COLORADO DEPARTMENT OF EDUCATION

201 East Colfax Avenue • Denver, Colorado 80203-1799
303.866.6600 • www.cde.state.co.us

Robert K. Hammond
Commissioner of Education

Keith Owen, Ph.D.
Deputy Commissioner

TO: Child Nutrition Directors and Main Contacts

FROM: Julie Griffith, Senior Consultant – Office of School Nutrition
(303) 866-6759

DATE: April 1, 2013 **CN13-F-008**

SUBJECT: Provision 2

Provision 2 operates on a 4-year cycle. During the first year of Provision 2, known as the **base year**, the school serves all children meals at no charge regardless of the children's free, reduced price, or paid eligibility category; but otherwise the school operates the meal programs under standard procedures.

The School Food Authority (SFA) must have written approval from CDE prior to beginning Provision 2. There is no requirement that a minimum percentage of children enrolled be eligible for free or reduced price meals. However, the school must be prepared to pay the difference between federal reimbursement and the cost of providing all meals at no charge, from sources other than federal funds, such as the general fund.

The SFA must comply with the following:

- The public must be notified of the availability of school meals and distribute household applications to families applying for free or reduced price meals (public notification must announce meals at no charge).
- Determine meal eligibility (free or reduced price) and ensure that applications from Provision 2 schools have an equal chance of being selected for Verification.
- Count meals at the point of service (or approved alternate) and claim those meals according to the eligibility status of the children served.
- Percentages must be calculated monthly or annually for use in non-base years.
- Retain all base year records for the entire period that the school operates under Provision 2 (base year plus all extensions), plus 5 years, or longer if there are audit findings and until resolution of the findings.

The SFA must inform the CDE Office of School Nutrition of the planned activity in writing. In addition, extensions or new base years require the written approval of CDE <u>prior</u> to conducting these activities.

During the base year or after an extension has been granted, a review of the food service operation by the CDE Office of School Nutrition will be conducted to document and ensure

100% accuracy of the current methods being used by the district to determine free, reduced price, and paid categories. Counting and claiming procedures used to report claims for reimbursement will also be reviewed.

If the SFA elects not to operate under Provision 2 in every school within the district in the initial start-up year, the SFA will need to follow the same guidelines in additional years as schools are added to the program. Additional sites may be added in the years following the established base year, but all sites will end at the same time as the predominate year.

For example: There are 15 sites starting a new base year in 2013-2014. The 4-year cycle will be completed in 2016-2017; 3 additional sites begin Provision 2 in the 2014-2015 school year, making their completed cycle 2017-2018, but these sites must end Provision 2 in 2016-2017, one year short of completing the 4-year cycle. This way all Provision 2 sites within the district will be on the same ending schedule. (In 2016-2017 a determination must be made to: 1) request an extension for all 18 sites, 2) start a new base year for all 18 sites, or 3) revert to standard meal counting and claiming procedures.)

Enclosed is the ***Policy Statement for Free and Reduced Price Meals Provision 2 Addendum*** *(this must be completed for any & all new Provision 2 sites, New Base Year requests, and Extension Requests),* the ***Assurance Agreement,*** the ***Detail Site Information*** form (which is a list of site specific information for those sites that will be on the program), ***Media Release prototype*** to notify the public, and a ***Household Notification Letter prototype*** to send to households. A copy of the Media Release and Notification Letter must be submitted to CDE, along with all other required documentation.

Please complete all required documentation (addendum, assurance agreement, site form, media release, and notification letter) and submit them to CDE by **July 12, 2013**. All documentation will be required when requesting approval for any of the Provision 2 program options.

Contact Julie Griffith in the Office of School Nutrition if you have any questions at (303) 866-6759 or Griffith_j@cde.state.co.us

Policy Statement for Free and Reduced Price Meals
Provision 2 Addendum

The _____ School District (SFA) agrees to participate in the National School Lunch Program and/or School Breakfast Program and accepts responsibility for schools under its jurisdiction that agree to provide all children meals at no charge while following requirements for operating the Provision 2 Special Assistance Certification and Reimbursement Alternative set forth in 7 CFR 245.

The School Food Authority assures the Colorado Department of Education Office of School Nutrition that the school district has reviewed *The Administrator's Reference Manual,* pages 9.34-9.43, and will uniformly implement the following policy in fulfilling its responsibilities. The SFA certifies that each of the schools listed meets the requirements for participation in Provision 2, as set forth in 7 CFR 245.9 (b) and (c).

Base Year:

The Provision 2 Base Year must begin at the start of the school year. Applications must be distributed for that Base Year period. **Use of previous year applications to determine a Base Year percentage is not allowed**.

Applications are distributed, and free and reduced price meal eligibility determinations are made using the standard procedures, including the required Provision 2 public announcement that is published before beginning the Base Year. Notice should be given that meals are to be served at no charge to children.

Meals are served at no charge to all students.

Meal counts are taken and claimed for reimbursement using standard procedures, i.e., by the eligibility category of the child receiving the meal.

Verification of applications is conducted and documented in accordance with normal application procedures in only the Base Year. Letters of Denial of Benefits are no longer sent to households by the school district, as all students are being fed at no charge.

The percentage of the total meals is calculated **monthly** or **annually** for each category (paid, reduced price, and free) by program (lunch and breakfast), by school, using the Percentage Calculation Form, and provided to the Colorado Department of Education Office of School Nutrition for approval before **June 30th of the Base Year**. This Percentage Calculation Form will serve as the basis for the school district reimbursement claims in years 2, 3, and 4 of Provision 2.

If the reimbursement received by the school district is not sufficient to cover total nonprofit school food service program costs, **non-federal funds must be used to pay the difference**.

During the Base Year or after an extension has been granted, a review of the food service operation by the Colorado Department of Education Office of School Nutrition will be conducted to document and ensure 100% accuracy of the current methods being used by

the district to determine free, reduced price, and paid categories. Counting and claiming procedures used to report claims for reimbursement will also be reviewed.

Non-Base Years

At the beginning of each non-base year school year, the Provision 2 public announcement is made stating that all meals will be provided at no charge to all students regardless of economic status.

No distribution of applications and eligibility determinations or verification of applications is conducted. Any responsibilities assigned to the food service department to conduct any type of free or reduced price eligibility determinations or any other type of means tested determinations would be an improper use of school food service account funds.

Officials count and record only total meals served to children each day and apply the monthly percentages developed during the Base Year to the total number of children's meals for the corresponding month in the non-base year to determine the counts by type for the reimbursement claim.

Opening of a new school or any change to the grade structure of an existing school could cause the school district to be required to reestablish Base Year data for those affected schools by redistribution of free and reduced price applications to all students at those schools and the submission of new Percentage Calculation Forms for those schools to CDE for approval. **Notification of any change to district structure must be made in writing to CDE before the start of the school year.**

If the district elects not to operate under Provision 2 in every school within the district in the initial start up year, the district will need to follow the same guidelines in additional years as schools are added. Additional sites may be added in the years following the established base year, but all sites will end at the same time as the predominate year.

For example: There are 15 sites starting a new base year in 2013-2014. The 4-year cycle will be completed in 2016-2017; 3 additional sites begin Provision 2 in the 2014-2015 school year, making their completed cycle 2017-2018, but these sites must end Provision 2 in 2016-2017, one year short of completing the 4-year cycle. This way all Provision 2 sites within the district will be on the same ending schedule. (In 2016-2017 a determination must be made to: 1) request an extension for all 18 sites, 2) start a new base year for all 18 sites, or 3) revert to standard meal counting and claiming procedures.)

Recordkeeping - The school district shall retain specified base year records for the entire period that the school operates under Provision 2 (base year plus all extensions), plus five years, or longer if there are audit findings and until resolution of the findings, as per 7 CFR 210.15(b), 220.7(e), and 245.9(g).

Base Year records include:

- All approved and denied free and reduced price meal applications
- Direct Certification data
- Changes in eligibility status as a result of Verification and other reasons
- Daily meal counts, by type
- Calculation of claiming percentages
- Attendance areas of each school participating in Provision 2
- The socioeconomic data that will be used as the base year data if an extension is granted
- Any extension authorization from CDE

- Verification records
- Claims for reimbursement

Non-base year records must be retained for five years after submission of the final claim for reimbursement for the fiscal year to which they pertain, or longer if there are audit findings and until resolution of the findings.

Non-base year records for Provision 2 include:

- Total daily meal counts of reimbursable meals
- Edit check and on-site review documentation
- Reimbursement claims

Renewal or Extension – At the end of the 4-year cycle, CDE will contact the SFA, and schools may opt to revert to standard meal counting and claiming procedures, create a new base year in the next school year, or apply for an extension. Regardless of the option chosen, the SFA must inform CDE in writing of the planned activity at the end of the Provision 2 cycle and no later than **July 12, 2013.**

CDE may approve 4-year extensions if the income level of the school's population, as adjusted for inflation, has remained stable, declined, or had only negligible improvement, when comparing the originally approved Base Year data and comparable current data for the year in which the extension is requested. The type of data used for comparison must be the same for the Base Year and for the last year of the current cycle. *Refer to pages 9.38-.39 in the Administrator's Reference Manual for details.*

Revisions to Policies - Submit to the Colorado Department of Education Office of School Nutrition any revisions to the administrative procedures outlined above **before** implementation. Such changes will be effective only upon approval. All changes in eligibility criteria must be publicly announced in the same manner as announced at the beginning of the school year.

_____ _____

School Food Authority Signature Date

_____ _____

CDE School Nutrition Director Signature Date

ASSURANCE FORM

The USDA Food and Nutrition Services issued new Provision 2 guidance in August, 2002, to include:

The School Food Authority assures the Colorado Department of Education Office of School Nutrition that the school district has reviewed The Administrator's Reference Manual, pages 9.34-9.43 and will uniformly implement the following policy in fulfilling its responsibilities. The SFA certifies that each of the schools listed meets the requirements for participation in Provision 2, as set forth in 7 CFR 245.9 (b) and (c).

Once you have read the above mentioned Provision 2 section of the Administrators Reference Manual, please sign, date, and return this form to CDE by July 12, 2013.

_____ _____

School Food Authority Signature Date

Sample Letter to Households
Universal Meals – Breakfast and Lunch

Dear Parent/Guardian:

(Name of School) is participating in a Universal Meals Program for the current school year (School Year). If your children attend (Name of School), breakfast and lunch will be available to them at no charge. All students enrolled at this school may participate in the breakfast and lunch programs at no charge to them.

Studies have shown that children who are not hungry do better in school. By providing breakfast and lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school meals that we serve follow U.S. Department of Agriculture guidelines for healthy school meals. The Universal Meals Program cannot succeed without your support; please encourage your children to eat school breakfast and school lunch.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. All meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

(Name and Title)

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Sample Letter to Households
Universal Meals – Breakfast Only

Dear Parent/Guardian:

(Name of School) is participating in a Universal Breakfast Program for the current school year (School Year). If your children attend (Name of School), breakfast will be available to them at no charge. All students enrolled at this school may participate in the breakfast program at no charge to them.

Studies have shown that children who eat breakfast do better in school. By providing breakfast to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfast that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Breakfast Program cannot succeed without your support; please encourage your children to eat school breakfast.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

(Name and Title)

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Sample Letter to Households
Universal Meals – Lunch Only

Dear Parent/Guardian:

(Name of School) is participating in a Universal Lunch Program for the current school year (School Year). If your children attend (Name of School), lunch will be available to them at no charge. All students enrolled at this school may participate in the lunch program at no charge to them.

Studies have shown that children who are not hungry do better in school. By providing lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school lunch that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Lunch Program cannot succeed without your support; please encourage your children to eat school lunch.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

(Name and Title)

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Sample Media Release
Universal Meals – Breakfast Only

(Name of School/Schools) is participating in a Universal Breakfast Program for the current school year (School Year). If your children attend any of the schools listed, breakfast will be available to them at no charge. All students enrolled at this school may participate in the breakfast program at no charge to them.

Studies have shown that children who eat breakfast do better in school. By providing breakfast to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfast that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Breakfast Program cannot succeed without your support; please encourage your children to eat school breakfast.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Sample Media Release
Universal Meals – Lunch Only

(Name of School/Schools) is participating in a Universal Lunch Program for the current school year (School Year). If your children attend any of the schools listed, lunch will be available to them at no charge. All students enrolled at this school may participate in the lunch program at no charge to them.

Studies have shown that children who are not hungry do better in school. By providing lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school lunch that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Lunch Program cannot succeed without your support; please encourage your children to eat school lunch.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400

Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Sample Media Release
Breakfast & Lunch

(Name of School/Schools) is participating in a Universal Breakfast/Lunch Program for the current school year (School Year). If your children attend any of the schools listed, breakfast/lunch will be available to them at no charge. All students enrolled at this school may participate in the breakfast/lunch program at no charge to them.

Studies have shown that children who are not hungry do better in school. By providing breakfast/lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfast and lunch that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Meals Program cannot succeed without your support; please encourage your children to eat school breakfast and school lunch

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. All meals will be served to all students at no charge regardless of the eligibility status.

Non-discrimination Statement: This explains what to do if you believe you have been treated unfairly. "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Provision 2 Site Information Sheet

School Name	Program (SBP and/or NSLP)	Implementation Date (mo/yr)	Years the Cycle is Expected to Remain in Effect	Year the Provision Must be Reconsidered (Implementation Date + 3 years)	Socioeconomic Data that will be Used to Support any Extension (see section titled "Extension")	Description of Point-of-Service System for Base Year and Years 2-4

Provision 2 Site Information Sheet – Sample

School Name	Program (SBP and/or NSLP)	Implementation Date (mo/yr)	Years the Cycle is Expected to Remain in Effect	Year the Provision Must be Reconsidered (Implementation Date + 3 years)	Socioeconomic Data that will be Used to Support any Extension (see section titled "Extension")	Description of Point-of-Service System for Base Year and Years 2-4
XYZ Elementary	SBP and NSLP	September 2013	4 Years	June 2017	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #s entered) or hand-held counts
LFG Middle	SBP and NSLP	September 2013	4 Years	June 2017	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #s entered) or hand-held counts
RKY Sr. High	SBP and NSLP	September 2013	4 Years	June 2017	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #s entered) or hand-held counts