



COLORADO
Department of Education

Office of School Nutrition
1580 Logan, Suite 760
Denver, CO 80203

Tandy Jones
Mountain Plains Regional Office
1244 Speer Blvd Suite 903
Denver, CO 80204-3581

November 19, 2018

1. **State agency submitting waiver request and responsible State agency staff contact information:**
Colorado Department of Education (CDE) School Nutrition Unit.
Ashley Moen, moen_a@cde.state.co.us, 303-866-6653.
2. **Region:** Mountain Plains
3. **Eligible service providers participating in waiver and affirmation that they are in good standing:**
This waiver request is applicable state-wide for all approved sponsor organizations in good standing.
4. **Description of the challenge the State agency is seeking to solve, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted.**
[Section 12(I)(2)(A)(iii) and 12(I)(2)(A)(iv) of the NSLA]:
The CDE School Nutrition Unit is requesting a state-wide waiver for Summer Food Service Program (SFSP) and Seamless Summer Option (SSO) flexibilities and policies that were rescinded by the USDA Food and Nutrition Services (FNS) on October 11, 2018 through SFSP 01-2019 *Summer Food Service Program Memoranda Rescission*. The impact and challenges faced as a result of the rescinded flexibilities and policies to the CDE School Nutrition Unit and Colorado sponsors are detailed below.

Program Monitoring

In Program Year (PY) 2018, 70 percent (477 sites) returned from the previous year and 30 percent (203 sites) were new. Of the 203 new sites, 104 sites operated either the National School Lunch Program (NSLP) or the Child and Adult Care Food Program (CACFP) At-Risk Afterschool Program. Requiring sponsors to visit each of their sites within the first week of site operation unduly increases administrative burden.

According to the City and County of Denver Office of Children's Affairs (OCA), a sponsor of 34 sites, requiring sponsors to visit each of their sites within the first week of site operation will have the following impact:

- This will add 34 site visits to our first week of SFSP operation, resulting in 68 additional hours to add to an already demanding schedule. Monitors will need to average six visits per day at an additional cost of \$8,840. Since meal times overlap and sites are located in many





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quadrants of Denver, OCA will need to hire more monitors, resulting in more administrative time to process contracts and contracted staff.

- Reduce our ability to work with sites to analyze site meal count data to make order increases to serve more children.
- Conversely, for sites who have ordered more than they are serving, these additional site visits will prevent OCA from analyzing information and spending adequate time to make adjustments.

Over half of the sites the City and County of Denver OCA sponsors operate year-round by serving meals through the CACFP at-risk afterschool program and the SFSP. If first week site visits are required for all sites, the following impacts will occur:

- With 18 year-round sites, this will require OCA to add 18 more site visits during the first week of the school year. Because of these rescissions, OCA's year-round sites will increase monitoring from three to 5 site visits annually, adding \$4,680 in additional costs and 40 hours of additional work.
- Most OCA's sites begin SFSP immediately after CACFP ends (OCA sites operate SFSP the day Denver Public Schools' summer vacation starts and begin CACFP on the first day of the new school year). Therefore, it will be a challenge for staff to spend the time needed to close out CACFP and effectively start up SFSP. As most sites serve between 3:00-6:00pm, it will also require hiring additional monitors to juggle the logistics of reviewing sites.

According to Greeley 6, a school food authority and sponsor of 45 sites, requiring sponsors to visit each site during the first week of operation would require over 110 labor hours and additional labor costs as high as \$5,000 as the additional administrative burden would likely cause hourly employees to incur overtime. In addition, a serious hardship would be endured by SFSP sponsors that are expanding program locations. The personnel resource to monitor all SFSP sites in the first week of operation would limit our ability to offer meals to the community and would reduce our ability to expand. Ultimately, the overall SFSP reach to the community would be minimized.

Food Bank of the Rockies, a sponsor of 78 sites, stated they do not have the staff to monitor all sites, including returning sites, on their first week of summer operation. "Hiring additional staff (permanent or temp) would put a financial strain on our business. Many of our SFSP sites also participate during the school year in CACFP and receive monitoring at least 2-3 times during school months; these year round sites have their compliance in check. Additionally, it would restrict the





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number of sites we could work with based on current staff capacity." In PY 2018, as many as 9 sites started on the same date with just as many starting simultaneously over the period of two-three weeks. "With 4 site monitors, we would need to bring on additional help in the form of temp workers to help get through all sites at a cost of \$13-15 per hour. This would also involve training this extra staff. Additionally, the many rural communities we serve require extra travel time."

Equal Heart, a sponsor of 48 sites, stated they have operated the SFSP under both sets of monitoring requirements and said "there will be no increase in quality of site operations under the more stringent requirement that every site is visited during the first week. The first week visit is essentially just visiting and making sure people and food exist which is something we know is in place; especially for the returning sites. But there is a difference in how central staff are able to manage all program operations as this rule needlessly requires us to pay attention to something that does not impact operations. And in doing so, we are unable to fully monitor what is important. There are many moving parts in the first week of summer operations and a sponsor that does not get them all right is going to have a very long and painful summer; and likely a summer that is not in compliance. Last summer we had 48 SFSP sites, 15 of them new sites and thus the only ones we formally visited the first week. We were able to cover these visits and the 4 week site reviews for all sites with existing staff. If we're required to visit all sites during the first week (an addition of 33 sites) we would need to hire two additional one-week staff members. At a cost of \$15 per hour (Denver is a high wage city) plus training, that would increase our staff costs by \$1,500 - or a 10% increase in our staffing costs."

Hunger Free Colorado, a partner organization leading efforts to connect families and individuals to food resources so no Coloradan goes hungry, supports this waiver. Hunger Free Colorado's letter of support is attached

The goal of this waiver is to reinstate the rescinded flexibilities and policies to allow for efficient and cost effective program management and reduce administrative burden for sponsors and the CDE School Nutrition Unit.

Approval of this waiver will allow the CDE School Nutrition Unit and Colorado sponsors to continue implementing streamlined measures for effective program management and operation. In addition, if



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approved, the CDE School Nutrition Unit will not be required to spend additional funds and staff time to update technology systems and revise state-wide training and review procedures.

5. **Specific Program requirements to be waived (include regulatory citations). [Section 12(l)(2)(A)(i) of the NSLA]:**

The CDE School Nutrition Unit is requesting all flexibilities and policies rescinded in SFSP 01-2019 be reinstated. The individual regulations to be waived are outlined below:

Current regulation to be waived: 7 CFR 225.15(d)(2) *"Sponsors shall visit each of their sites at least once during the first week of operation under the program and shall promptly take such actions as are necessary to correct any deficiencies."*

6. **Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring:**

Description of Alternative Procedures:

The first week site visit for sites that operated successfully in the previous year (or other most recent period of operation) and had no serious deficiency findings, or that participated successfully in the Child and Adult Care Food Program (CACFP) or the National School Lunch Program (NSLP), will be waived for SFSP and SSO sponsors in good standing. Sponsors will continue to monitor all sites within the first four weeks of operation and will maintain a reasonable level of site monitoring, including any necessary follow-up reviews. If a site and sponsor also participate in the at-risk afterschool care component of the CACFP, the sponsor may follow the CACFP review schedule year-round.

Anticipated impact on Program operations, including technology, State systems, and monitoring:

This waiver will significantly decrease administrative burden and allow for efficient and effective oversight of program operations. The CDE School Nutrition Unit will continue to ensure program integrity through a thorough application approval process, technical assistance visits, administrative reviews, and training. In addition, no change will need to be made to current technology systems as a result of this waiver. Approval of this waiver will be cost neutral for CDE School Nutrition.

If this waiver is **not** implemented, the following impact on program operations will likely occur:

- o Increased costs to the CDE School Nutrition Unit to update software systems to comply with regulation changes. Updates to software will affect application, claims, and compliance modules.



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- Significant impact on the CDE School Nutrition Unit staff time and effort and increased cost to update training and technical assistance materials, re-train sponsor and site staff, and monitor compliance with rescinded flexibilities and policies.
- Increased sponsor administrative labor cost to conduct first week site visits for all sites, especially for large sponsor organizations.
- Increased sponsor administrative labor costs will result in less available funds for the purchase of high quality food.
- Loss of sites due to increased administrative burden to conduct site visits at each site during the first week of operation.
- These combined impacts will result in a significant decrease in program sponsors and sites due to increased administrative burden. This will result in decreased access to the program, a decrease in meals served to children and ultimately an increase in childhood hunger in Colorado.

7. **Description of any steps the State has taken to address regulatory barriers at the State level.** [Section 12(I)(2)(A)(ii) of the NSLA]: The flexibilities and policies rescinded by the USDA FNS on October 11, 2018 through SFSP 01-2019 *Summer Food Service Program Memoranda Rescission* will increase administrative burden and create barriers to program access and effective program operation. To address these barriers, the CDE School Nutrition Unit is submitting this waiver. In addition, the CDE School Nutrition Unit works closely with the Colorado Department of Public Health and Environment (CDPHE) to ensure sponsors operating both SFSP and CACFP are in good standing; this includes cross training efforts and sharing administrative review results between agencies. The CDE School Nutrition Unit also utilizes lean principles for continuous process improvement for the program.
8. **Anticipated challenges State or eligible service providers may face with the waiver implementation:** There are no anticipated challenges with waiver implementation. Internal processes and procedures are already in place to ensure program integrity.
9. **Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds.** [Section 12(I)(1)(A)(iii) of the NSLA]: There is no anticipated impact on Federal administrative costs for State Agency oversight with implementation of this waiver.





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10. **Anticipated waiver implementation date and time period:** This waiver will be implemented immediately upon approval for program year 2019 and remain in effect for a period of five years.

11. **Proposed monitoring and review procedures:** Sponsors and sites will continue to be monitored by the CDE School Nutrition Unit as outlined in 7 CFR 225.7 (2)(ii)(B). Standard review procedures will continue to be followed; if noncompliance is identified, the CDE School Nutrition Unit will implement a corrective action plan and conduct follow-up reviews, as needed.

12. **Proposed reporting requirements (include type of data and due date(s) to FNS):** The CDE School Nutrition Unit will provide FNS with required reports, including review findings and technical assistance provided and survey results showing impact on improved services and streamlined administrative requirements. This information will be available annually.

13. **Link to or a copy of the public notice informing the public about the proposed waiver [Section 12(I)(1)(A)(ii) of the NSLA]:** The public notice is located at:
<http://www.cde.state.co.us/nutrition/nutrisummer>.

14.. Signature and title of requesting official:

Name: Ashley Moen, MS, RD, SNS

Title: Summer Meal Programs Supervisor

Requesting official's email address for transmission of response: moen_a@cde.state.co.us





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TO BE COMPLETED BY FNS REGIONAL OFFICE:

FNS Regional Offices are requested to ensure the questions have been adequately addressed by the State agency and formulate an opinion and justification for a response to the waiver request based on their knowledge, experience and work with the State.

Date request was received at Regional Office:

- Check this box to confirm that the State agency has provided public notice in accordance with Section 12(I)(1)(A)(ii) of the NSLA

- **Regional Office Analysis and Recommendations:**

