

To: Authorized Representatives of School Nutrition Programs

From: Child and Adult Nutrition Services

Date: February 20, 2018

Subject: School Nutrition Program Meal Count and Claims

Memo Number: SNP 242-1

The purpose of this memo explains reimbursable meal count and meal claim procedures in the School Nutrition Programs (National School Lunch Program, School Breakfast Program, Afterschool Snack, and Special Milk Program).

This information should be shared with the staff responsible for menu planning, taking meal counts, and submitting the claim for reimbursement for the School Nutrition Programs. Questions about this memo can be referred to a SD Dept. of Education Child and Adult Nutrition Services staff member.

Definitions:

- **School Food Authority (SFA):** School District or Agency that holds agreement with CANS
- **State Agency:** SD Dept. of Education, Child and Adult Nutrition Services (CANS)
- **Eligibility:** Free, Reduced, or Paid status
- **Free and Reduced Price Applications/FR Apps:** The application you get from the CANS website in mid-July to use for eligibility determination.
- **Direct certification:** determining a child is eligible for free meals based on documentation obtained directly from the appropriate State or local agency or individuals authorized to certify that the child is a member of a household receiving assistance under SNAP, FDPIR, or TANF; a Homeless child, a Migrant child, a Head Start child and a Runaway child.
- **School Nutrition Programs:** Include the National School Lunch Program (NSLP), School Breakfast Program (SBP), Special Milk Program (SMP), and Seamless Summer Options (SSO) for breakfast or lunch.

School Nutrition Program Application and Permanent Agreement:

1. **Annual iCAN SNP Application:** An authorized official from each SFA shall make written application to the State Agency (SA) for any school in which it desires to operate the SNP. The application describes how the SFA will operate the program, when meals are served, and a statement acknowledging that the SFA will operate the programs in

accordance with the rules and regulations. This application process is completed annual in the iCAN SNP computer system.

2. **Free and Reduced Price Policy Statement:** Each SFA will submit a "Policy Statement for Free and Reduced Price Meals" that has been approved by CANS (7CFR11 210.9).
3. **Permanent Agreement:** Each SFA that is approved to participate in the program shall enter into a written agreement with the SA that may be amended as necessary. The agreement shall contain a statement to the effect that the "School Food Authority and participating schools under its jurisdiction, shall comply with all provisions of 7 CFR parts 210 and 245."

Student Eligibility Documentation:

1. Student eligibility documentation must be on file for each student who receives free or reduced meals unless your school is on an approved Special Provision 2 or 3, or Community Eligibility Provision. This shows how many students are eligible in each category and supports your claim for federal reimbursement for free and reduced price meals. Meals may not be claimed as free or reduced unless there is a document proving a certain child is eligible for these benefits.
 - a. This document may be a complete and properly approved application filed by the household; or
 - b. a student directly certified for free meals as listed in the CANS iMATCH system; or
 - c. a document directly from the appropriate State or local agency or individuals authorized to certify that the child is a member of a household receiving assistance under *SNAP*, *FDPIR*, or *TANF*; a *Homeless child*, a *Migrant child*, a *Head Start child*, or a *Runaway child*.
2. A master list of students approved for free or reduced price meals must be maintained. Changes in status, additions, and withdrawals are noted on the master list as they occur. A copy of the application must be transferred to the new school when a student transfers within a district.
3. Information on students' eligibility is **strictly confidential**, regardless of whether it was obtained by application or direct certification. Information about individual children may not be released, shared, or used for any non-program purposes without informed consent of the parent or guardian.
 - a. Reference the current version of the *Eligibility Manual for School Meals* for current guidance on student eligibility and requirements.
 - b. In recent years there has been increased pressure on food service officials to release this information since many other programs receive funds based on the number of low-income students. Schools may release aggregate numbers of children eligible for free and reduced price meals. The DOE – CANS (<http://www.doe.sd.gov/cans/index.aspx>) website also contains this aggregate information for all SFA's in the state by attendance center.
4. All eligibility documentation and student's eligibility status is **confidential** and access to eligibility information should be strictly controlled at the school.

5. SFAs approved to operate on a Special Provision 2 or 3, or Community Eligibility Provision have a modified student eligibility protocol that is outlined in
 - a. USDA Provision 2 Guidance manual <https://www.fns.usda.gov/school-meals/provisions-1-2-and-3>
 - b. USDA Community Eligibility Provision (CEP) Planning and Implementation Guidance manual <https://www.fns.usda.gov/school-meals/community-eligibility-provision-resource-center>

Confirmation Review and Verification of Free and Reduced Applications

1. A percent of applications must be **verified** to determine if the information included is correct. Verification means that parents or guardians must submit documentation or proof for the information they provide on the application. Applications for children who are directly certified do not need to be verified.
2. Review CANS NSLP Memo #51 or the *Eligibility Manual for School Meals* for more information

Money Collection Procedure:

1. The money collection procedure is the method a school uses to allow parents and students to pay for their meals and how the “medium of exchange” is distributed.
 - a. “Medium of exchange” is the way students identify their category of meal eligibility for the SFA. Examples are tickets, tokens, id numbers, thumbprints, or names on a paper or computer roster. The student gives this information (medium of exchange) and gets a meal.
2. The collection procedure includes where the meal is paid for (on the line, prior to serving) and how the SFA ensures the meal is counted in the correct eligibility category.
 - a. Schools are encouraged to collect money prior to meal service.
 - b. The collection procedure includes a built-in accounting system to record numbers of full price, reduced price, and free meals served daily. SFA's are required by USDA regulations to keep the count of each meal served in its proper category.
3. Collection procedures:
 - a. Must prevent “overt identification” of students who receive free and reduced price meals. Overt identification means that students and general staff should not be able to tell who is receiving a free or reduced price meal.
4. Point of service meal counts
 - a. All meals must be counted at the point in the food service operation where it can be accurately determined that a reimbursable meal has been served to an eligible student.
 - Each student included in the count must have a tray that includes all of the items that meet the meal pattern requirements for components (per 7 CFR 210.10 and 220.8).

- The items need to meet a reimbursable meal will be determined by the Offer vs. Serve provision of the annual iCAN SNP application with CANS.
- b. The count takes place by the cashier at the end of the service line, unless an alternate method is pre-approved by CANS in the annual iCAN SNP application.
- c. The person responsible for monitoring the meals must observe every meal that is included in the count for reimbursement.
- d. **Only 1 breakfast & 1 lunch per student, per day can be counted and claimed for reimbursement.**
- e. The SFA must have a plan for what if a child doesn't take a reimbursable meal.
- f. The SFA must have an unpaid meal charge policy in place for students with zero or negative balances.
- g. No seconds, adult meals, or non-program/ enrolled children can be claimed for reimbursement

Filing a Claim for Reimbursement:

1. School food authority claims review process. Prior to submitting a monthly Claim for Reimbursement, each SFA will review the meal count data for each site under its jurisdiction, as listed in the iCAN annual application, to ensure the accuracy of the monthly Claim for Reimbursement.
 - a. The objective of this review is to ensure that monthly claims include only the number of free, reduced price, and paid lunches served on any day of operation to children currently eligible for such lunches. Only reimbursable student meal counts taken at the approved point of service (or approved alternate point of service) can be submitted for reimbursement.
2. Conduct edit checks. The SFA will compare each site'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. More information on conducting edit checks can be found in CANS NSLP memo #53.
3. All meals served in the NSLP/SBP and counted for reimbursement must meet the requirements for the current meal pattern as specified in the program regulations and must be served to eligible students.

On-site reviews:

1. Every school year, each SFA with more than one physical feeding site will conduct at least one on-site review of the counting and claiming system and the readily observable general areas of review cited under §210.18(h).
2. The on-site review shall take place prior to February 1 of each school year.
3. If the review discloses problems with a school's meal counting or claiming procedures or general review areas, the SFA will:
 - a. Ensure that the school implements corrective action;

- b. and, within 45 days of the review, conducts a follow-up on-site review to determine that the corrective action resolved the problems.
4. Each on-site review shall ensure that the school's claim is based on the counting system authorized by the State agency under §210.7(c) of this part and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid meals, respectively, served for each day of operation.