Counting and Claiming

Essential Features of Meal Count/Collection Procedures

Federal reimbursement is provided for each meal (free, reduced-price and paid) that meets program requirements and is served to an eligible student. To obtain this reimbursement, school personnel must accurately count, record and claim the number of meals actually served to students by category, i.e., paid, reduced-price and free. Additionally, the number of meals served free and reduced-price and claimed for reimbursement must have adequate documentation on file to support the claim.

To create a model meal count/collection procedure that meets the needs of every school participating in the National School Lunch Program is not possible. However, it is possible to cite the essential features or criteria that all systems must have to operate effectively. How each school meets each criterion can vary widely.

Medium of Exchange

The medium of exchange includes any type of ticket, token, I.D., name or number that is issued to the students for obtaining a meal. The system in place that connects the application for free and reduced-price meals to the medium of exchange should provide for updates on a daily basis (noting transfers, withdrawals and changes in status due to verification, etc.). The meal count/collection system selected must ensure that the medium of exchange prevents overt identification of free and reduced-price meal recipients in the coding, distribution and collection processes.

System	Advantages	Disadvantages
Verbal Identifier/ Roster	*Cannot be lost, stolen or destroyed.* *Documentation of meal count is produced during meal service as names/numbers are checked off on a roster or number sheet. If used with a number sheet, may be a fast method.*	*Can be used by another student or twice by the same student if more than one serving line.* *Coded roster sheet is time consuming for cashiers using manual systems (except in schools where students arrive in the cafeteria by class). Students may forget their numbers, thus slowing the line.*
Coded Ticket/ Token	*When collected at point-of-service, provides a means of physically counting meals by category.* *When used in small to medium schools, counts by category can be completed quickly after the meal service.*	*Can be destroyed, transferred, lost, stolen or sold.* *In large schools, too cumbersome to collect and count all tickets or tokens by category after the meal service.* *If not coded properly, may result in overt identification.*
Coded I.D. Cards	*Not easily transferred if photo is on the card.* *Can be incorporated as function of student I.D. card, which may be a savings to school district.*	*Can be lost, stolen or destroyed.* *May be used twice if more than one serving line.* *Possible high replacement cost.*
Automated PIN Pad	*Provides accurate count and saves time; compiles the meal count by category at the same time the students are counted.* *Students do not have to be in line by classroom; line moves at the same pace whether the cashier knows all of the students' names or not.* *Prevents overt identification on the line.* *Provides automated reports.*	*Students may forget their numbers, thus slowing the line.* *Start-up and operating costs may be high.* *If more than one service line, there may be two meals claimed if the electronic machines are not linked.*

Coded Bar Line	*Provides accurate count and saves time; compiles the meal count by category at the same time the students are counted.*	*Can be lost, destroyed or transferred.*
		Start-up and operating costs may be high.
		If more than one service line, there may be two meals claimed if the electronic machines are not linked.
	Prevents overt identification on the line.	
	Provides automated reports.	

Suggested Coding

When determining how the medium of exchange will be coded, consider these coding methods.

Method	Examples
Coding series	*1 through 1,999 free/2000 through 3,999 reduced/4,000 through 5,999 paid.*
Coding by student number	*Number ending in 0 or in an odd or even number.*
Coding by variations	*Variations in signatures, placement of date or ticket distributor, such as Mary Smith, Mary J. Smith and M. Smith.*
Coding by subtle differences	*Differences in printing such as capital letter, period, spacing of a line or differences in underlining.*
Coding by number of digits	*Four digits for free, five digits for reduced-price or six digits for paid.*
Computer-coded student I.D. numbers	*I.D. numbers assigned by the school and identified in the approval process as free, reduced-price or paid.*

Additional suggestions include changing the medium of exchange coding system yearly to prevent the use of a previous year's tickets and tokens. Whenever possible, use a code other than a single-symbol code such as A, B, C or 1, 2, 3. Single-symbol codes are most easily recognized by students.

POLICY
Color coding by category and single-symbol coding using obvious identifiers, such as F, R, P, **are prohibited**.

Distribution

All meal count/collection systems must include a method for prepayment and/or post billing (charging). Post billing is seldom recommended. **The provision allowing for prepayment (and/or charging) should make free and reduced-price meal recipients appear as students who have prepaid full price.**

The option of prepayment and/or post billing (charging) of meals should be routinely publicized. This may be done by using methods such as posting signs, making public announcements, including the information in printed material, etc. Some districts offer incentives for prepayment options when cash is also accepted on the serving line.

When distributing the medium of exchange, use a common location and time where all students (free, prepaid reduced-price and prepaid full-price) are required to obtain their tickets, tokens, etc. Allow adequate time and area for purchase or pickup of the medium of exchange to prevent overt identification.

Collection

Use common serving areas, dining areas and serving times for all students during meal service. Use the same procedures for free, prepaid reduced-price and prepaid full-price meals to prevent overt identification when collecting the medium of exchange. When students pay cash on the line for reduced-price and/or full-price meals, they may be counted in a different manner than those students who prepay or charge.

Point-of-service

A point-of-service meal count defined by regulations means "that point in the foodservice operation when a determination can accurately be made that a reimbursable free, reduced-price or paid lunch has been served to an eligible child."

NON-ALLOWABLE POINT-OF-SERVICE COUNTS
Counts taken in the classroom, attendance counts, the number of tickets sold/issued, head counts, tray counts and counts obtained by "backing into" the numbers of lunches or breakfasts served are not point-of-service counts.

Any alternate counting/collection procedure used must be approved by the state agency and must provide for someone stationed at the end of the serving line to monitor the meals selected to ensure that each meal claimed for reimbursement meets meal requirements. In addition, the procedure must provide a method for removing from the proper category of the count used for claiming reimbursement any meal that is not reimbursable. The above is also true of any system that stations the cashier/ticket taker/ counter at the beginning of the line.

Reimbursable Meal

What is a reimbursable meal? This depends on the menu planning system selected by each school. For Enhanced and Traditional Food-based systems, it is a meal that offers all of the required meal pattern food items in the required serving sizes prior to the point-of-service. The student then must select the required number of food items in accordance with the district's policy regarding offer versus serve. None of the meals served are reimbursable on a day when all five (four for breakfast) of the required meal pattern food items are not available in the meal offered. Each cashier or monitor must be knowledgeable and skilled in recognizing student selections that may be counted and claimed as reimbursable.

For NuMenus (Nutrient Standard Menu Planning) and Assisted NuMenus, a reimbursable meal consists of a minimum of three menu items: entree, fluid milk served as a beverage and side dishes offered prior to the point-of-service. The student then must select the required food items in accordance with the district's policy regarding offer versus serve. None of the meals served are reimbursable on a day when all required menu items are not available in the meal offered.

Equal Access for All Students

When a school offers a selection of more than one type of meal that is claimed for reimbursement or a variety of foods and fluid milk for choice within the meal requirements, it must offer the same selection to all children regardless of whether the children are eligible for free or reduced-price, or pay the full price for meals set by the school. If certain items are not made available to all children, including those receiving free or reduced-price meals, those items may not be counted toward reimbursable meals.

Meals served on an all-cash line may never be claimed for reimbursement, even though the same items are offered on another serving line. If certain lines are not made available to all children, including those receiving free or reduced-price meals, meals served on those lines may not be claimed. When planning for special functions, parties, field trips, etc., the foodservice department should be involved in the process to ensure that students are not overtly identified or denied meals, and meals claimed for reimbursement meet requirements.

Off-site Meal Consumption

National School Lunch Program authorizing legislation and program regulations clearly intend that meals reimbursed under the programs are to be served and consumed on school or school-related premises. **Therefore, meals taken off-site are not reimbursable.** This would include meals given to children to eat on the bus, take home with them due to early dismissal, etc. Meals consumed on school-sponsored, supervised field trips may be reimbursed since the meals are prepared by the school foodservice department and served and consumed as part of a school-related function. A list, roster or other method of counting the meals by category should be used to record counts. Meals served during such field trips should be subject to especially stringent sanitary and precautionary measures to avoid food contamination and spoilage.

Alternative Schools

Many districts participate in some type of alternative school or campus that includes several districts. Procedures for maintaining applications and the counting and claiming of reimbursable meals for this type of school must be established.

One accepted procedure is for the host district (physical site of the school campus) to keep copies of the students' applications, certification eligibility or a roster with each students' eligibility on file from the sending district. The host district, which is providing meal service, may claim reimbursement for eligible students in the proper category. In some situations, a student's attendance in such

IMPORTANT POINT
Reimbursable meals served to eligible students may be claimed by the host district or the sending district but must not be claimed by both districts.

a school may be short term (a few days) or long term (entire school year). Adjustments and notations should be entered on the CRE records to justify the claim when applicable and to document current numbers of approved students.

If the district wants to use a different procedure than the ones mentioned above, contact the state office.

Choosing a System

Meal count/collection systems should be chosen based on the degree of meal accountability, needs, priorities and available resources of the school or district. Several factors should be considered before making a decision. The system chosen will depend on the size of the school(s), the number of meals served, the number of students participating in the program, the percentage of students receiving free and reduced-price meal benefits,

IMPORTANT POINT
Whatever system is chosen, it must provide an accurate point-of-service count: • of reimbursable meals served (one per eligible student per day) • by category (free, reduced-price and paid) • each day • without overtly identifying students'

the grade levels involved (high school or elementary), the cost of implementing and maintaining a collection procedure, and the staff resources available for implementing and maintaining the collection procedure(s).

POLICY
Any system selected must provide accurate meal counts by category at the point-of-service and prevent overt identification of eligible children.

The type of system implemented will determine how much these factors are involved in the actual meal count process. The meal count system is an integral part of the foodservice program, so review all affected areas:

Meal Accountability	Point-of-service capabilities	Student eligibility recorded and controlled
	Prevention of overt identification	Reimbursable meals served/counted
Administrative Considerations	Edits and internal checks	Account balances maintenance
	Reports, personnel/training	Financial analysis (budget/sales)
Cost of Implementation	Daily operations	Software program
	Personnel training (cost/time)	Support/updating processes
	Hardware	Maintenance/repair (registers, computer terminals, etc.)

Also, consider these factors to help determine if a manual or an automated system would be best: cost; size and characteristics of the school and district; number of personnel needed to operate the system; and time needed to operate the system during the meal service operation as well as in making counts and reports. If an automated system is chosen, the district must have a backup counting system in case of mechanical failure of the automated equipment. The process of system selection is very complex and unique to the individual school or district. The CDE nutrition office has a comparison sheet on all USDA-approved software programs with accompanying modules that provide other services, i.e., point-of-sale, inventory, purchasing and application approval.

Commonly Used Collection Procedures/Systems

Verbal Identifier/Cashier List System

Using this method, all students or students prepaying full price plus students receiving free or reduced-price meal benefits give a verbal identifier such as a name or number to the cashier at the point-of-service. The cashier then identifies the category of the meal and records it in one of several ways. For example, if the student's name is used as the identifier, a list is compiled that includes the student's name and category, either alphabetically or by classroom. The cashier checks the name of individual students as they pass through the serving line. The list is used for accounting purposes. A teacher's grade book at the point-of-service may also be used for this purpose.

The same form used to count meals served may also be used to record meals for which students or parents have prepaid. This may be done by placing diagonal (/) lines in or highlighting the boxes of the days for which the meals have been prepaid. If this is done, do the same to the boxes beside the names of students receiving free meal benefits to make them appear as though they have prepaid.

CAUTION
When using a highlighter pen, remember that the same color must be used for free as is used for prepaid reduced- and prepaid full-price meals to prevent overt identification.

If numbers are used as the identifier, a number list or an electronic cash register may be used to document that the student has received a reimbursable meal. The cashier or electronic cash register counts the meals by category. The number list or cash register reading is used for accounting purposes. When using the numerical identifier method, the number list is used to record and count reimbursable meals served and claimed. The checklist is used to track individual students' prepaid meals served and the balance of any remaining prepaid meals. As long as tracking of prepaid meals is done after the serving period (not at the time of service), it is not necessary to include any names other than those of students who have prepaid for full or reduced-price meals.

Coded Tickets/Tokens

Using this method, all students or students who prepay plus those receiving free or reduced-price meal benefits receive a tangible object that is later redeemed for a reimbursable meal.

Tickets or tokens may be issued or sold in the cafeteria, principal's office, classroom, etc. They may be issued or sold in advance of the meal service on a daily, weekly or monthly basis. Students receiving free and reduced-price meal benefits must be issued a ticket or token identical to the one issued to students who prepay with the exception of the code used by the person making the meal count determination to identify the category.

For additional information about coding tickets and tokens, see page 11.2. Whatever method of coding is used, take care to prevent overt identification.

Examples of use of tickets and tokens in the meal count:

- Each student's ticket or token is examined as he/she receives a meal. A tally is made or a counting machine is pressed in a discreet manner for each meal served, by category.
- Each student's ticket or token is collected as the student receives a meal; these are later counted by category, and unexpired tickets are returned to the students to use the following meal service.
- The tickets have a coded tear-off stub for each lunch or breakfast. A stub is collected as each student receives a meal; the stubs are later counted by category. In an automated tab ticket system, the meal count by category is made simultaneously with the collection of the ticket.
- Each student is issued a coded bar line card that is scanned electronically. The meal count by category is made simultaneously with the scanning of the card.
- Each student is issued a coded number that is entered on an electronic key pad. The meal count by category is made simultaneously as the number is entered.

Breakfast

School ——————————————————————

Teacher's Name ——————————————————

Dates:

Student Name	Code																															
Totals Code																																
Code																																
Code																																

Lunch

School _____

Teacher's Name _____

Dates:

Student Name	Code																									
Totals Code																											
Code																											
Code																											

COUNTING AND CLAIMING

Date: _____

School: _____

Signature: _____

	M	T	W	T	F		M	T	W	T	F		M	T	W	T	F		M	T	W	T	F		
3501						3541						3601						3701							
3502						3542						3602						3702							
3503						3543						3603						3703							
3504						3544						3604						3704							
3505						3545						3605						3705							
3506						3546						3606						3706							
3507						3547						3607						3707							
3508						3548						3608						3708							
3509						3549						3609						3709							
3510						3550						3610						3710							
3511						3551						3611						3711							
3512						3552						3612						3712							
3513						3553						3613						3713							
3514						3554						3614						3714							
3515						3555						3615						3715							
3516						3556						3616						3716							
3517						3557						3617						3717							
3518						3558						3618						3718							
3519						3559						3619						3719							
3520						3560						3620						3720							
3521						3561						3621						3721							
3522						3562						3622						3722							
3523						3563						3623						3723							
3524						3564						3624						3724							
3525						3565						3625						3725							
3526						3566						3626						3726							
3527						3567						3627						3727							
3528						3568						3628						3728							
3529						3569						3629						3729							
3530						3570						3630						3730							
3531						3571						3631						3731							
3532						3572						3632						3732							
3533						3573						3633						3733							
3534						3574						3634						3734							
3535						3575						3635						3735							
3536						3576						3636						3736							
3537						3577						3637						3737							
3538						3578						3638						3738							
3539						3579						3639						3739							
3540						3580						3640						3740							

Total

Unacceptable Meal Count Systems

Meal count systems that are **not acceptable** because they do not provide a daily count at the point-of-service of reimbursable meals, by category, include:

- **Attendance counts --** using the number of students in attendance as a meal count. This does not provide a count of meals actually served and those are the only meals that may be claimed for reimbursement.
- **Tray or entree counts --** counting the number of trays or entrees used during the meal service to obtain the meal count. This does not provide an accurate count of reimbursable meals, only of trays and entrees. There are no controls to ensure that trays contain all the necessary food items, that trays were not stuck together, that each entree was part of a complete meal, etc. Each **meal** must be monitored to ensure that all the meal requirements have been met.
- **Classroom counting --** counting the number of students in the class who indicate that they intend to eat a meal (prior to the meal service itself). Students intending to eat may not actually do so. The count taken prior to the meal service will not reflect those changes and the count of meals served may not be accurate. Also, there are no controls at the point-of-service to ensure that the meals counted are actually reimbursable.
- **Counts taken anywhere other than at the point-of-service** (unless otherwise approved by the state office). The only place an accurate count of reimbursable meals can be made is at the point where it can be determined that the meals are actually reimbursable.
- **Prepaid/charged meals counted on day paid --** when students either prepay or charge their meals, these meals must be counted on the day that the student is served the meal, not on the day that the prepaid meal was purchased or the charged meal was repaid.
- **Second meals claimed for reimbursement --** second meals served to students in any category are claimed for reimbursement. Districts can claim only one meal per eligible student per day.
- **Ineligible persons claimed for reimbursement --** meals served to ineligible students, adults or visitors are claimed for reimbursement.
- **Cash converted to meals --** using cash totals to determine the number of meals served. This does not provide a count of reimbursable meals served. Also, this allows cash collection errors to translate into meal count errors.
- **A la carte items claimed for reimbursement --** food items sold independently of the reimbursable meal and not priced as a unit are claimed for reimbursement.
- **Category/cash back-out system --** one or more of the meal categories are calculated by subtracting the number of meals of one or more meal categories (free, reduced-price or paid) from the total meal count to get a count of another meal category.
- **Delivery counts of meals produced off-site --** the number of meals delivered to a school is not necessarily the number of meals that were actually served.
- **Visual identification without backup --** eligibility is determined based only on the cashier's or counter's visual identification and knowledge of the students' eligibility categories.
- **Any of the acceptable example systems described that are not implemented properly.** Even if the system is approved on paper, all necessary procedures must be followed for the meal count system to be acceptable. All appropriate staff should be adequately trained in their responsibilities.

School Reports

The numbers of reimbursable meals served daily, by category, to eligible students are recorded and reported by school foodservice personnel to the district. The particular recording method used must ensure that correct counts by category are reported in a way that can be easily read, edited and consolidated into an accurate monthly claim for reimbursement.

Any report format used must provide a complete record of the day's meal service so that the required information can be transferred to the district report. *A sample meal count reporting form is provided on page 11.13.*

Claim for Reimbursement

School meal counts, by category, are submitted to the district level on a daily, weekly or monthly basis. The counts from all schools are combined to generate a monthly claim for reimbursement. This is called consolidating the claim. After the claims are consolidated, they are submitted by the district to the state office. The state office is responsible for paying the district for reimbursable meals claimed as served by category during the claiming period.

Reimbursement rates are different for each category of meal benefit (free, reduced-price and paid) and for each type of meal served (lunch and breakfast). Thus, accurately counting, recording and consolidating the number of meals served by category is the only way a claim for reimbursement can be properly submitted and the district be correctly paid for the meals served.

Note: See Section 8, Required Records, for additional information.

Meal Count/Collection Procedure

Federal regulations were developed to improve the accuracy and accountability of reimbursement claims by clarifying schools' and school districts' meal counting and claiming requirements.

Whatever system or procedure is used for counting and claiming meals, the school district is responsible for ensuring the reimbursement claim is based on accurate meal counts by category. A school or district can never claim more free, reduced-price or paid meals than are served to eligible children. If claims are in excess of the number of approved free, reduced-price, paid or total number of enrolled students, the district will be required to repay any overclaims. Proper implementation of the these regulations, which include edit checks and on-site reviews, will ensure an accurate system and prevent overclaims.

FACT
Regulations require that reimbursement is claimed for only one breakfast and one lunch per eligible child per day. The meal must be determined to be reimbursable and must be counted by category at the point-of-service.

Edit Checks

Prior to the submission of a monthly claim for reimbursement, the district shall compare each school's daily counts of free, reduced-price and paid lunches against the product of the number of children in that school currently eligible for free, reduced-price and paid lunches, respectively, times an attendance factor. *See page 11.13 for a sample form.*

Become familiar with these factors before performing **edit checks:**

❖ *ADA - Average daily attendance (number).*
❖ *ADP - Average daily participation (%).*
❖ *Attendance factor - to obtain, divide the ADA by the total enrollment.*
❖ *This can be done on a school level, district level or the state factor may be used by the district.*
❖ *Daily number of meals served by category.*
❖ *Number of children approved free.*
❖ *Number of children approved reduced.*
❖ *Any other enrollment or membership data useful in identifying discrepancies, such as:*
  ➢ *Maximum allowable free meals equal to the number of approved free multiplied by the number of operating days.*
  ➢ *Maximum allowable reduced-price meals equal to the number of approved reduced multiplied by the number of operating days.*

Using the CDE-13 daily foodservice worksheet, perform the following edit checks for each feeding site:

Step 1:
Compare the daily number of free and reduced-price lunches claimed against the number of children currently approved for free and reduced-price meals. Free and reduced-price meals may not be claimed in excess of the number of students approved for such benefits.

Step 2:
a. Divide the daily number of paid, reduced-price and free meals claimed by the number approved for each category to obtain the percent participation for each category.
   OR
b. Compare the daily number of paid, reduced-price and free lunches claimed against the number of students eligible, times the attendance factor. Whenever the number of paid, reduced-price or free meals claimed exceed the estimated percent attendance, attendance records should be evaluated to determine the maximum number of meals by category that can be claimed. Paid, reduced-price and free meals should not be claimed in excess of the attendance factor unless the school can document through other means that its meal counts are correct. Document any changes made to the daily count.

The personnel performing the edit checks should be aware of other indications of possible problems:

- Patterns of numbers, repetition of numbers or constant counts by category
- Identical counts for breakfast and lunch
- 100 percent participation (and percent greater than attendance factor)
- Category count exceeding number of children eligible for free and reduced-price meals

Edit checks should be performed each month on a daily basis. Adjustments or modifications may be done on a weekly basis. When discrepancies are found or potential problems are suspected, they should be resolved through further investigation. Any findings should be documented (with attendance records, etc.) and kept with the school's daily record of meals claimed.

The Excel version (with formulas) and Microsoft version may be found at: http://www.cde.state.co.us/nutrition/nutriforms under Miscellaneous Forms > Daily Edit Check (with formulas)
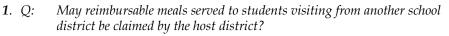
On-Site Monitoring

According to 7 CFR 210.8(a)(1), every school year, **prior to February 1,** each School Food Authority (SFA) with more than one school (as defined 7 CFR Part 210.2 to include Residential Child Care Institutions (RCCIs) must perform no less than one on-site review of the lunch counting and claiming system employed by each school under its jurisdiction.

Each on-site review must ensure the school's claim is based on the counting system, as implemented, and yields the actual number of reimbursable free, reduced price, and paid lunches, respectively, served for each day of operation.

If the review discloses problems with a school's meal counting or claiming procedures, the SFA must ensure that the school implements corrective action, and within 345 days of the review conduct a follow-up on-site review to determine that the corrective action resolved the problems.

The On-Site Review Checklist: to assess meal counting and claiming systems is located at: http://www.cde.state.co.us/nutrition/nutriforms under Miscellaneous Forms > On-site Review Form

---

1. **Q:** *May reimbursable meals served to students visiting from another school district be claimed by the host district?*

A: *Yes. The host school may claim reimbursement for meals served to visiting students. The students' meals may be claimed by category for reimbursement if the visiting school provides the host school with each student's eligibility determination. If the visiting school does not provide this information or if students are from a school that does not participate in the National School Lunch Program, then the host school may claim reimbursement for the meals served to the students in the paid category.* ***A notation should be entered on the CRE***

records to justify the excessive claim when applicable.

2. **Q:** *How should schools claim meals served to student workers?*

A: *All meals served to student workers should be claimed based on their eligibility category. The count must be taken at the point-of-service to assure a complete meal is served.*