by students contain the required components and food quantities for the appropriate age/grade group.
- Observe meal service for breakfast and lunch. Areas of review will include, but are not limited to:
  - Adequate meal components and quantities offered
  - Milk variety
  - Fruit/vegetable juice requirement
  - Vegetable subgroup
  - Whole grain-rich requirements
  - Menu substitutions (if applicable on day of review)
  - Field trips (if applicable on day of review).

Offer Versus Serve
- Observe implementation of OVS to ensure compliance.
- Observe if adequate signage is posted.
- Observe whether foodservice staff can accurately recognize a reimbursable meal.
- Validate the CE's OVS policy and information gathered through the off-site assessment.
- Interview staff prior to meal service to assess if training on OVS has been conducted, staff understands what makes up a reimbursable meal, and staff can distinguish a la carte purchases from a reimbursable meal.
- Observe that students understand how to select a reimbursable meal as they move through the service line.

Dietary Specifications & Nutrient Analysis
- Validate Dietary Specifications Assessment information on-site through observation of meal preparation and service at selected site.
- Evaluate menus, food production records, standardized recipes and other documentation to support meals offered.
- Assess compliance with zero trans fat requirements by reviewing nutrient fact labels and packaging. CE should maintain documentation on whether trans fat is naturally occurring (meat or dairy).

General Program Compliance

Adult Meal Prices
- Determine if adult meal prices meet requirements.

Civil Rights
- Observe display of current "And Justice for All" poster.
- Verify non-discrimination statement used on pertinent material.
- Observe meal service for non-discrimination.

Food Safety
- Review HACCP plan.
- Review two most recent food safety inspections.
- Review temperature logs.
- Review monitoring logs.
- Observe meal preparation and service to determine if HACCP principles are followed.
- Observe posted process charts.
- Validate a selection of items in the CE's storage to ensure they comply with Buy American requirements.

LWP
- Review supporting documentation as addressed in off-site assessment to ensure CE complies with LWP requirements.
- Review Policy, Implementation Plan, and Triennial Assessment.

Media Release
- Review of supporting documentation if not submitted through TX-UNPS.

Professional Standards
- Review of documentation to support sample selection.

SFA On-site Monitoring:
- Review the On-site Monitoring Forms completed for each site serving breakfast and lunch prior to February 1 of each school year when CE operates more than one feeding site.

Signage
- Observe required signage for meal components is posted for breakfast and lunch and includes the current nondiscrimination statement.

Smart Snacks
- Observe during meal service.

- Interview staff.
- Review supporting documentation for all foods and beverages sold.

Supply Chain Assistance Funds
- Available to CEs operating NSLP, SBP, the NSLP Afterschool Care Program (ASCP, or the Seamless Summer Option (SSO).
- Review documentation to support purchases of allowable unprocessed or minimally processed domestic food products.

Water
- Observe breakfast and lunch to ensure free potable water is available during meal services in the cafeteria.

Other Federal Program Reviews

Afterschool Snacks
CACFP At-Risk Supper Program
Fresh Fruit and Vegetable Program
Seamless Summer Option

Afterschool Snacks

(No off-site assessment questions or on-site observation.)

> ***The following documents should be available for upload in TX-UNPS:***
> - Completed food production records for a minimum of five completed serving days at sites selected (ARS will specify sample.)
> - Supporting meal documentation to include CN labels, Product Formulation Statements, etc.
> - Month of Review Daily Record meal counts
> - Detailed count sheet for selected day and site
> - On-site Monitoring Form(s)

Definitions/Terminology

Area-Eligible Sites: The site is at a school or located within the attendance area of a school in which at least 50% of enrolled students are certified for free or reduced-price meals. Snacks are served free to all children and reimbursed at the free rate.

Educational and Enrichment Activities: Requirement for afterschool programs to provide students with regularly scheduled activities in an organized, structured and supervised environment that includes educational or enrichment activities (or expanded learning opportunities); includes academic enrichment, arts and crafts, computer skills, homework assistance, life skills, music, tutoring, sports activities and more
Note: Competitive sport team events cannot be designated as educational and enrichment activities; however, students involved in competitive sports programs may participate in afterschool meal programs as described in the Program Participants subsection in the ARM, Section 10*.*

Manual System: Meal counts generated by a manual POS system; includes manually tallied, consolidation and transfer to the CE; hard copy records are kept on file.

Non Area-Eligible Sites: Snacks are served at free, reduced-price and paid rates based on approved eligibility.

Reminders

- Review site(s) application in TX-UNPS to ensure no changes need to be made prior to the review.

- CE must maintain documentation for all sites classified as an area-eligible site.

- Snacks must be served **AFTER** the end of the instructional school day.

- The ASCP snack service must operate for at least 1 hour. The program (education and enrichment activities and meal service) must operate for at least one hour.

- Two hours must elapse between the start of CACFP At-Risk supper service and an ASCP snack service or vice versa.

- Only one snack may be claimed per child per day for reimbursement.

- OVS is not allowed for ASCP snacks.

- Snacks must be consumed on-site.

- CEs are required to conduct on-site monitoring of each participating site using the ASCP On-site Monitoring Form and process.
    - First monitoring must occur within first 4 weeks of snack service each school year.
    - Second monitoring must occur before the end of the school year.
    - Monitoring review should be completed by CN staff.
    - On-site monitoring review records must be maintained and made available at the request of the ARS.

Resources

- *Administrator's Reference Manual, Section 10: Afterschool Meal Programs* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- Afterschool Care Program (ASCP) On-site Monitoring Form: www.squaremeals.org > Programs > National School Lunch Program > NSLP Administration & Forms > search "Monitoring" under Form Name

CACFP At-Risk Supper Program

(ARS will observe on-site; no off-site questions.)

The following documents should be available for upload in TX-UNPS:
- Completed food production records for a minimum of five completed serving days at sites selected (ARS will specify sample.)
- CN labels or product analysis
- Month of Review Daily Record meal counts
- Physical count sheets, if done manually
- On-site Monitoring Form(s)
- Documentation of required training for program staff

Definitions/Terminology

Area-Eligible Sites: The site is at a school or located within the attendance area of a school in which at least 50% of enrolled students are certified for free or reduced-price meals. Suppers are served free to all children and reimbursed at the free rate.

Congregate Feeding: Meals served in the CACFP are intended to be consumed in settings where organized groups of children are gathered to eat; therefore, meals must be consumed on-site to be reimbursable.

Educational and Enrichment Activities: Requirement for afterschool programs to provide students with regularly scheduled activities in an organized, structured and supervised environment that includes educational or enrichment activities (or expanded learning opportunities); includes academic enrichment, arts and crafts, computer skills, homework assistance, life skills, music, tutoring, sports activities and more
Note: Competitive sport team events cannot be designated as educational and enrichment activities; however, students involved in competitive sports programs may participate in afterschool meal programs as described in the Program Participants subsection in the ARM, Section 10.

Reminders
- Review site(s) application in TX-UNPS to ensure no changes need to be made prior to the review.

- Be prepared to show how the CE ensures that no staff member participating in the program has been deemed ineligible by the Disqualification Lists.

- Be prepared to demonstrate the education/enrichment activities that were used to qualify the program.

- Snacks or meals must begin after the end of the identified regular school day.

- CACFP supper service must last no more than two hours.

- Two hours must elapse between the start of supper service and an ASCP or CACFP At-Risk snack service or vice versa.

- Potable water must be available for supper service.

- Although the congregate feeding requirement must be met, a single vegetable, fruit or grain item from the supper meal may be taken off-site for the student to consume later.

- Supper must be "open to all" children who meet CACFP age requirements (through age 18 years or 19 if the child turns 19 during the school year). Children with disabilities are eligible without regard to age.

- The CE must monitor or review CACFP At-Risk sites at least three times each year with no more than six months between reviews. The first monitoring review must occur within the first 4 weeks of operation.

Resources

- *Administrator's Reference Manual (ARM), Section 10: Afterschool Meal Programs*
  www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

- CACFP At-Risk Afterschool Handbook: www.squaremeals.org > Child and Adult Care Program > CACFP Policy and Handbook > CACFP- At-Risk Afterschool Handbook

Fresh Fruit and Vegetable Program

(ARS will observe on-site; no off-site assessment questions.)

The following documents should be available for upload at the request of the ARS:
- Cost documentation to validate any claim filed; specified by the ARS
- Meal counts as specified by the ARS

Definitions/Terminology

Fresh Fruit and Vegetable Program (FFVP): USDA program under the National School Lunch Act that provides funding to States to make free fresh fruits and vegetables available in eligible elementary schools during the school day

Reminders

- The number of schools reviewed is based on the table below.

Number of Schools Selected for an NSLP AR that Operate the FFVP	Minimum Number of FFVP Schools to be Reviewed
1 to 5	1
6 to 10	2
11 to 20	3

- The ARS will validate one claim for reimbursement for each FFVP school selected for review and will observe the FFVP operation in each of the selected schools.

- FFVP must be made available to all enrolled children and program availability must be publicized.

- FFVP must be served free to students within the school day, but outside the meal service times of the NSLP and SBP.
  - FFVP cannot be provided for ASCP or during summer school sessions.
  - CEs must incorporate nutrition education into the daily curriculum, preferably during the service of fresh fruits and vegetables.
  - CEs must follow all food safety requirements and HACCP guidance during service to ensure proper handling and storage of fresh produce to prevent spoilage and loss.

- Teachers who are directly responsible for serving the fruit and/or vegetable to their students in a classroom setting may partake of the fruit and/or vegetable.

- Administrative training for the FFVP is offered online annually on squaremeals.org for CEs participating in the program.

- Proper procurement procedures must be followed.

- CEs may use no more than 10% of the total grant for administrative costs.

Resources
- Fresh Fruit and Vegetable Program Training and Resources:
  www.squaremeals.org > Programs > Fresh Fruit and Vegetable Program > FFVP

- USDA FFVP https://www.fns.usda.gov/ffvp/fresh-fruit-and-vegetable-program

Seamless Summer Option

(ARS will observe on-site; no off-site assessment questions.)

The following documents should be available on the day of review:
- Meal counts as specified by the ARS available DOR: lunch meal service for the week prior to the week of the on-site review.
- Food production records available DOR: completed lunch meal service FPRs for the week prior to the week of the on-site review.
- Additional records may be requested for the week prior to the day of review.
- CN labels, recipes, Product Formulation Statements, nutrition facts labels and any other supporting documentation.

Definitions/Terminology

Area Eligible Site: Designated geographic area within an attendance zone in which 50% of the children living in the area qualify for free or reduced-price meals under NSLP or SBP or census data from USDA-approved sources.

Attendance Zone: Designated geographic area that determines where a child goes to school.

Approved Attendance Zone: Designated geographic area that determines where a child goes to school that has been identified by TDA as eligible for SSO services.

Closed, Enrolled Site: A site that meets the 50% criteria, explained above, but serves only children in a specific program or activity, excluding academic summer school programs; all meals are served free.

Eligible Site: Site eligible to operate SSO based on area eligibility or standard eligibility determinations.

Eligible SSO Program Participant: All children enrolled in a school of high school grade and under as determined by the Texas Education Agency (TEA), including persons enrolled in a school program for the mentally or physically disabled and persons under 21 enrolled in an RCCI.

Non-Area Eligible Site: Designated geographic area with an attendance zone in which 50% of the children living in the area do not qualify for free or reduced-price meals under NSLP or SBP.

Open Site: A school or non-school site located within the geographic boundaries of a school, in which at least 50% of students are eligible for free and reduced-price school meals as demonstrated by NSLP and SBP school-based data or census data from a USDA-approved source; all meals are served free at open sites.

Restricted, Open Site: A site that meets the open site criteria but is restricted for safety, control or security reasons; all meals are served free at open sites.

Reminders

- CEs must follow age/grade group meal pattern requirements. A meal pattern age/grade portion size waiver is available only to open and restricted sites where meals are served to all children in the community. An age/grade waiver is approved for a specific site.

- CEs must advertise the availability of free meals and the location to the children in the community; all advertising materials must contain the required non-discrimination statement.

- Applications for SSO programs are <u>due to TDA by May 31</u> of each year and are submitted through TX-UNPS.

- CEs mandated to operate a summer program must operate the program for at least <u>30 calendar days</u> during the summer recess.

- CEs are required to self-monitor at least once a year, if the CE operates more than one feeding site. TDA has created an On-site Self-Monitoring Form to be used for this review.

- CEs mandated to participate in SSO must submit the CE's summer operating costs at the end of the summer through TX-UNPS (Summer Cost Report).

Resources

- *Administrator's Reference Manual, Section 12: Seamless Summer Option (SSO)* www.squaremeals.org > Programs > National School Lunch Program > Policy/ARM

Post Review

Post-Review Summary
Completing the Corrective Action Document
Sample Corrective Action Document Tasks and Timeline

Post-Review Summary

Exit Conference

Findings or errors noted during the review will be addressed at the exit conference and on the CADs. A preliminary report will be provided for the superintendent's signature. The preliminary review report will review findings identified during the review.

Corrective Action Documents, if required will address:

- The identified findings
- The corrective action(s) required
- The timeframe(s) by which the corrective action must be completed
- Any documentation the CE must submit to TDA to demonstrate corrective action.

Documents not Submitted

If a CE misses a due date for documentation submission, the following will occur:

- ARS will contact the CE by phone to discuss issues/concerns that may be inhibiting the due dates.
- If there are no issues, a new due date within approximately 2–3 days will be determined.

If a CE misses a second due date for documentation submission or has not submitted all requested documents, the following will occur:

- ARS will schedule a meeting with the CND, Superintendent, Procurement specialist or director and Chief Financial Officer (as applicable).
- Clarify and discuss missing documentation to determine if missing documentation is available.
- If the CE states documentation is available, the ARS will determine a new due date.
- If the CE does not have the documentation, a finding is likely.

CEs that have not submitted documentation and have not met due dates more than two times may be considered nonresponsive. If the CE has not provided the requested documentation after missing the second due date, the following actions will occur:

- The CE will be sent a letter of non-compliance
- The CE may be subject to administrative hold.
- TDA will call the CE to discuss the letter and determine next steps.

Fiscal Action

TDA will take fiscal action as described in USDA's AR Guidance Manual. The regulations require fiscal action for critical areas of review and provide a framework to allow TDA to take fiscal action or withhold payments for program noncompliance in the general areas of review. This includes, but is not limited to, the following:

- Fiscal action may result if an overclaim is noted during the review.
- Fiscal action may be taken when there are repeated findings across reviews of any type.
- Fiscal action may include the suspension of the performance-based reimbursement for meal pattern noncompliance.
- TDA has an option to disregard any overclaim of $600 or less per program or type of review each fiscal year.

Appeals

An appeals procedure is provided when fiscal action is taken, when reimbursement of unallowable costs is required, or when a CE's funds are placed on hold. A CE can appeal fiscal action resulting from the denial of all or part of a claim for reimbursement, reimbursement for unallowable costs, or withholding of payments. Findings cannot be appealed. Note that the CE cannot expend Child Nutrition Program funds during the appeal process.

The Appeals *Timeframe Summary Chart* provides a summer of the appeals actions and timelines.

Appeals Timeframe Summary Chart

CE submits written request for an appeal – postmarked within 15 calendar days of receipt of notice of fiscal action or withholding of funds notice.	TDA and CE are informed of the Administrative Review Official's (ARO's) decision on appeal of fiscal action or withholding of funds – within 60 calendar days of the date of receipt of the CE's request of an appeal.
TDA acknowledges receipt request for appeal – within 10 calendar days of receipt of appeal request.	
TDA and CE are given notice of the date of the appeal hearing – at least 10 calendar days before hearing.	

Records Retention

CEs must retain documentation related to all programs. If records used or needed for the AR process exceed the number of years required for documents to be retained, the CE must retain all AR-related records until the appropriate number of years have passed from the date the AR was closed.

Public and charter schools are required to keep documentation related to SNPs for five years. Private schools, other nonprofit organizations and RCCIs are required to keep documentation for three years.
Completing the Corrective Action Document

Formal notice of Corrective Action Documents (CAD) will be provided to the Superintendent and Child Nutrition Director via email. CEs are expected to provide an adequate CAD that demonstrates that the CE has taken action to resolve all findings according to the timeline and directions provided and **applied changes to all sites**. CEs will upload CAD responses into TX-UNPS. If a CE does not provide an adequate response, TDA may place a financial hold on all future claims until the CE provides an accurate CAD in response to AR findings.

Reminders

- CEs should review the online resources and training provided by TDA for an overview of the AR features in TX-UNPS with a specific focus on CADs. www.squaremeals.org > Programs > National School Lunch Program > Compliance > Administrative Review

- Procurement Review CADs will be posted in the PR Compliance Module in TX-UNPS.

- CEs should respond to the CAD in TX-UNPS **after** they have received formal notification from the ARS that includes the CAD letter and instructions for submitting via TX-UNPS.

- **IMPORTANT** – All CAD responses must describe the processes that the CE will put into place to prevent a finding from reoccurring in the future at all sites. Response should identify
  - What happened
  - How the finding will be prevented from occurring again
  - Who is responsible for implementing the changes and ensuring compliance?

- TDA will send an obligation letter to CEs that do not respond to TDA requests, do not meet timelines or do not provide requested documentation for the AR.

- The SNP Review Findings screen in TX-UNPS lists the number of findings that were discovered during the AR and the status of each finding in terms of where it is within the CAD process, along with the date the response is due to TDA. The following statuses may be displayed on this screen:

  - **Not Started** – The ARS has not completed their portion of the CAD; therefore, there is nothing for the CE to do at this time.
  - **Pending Action** – The ARS has completed his portion of the CAD; therefore, it is ready for the CE to begin completing the responses to the CAD.

- o **Pending Submission** – The CE has completed the CAD, but the CA has not yet been submitted to TDA for review and approval.
- o **Pending Approval** – The CE has completed the response for each finding and submitted the CAD to TDA for approval. ***At this point the CE cannot modify the response.***
- o **Denied** – The ARS has not approved the CAD.
- o **Closed** – TDA has reviewed the CAD and approved it.

- Once the CE has clicked the *Submit for Acceptance* button, the response cannot be modified.

- Notice of CAD acceptance, any fiscal action and AR closure will be e-mailed to the Superintendent and Child Nutrition Director.

- CEs must not amend their claim during the corrective action process.

Sample Corrective Action Document Tasks and Timeline

Application Processing/Recordkeeping: Tasks and Timeline

The following chart will be used to identify required tasks in approving submitted free and reduced-price meal applications and maintaining accurate records. The purpose of this chart is to document timelines and track activities to ensure all household applications are reviewed for completeness and accuracy.

ANNUAL TASKS	DATE	STAFF
Attend ESC Eligibility/Verification training.	Summer	CN Program Assistant
Retain end-of-year copy of master district roster and master Direct Certification list for 30-day carryover to new school year.	June	CN Program Assistant
Prepare new school year application packet • Review TDA prototype application materials on Square Meals Website: www.squaremeals.org. • Update application information and letters from prototype and upload into electronic POS. • Update hard copy application and provide electronic version to each site for printing when requested from household.	June	CN Program Assistant
Update POS System for the new school year. • Set up roster criteria to include Student Name, Eligibility Status, Type, Approval Date and Withdrawn Dates. • Update 30-day carryover end date for new school year eligibility.	June	CN Program Assistant

Recordkeeping
• Pull all current year application files and store for future reference (five years).
• Set up new school year application files in the following order by household #:
   o Active
   o Inactive
   o Denied
	June	CN Program Assistant

Update Website application information for new school year.	July 1	CN Program Assistant
Submit updated media release to the local newspaper and local radio station to include: • Media announcement • Full IEG chart • Sample free/reduced application • Application directions • Letter to Households.	July - August	CN Program Assistant
Returning student households will be provided instructional letter to update student information and apply for the meal program in "Custom Forms" online.	First week of school	CN Program Assistant

ONGOING TASKS	DATE	STAFF
Manage Direct Certification data. • Upload CE rosters in Texas ELMS for State eligibility match, and extend eligibility to household students. • Import TDA Texas ELMS student updates into POS system. • Identify extended eligible students by household address.	Monthly	CN Program Assistant
New student households are provided electronic access to complete online application or hard copy application form.	Upon registration	Registrar at each campus
Upon electronic notification that a new application has been submitted, Reviewing Official will determine completeness and accuracy of information. Applications are either approved or denied.	Upon receipt of new application	CN Program Assistant
Hard copy applications submitted to the Reviewing Official are date stamped and entered into the electronic system for processing. All required information is entered and reviewed for completeness and accuracy prior to approval/denial.	Upon receipt of new application	CN Program Assistant
Missing information is requested first by phone. When the household cannot be reached by phone within 10 operating days of receipt, the application will be denied, and notification will be sent to the household.	When necessary	CN Program Assistant
All communication is noted on the application in a different color ink than what the household used. Notes are initialed and dated.	When necessary	CN Program Assistant
Reviewing Official signs and dates all approved/denied hard copy applications. Approval/denial letters are generated through the electronic system on the same day the application is processed (electronic or manual submission), and letters are sent home within two days.	Upon approval/denial	PEIMS/CN Program Assistant
Hard copy applications are filed by household assigned number according to category: • Active • Inactive • Denied.	Once processed or student withdrawal	CN Program Assistant
Upon withdrawal, the hard copy application is pulled from the active file, withdrawn date is recorded, and the application is filed in the inactive file. Registrar will be instructed to check student account balances and notify family of process to request a refund if needed through the Business Office.	Upon withdrawal	CN Program Assistant
A report of withdrawn students is generated weekly and compared to rosters for accuracy.	Weekly	CN Program Assistant
Reviewing Official will review all hard copy applications for accuracy a second time the week before the 30-day carryover end date and then monthly throughout the year for all newly submitted hard copy applications.	Monthly	CN Program Assistant
Households checking "Foster" on an application will be contacted to provide State documentation for directly certifying foster children. Registrars will be asked to provide a copy of any State foster documentation to the Reviewing Official.	As needed	CN Program Assistant

USDA Nondiscrimination Statement (English)

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity. Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. mail:
U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or
2. fax:
(833) 256-1665 or (202) 690-7442; or
3. email:
Program.Intake@usda.gov

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