

School Nutrition Programs Required Records Reminders

Region 3, 4, 5, 6 and 7 Education Service Center Child Nutrition Program Specialists have compiled this resource document, *School Nutrition Program Required Records Reminders*, to assist Contracting Entities (CE) in organizing required data to meet program guidelines and prepare for the Administrative Review (AR). Included are key area reminders and examples of forms and information required to be maintained by all CEs implementing the National School Lunch Program, School Breakfast Program and Afterschool Care programs. Tabs are provided to organize data in a complete, easy to find manner. The reminders will be updated yearly to reflect TDA and United States Department of Agriculture (USDA) policy changes and requirements.

Note: The term LEA, Local Education Agency, is used when discussing application and verification activities. Contracting Entity (CE) refers to the governing body that is responsible for administration of one or more schools, and issued for all other preferences except certification and verification. The Administrator's Reference Manual (ARM) may be found at www.squaremeals.org under Programs > NSLP > NSLP Policy & ARM.

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General Administrative Review (AR) Information

- The following information is a general overview of the information that the school operations monitor will need during the AR.
- TDA will determine which schools to review based on the information submitted for each site in TX-UNPS. TDA uses USDA criteria for selecting schools to review during the AR. Reminder: Any site with a TEA campus number must have a completed site application in TX-UNPS for the CE's renewal application.
- Complete the School Nutrition Program (SNP) Self-Assessment Review Form and the CE Administrative Review (AR) Preparation Form to ensure your AR will be a success.
- The forms are located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.

ADMINISTRATIVE REVIEW AREAS

Critical Areas of Review

1. Performance Standard One—Certification/Counting/Claiming
 - Lunches claimed for reimbursement are served only to students eligible for free, reduced-price, and paid lunches and are counted, recorded, consolidated, and reported through a system, which consistently yields correct claims.
 - Applications, Rosters, Point of Service System, Daily Record, Edit Checks, Reimbursement Claim, Categorical Eligibility
2. Performance Standard Two—Meal Components
 - Lunches claimed for reimbursement by the CE meet SY 2013-14 meal pattern requirements as required by program regulations.
 - Food Production Records, meeting age/grade group daily and weekly requirements, vegetable subgroups, and nutrient standards.

General Areas of Review

- Implementation of Free and Reduced-Price Policy Statement
- Public Announcement/Media Release
- Verification
- Overt Identification
- Complete & Sufficient Food Production Records
- Monitoring Responsibilities/Accuclaim
- Offer vs. Serve
- Proper Postings and Non-Discrimination Statements of Program Materials
- Child Nutrition (CN) Labels/Product Analysis
- Complaint Policy
- Separation of Students
- Reporting and Record Keeping
- Financial/Procurement
- After School Care Program
- Wellness/HACCP Programs
- Student-Parent Involvement
- Health Inspections
- Civil Rights Training

Other Areas of Review

- Exclusive Beverage Contract
- FMNV/TPSNP Policy
- FSMC

School Selection Process for Reviews

When selecting schools for review, TDA must use USDA's required procedures and criteria. To determine the minimum number of schools to review, TDA uses the table below.

<i>Number of Schools in CE</i>	<i>Minimum Number of Schools to Review</i>
1 to 5	1
6 to 10	2
11 to 20	3
21 to 40	4
41 to 60	6
61 to 80	8
81 to 100	10
101 or more	12 *

*12 plus 5 percent of the number of schools over 100. Fractions must be rounded to the nearest whole number.

TDA will use the Claim for Reimbursement and the site list in TX-UNPS to determine the school selection. All schools with a free average daily participation (ADP) of 100 or more and a free participation factor of 100% or more but not less than the minimum number of schools required must be reviewed.

If applying the above criteria does not result in the selection of the minimum number of schools to be reviewed, the following criteria must be used to generate a selection pool.

- Elementary schools (grades K-8) with a free ADP (Number Free Eligible) of 100 or more and a free participation factor of 97% or more.
- Secondary schools (grades 9-12) with a free ADP (Number Free Eligible) of 100 or more and a free participation factor of 77% or more.
- Combination schools (some grades from both the elementary and secondary schools) with a free ADP (Number Free Eligible) of 100 or more and a free participation factor of 87% or more.

If the pool has fewer schools than the minimum number of schools required to be reviewed, TDA will select all schools in the pool. In addition, TDA will choose the remaining number to be reviewed from the remainder of schools in the CE to meet the minimum number of schools to review. This may be accomplished by selecting the remaining schools based on the following criteria:

- Alternative schools, satellite schools and/or charter schools
- Low participating schools
- Recommendations or requests from the School Nutrition Programs Director
- Findings from the on-site visits or the claims review process
- Identical or very similar claiming patterns
- Large changes in free lunch counts
- Any school in which the daily meal counts appear questionable

When satellite schools are selected for review, the food production records from the central kitchen will be reviewed for required menu items for the review period (the month of review).

Records needed by TDA for an AR at School/Site

The records, data, and information listed below are needed at the time of the entrance conference/Administrative Review. Additional records and/or copies of documents may be requested during the review(s).

The month to be reviewed (month of review) will be the most recent month for which a reimbursement claim has been submitted to TDA via TX-UNPS (usually the month prior to the review).

Records needed from School Nutrition Program Department

- Copy of the current approved free and reduced-price policy statement (Attachment B), and Permanent Agreement
- Applications readily retrievable for the school/s chosen for review
- Current year Media release
- Direct certification documentation
- Child Nutrition (CN) Labels, Nutrition Fact labels, Product Analysis Statements
- Documentation of daily and weekly meal pattern requirements
- Documentation for 23 grams of fat per item served during the month of review and the day of review (TPSNP)
- Documentation kept for 3 event day exemptions for all schools in the CE
- Documentation of Accuclaim process – Daily Record for site (schools) for the month of review
- Last claim submitted for reimbursement
- Data used in consolidating the site Claim for Reimbursement
- Data used in consolidating the CE Claim for Reimbursement
- Most current completed verification documentation – CE summary and verification record for each application (May be from prior year if review prior to Nov 1)
- CE On-Site Monitoring Form if more than one feeding site (May be from prior year if prior to Feb 1)
- Copy of Exclusive Beverage Contract and amendments, if applicable
- Financial Summary (completed with supporting documentation provided):
 1. Expenditure and revenue records
 2. Payroll data for School Nutrition Employees
 3. Bidding documentation to include:
 - Clean Air and Water Act
 - Certification of Lobbying
 - Debarment and Suspension Statement
 4. Paid Lunch Equity (PLE) annual documentation
- Documentation of student-parent involvement by site
- Discrimination complaint procedure documentation
- HACCP procedures documented
- Local Wellness Policy documentation
- Civil Rights Training documentation
- Food Service Management Company Records

Records needed at Site Level

- Copy of the school calendar, indicating the days on which lunches and/or breakfasts were served at the review sites
- All free, reduced price and denied meal applications
- Benefit issuance documents (i.e. Up-to-date roster, master list, or checklist)
- Monthly menus
- All applicable letters sent to households
- Food production records for month of review and day of review. CN Labels/Product Analysis/Recipes
- A current roster from the Point of Service/Transaction Detail List
- Current health inspections
- Current enrollment for month of review, and up to day of review
- Updated homeless and migrant list, if applicable
- All applicable posted signs displayed

Application Agreement and Policy Statement

These documents should be kept at the CE for review.

- Annual application agreement/renewal must be completed by July 1 in TX-UNPS
- Officials identified in TX-UNPS must reflect CE personnel performing the duties of the positions listed below:
 1. Designation of Hearing Official – TX-UNPS/Application Section A-21
 2. Designation of Reviewing Official(s) – TX-UNPS/Application Section A-22
 3. Designation of Verifying Official – TX-UNPS/Application Section A-23
- Attachment B: Meal Count/Collection Procedure(s). Each site must be listed and procedures identified. Identify all meal count/collection procedures that may differ from cafeteria service lines including, but not limited to, Breakfast in the Classroom, Afterschool Care Program, field trips, and any alternative meal service.
 - Each serving site should have a copy of the CE Application Agreement and Attachment B: Meal Count/Collection Procedure(s) that is on file with TDA.
 - The CE Application Agreement and Attachment B: Meal Count/Collection Procedure(s) should be submitted to TDA in TX-UNPS for approval prior to implementation. The School Operations Unit will electronically approve any Attachment B within TX-UNPS. The CE may retrieve that documentation by logging into their TX-UNPS account.
 - CEs are required to update the Attachment B whenever they plan to change meal collection procedures.
- Media Release (see Media Release tab)
- Income Eligibility Guidelines (see Applications tab)
- Notice/Letter to Households (see Applications tab)
- Application Form (see Applications tab)
- Notice/Letter to Households for Approval/Denial of Benefits (see Applications tab)
- Notice/Letter of Selection Verification (see Verification tab)
- Notice/Letter of Adverse Action (see Applications tab)
- Notice/Letters of Predetermined Eligibility (see Applications tab)
- A signed copy of the Certificate of Authority – Form FND-101 must be on file for the reviewer. The primary authorized representative (AR) must be designated/approved by the CE's superintendent or President of the Board of Trustees. When it is necessary to designate a new primary authorized representative with signature authority, complete the appropriate Certificate of Authority (COA) form located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.

Once completed please mail or fax form to:

Texas Department of Agriculture Food and Nutrition Division
P.O. Box 12847
Austin, TX 78711
Fax: 888.203.6593

Contracting Entity Name

Contracting Entity ID

Policy Statement for Free and Reduced-Price Meals Attachment B: Meal Count/Collection Procedure(s)

This form is intended to be completed by contracting entities (CEs) to record information on the CE's counting and collection procedures for all sites. In completing the form, CEs should answer the questions as they apply to all of the CE's sites that operate one or more meal types in the School Nutrition Programs (SNP).

This form is uploaded into TX-UNPS.

Documentation Requirement

The CE should retain written documentation as proof when completing this form for the first time and for all subsequent changes in addition to electronic files or data maintained in TX-UNPS.

State Board of Education policies require public and charter schools to maintain records for a period of five years. Private schools and RCCIs must maintain records for three years.

For additional information on the topics addressed in this form, see the *Administrator's Reference Manual, Section 4, Determining Eligibility* and *Section 7, Counting and Claiming*.

To Use This Form:

Answer each question according to directions provided with each question. Be sure to

- read the Information Box for each question contained in the shaded box to right of each question and
- provide additional information on variations or differences as requested in the directions for questions with attached text boxes.

(NOTE: In the individual directions for each question, some responses direct the user to complete or disregard specific questions. Be sure to look for those instances. Examples are also added for some questions to provide a context for answering individual questions.)

1. Do any sites in the CE serve all meals to all children without charge?

Check one box from the following:

- Yes, all sites
(If you check this box, complete Questions 5 and Question 6, do not answer Questions 2, 3, 4, and 7.)
- Yes, some, but not all sites
(If you check this box, complete all questions on this form.)
- No
(If you check this box, complete all questions on this form.)

Information Box, Question 1

The cost of the meal, beyond the reimbursement received from the Texas Department of Agriculture (TDA), is considered by the CE as an expense of operating the National School Lunch Program (NSLP) and/or School Breakfast Program (SBP).

For Example:

- Yes, all sites
Appropriate for
- An RCCI that serves meals at no charge to all program participants
 - A Provision 2 site
 - Breakfast only site serving breakfast at no charge to all program participants
- Yes, some, but not all sites
Appropriate for
- A CE that offers breakfast at no charge to all students and also offers free, reduced-price, and paid meals at lunch.

2. What is/are the approved method(s) for payment used by sites in your CE?

Check all boxes that apply.

- Meal payments are made by students or parents in advance in a designated area away from the cafeteria serving line on a daily, weekly, or monthly basis.
- Meals or food is charged and billed to the household. Parents or students may mail in payments or pay in a designated area away from the cafeteria serving line.
- Meal payments are made electronically.
- Cash payment at the point of service (POS).

3. What is the written policy for children charging?

Check all boxes that apply, including the grade level where each descriptor applies.

Provide amounts or additional description as requested for each checked response.

List the sites that use this policy for each checked response.

- No charging permitted.
 - Elementary school Middle school High school
- Students may charge as needed with no limit on the number of charges.
 - Elementary school Middle school High school
 - List of sites:
- Students may charge a specific number of meals before receiving an alternate meal.
 - Elementary school Middle school High school
 - Specific number of meals:
 - List of sites:
- Students may charge a specific number of meals before the site will not serve the student a meal.
 - Elementary school Middle school High school
 - Specific number of meals:
 - List of sites:
- Students may charge a specific dollar amount before receiving an alternate meal.
 - Elementary school Middle school High school
 - Specific dollar amount:
 - List of sites:
- Students may charge a specific dollar amount before the site will not serve the student a meal.
 - Elementary school Middle school High school
 - Specific dollar amount:
 - List of sites:
- Other charging policy
 - Elementary school Middle school High school
 - Describe other policy:
 - List of sites:

4. What method or methods does the CE use to advertise the ways students and/or parents may pay or charge for meals?

Check all methods that apply.

- In the notice/letter to households sent home with the application
- In an announcement made over the site's public address system
- In a newspaper, newsletter, or website
- By a posted notice or sign displayed in the cafeteria area
- Other, describe other method: _____

5. What are the meal counting and collecting procedures that are used to record free, reduced-price, and paid meals or charged meals at the point of service (POS) and on the roster?

Check all boxes that apply.

List the sites that use the policy described for each checked response.

- Verbal identifier entered into the POS system to allow each participant's meal to be recorded on the roster by category—free, reduced-price, or paid.

List of sites: _____

- Coded ticket, token, or identification (ID) card presented at the POS to allow each participant's meal to be recorded on the roster by category—free, reduced-price, or paid.

List of sites: _____

- Coded bar line card for scanning at the POS system to allow each participant's meal to be recorded on the roster by category—free, reduced-price, or paid.

List of sites: _____

- Coded number typed into a keypad system to allow each participant's meal to be recorded on the roster by category—free, reduced-price, or paid.

List of sites: _____

- Another individual identifier such as electronic thumbprint or biometrics is entered by the student—the system is designed so that the use of the identifier records the meal on the roster by category—free, reduced-price, or paid.

List of sites: _____

- Other system to allow each participant's meal to be recorded on the roster by category—free, reduced-price, or paid.

Describe other process: _____

List of sites: _____

Information Box, Question 5

Verbal Identifier/Cashier List System. Each student is given a verbal identifier (such as a name or number) to call out at the POS. The cashier records the student's meal as reimbursable or non-reimbursable on a roster list that is the key to (1) determining the student's eligibility status and (2) reporting or claiming the student's meal as reimbursable or non-reimbursable.

Coded Identification (ID) Cards. All students are issued a coded ID. As students pass through the point-of-service, their cards are scanned or viewed. These cards may also serve as IDs for other purposes.

Verbal Identifier and Coding System Strategies.

- Series: Free-1 through 1,999/Reduced-price-2,000 through 3,999/Full price-4,000 and above
- Number: Number ending in 0, an odd or even number
- Variation: Variations in signature, placement of date or ticket distributor such as Mary Smith, Mary J. Smith and M. Smith
- Subtle Difference: Differences in printing such as capital letter, period, spacing of a line or differences in underlining
- Number Digits: Four digits for free, 5 digits reduced-price and 6 digits for paid price

6. Where is the cashier stationed on the serving line?

Check all boxes and sub-boxes that apply.

Provide additional explanation as requested for each checked response.

List the sites that use the policy described for each checked response.

Information Box, Question 6, Other Response

For Example:

An explanation of processes to be used for breakfast in the classroom (BIC), meals for students in in-school suspension, or meals for students on a field trip.

- The cashier is stationed at the end of the serving line, determines if the meal selected is reimbursable, and counts the meal by category.

List of sites:

- The cashier is stationed at the beginning of the serving line; a monitor is stationed at the end of the line to verify that each meal selected is reimbursable. If a non-reimbursable meal is selected by a student, a system is in place for removing that meal from the count of meals claimed for reimbursement.

List of sites:

- Other, describe the other process in the following text box:

List of sites:

7. If the CE has schools with reimbursable meals located beyond the POS (i.e., salad bars), how will the CE ensure that students are served a reimbursable meal?

Check all boxes and sub-boxes that apply.

Provide additional explanation as requested for each checked response.

List the sites that use the policy described for each checked response.

Information Box, Question 7, Other Response

For Example:

An explanation of process used by a CE to determine if a student has received a reimbursable meal when a self-service salad bar is located beyond the point-of-service.

- All menu items are pre-packaged with reimbursable portions to meet all meal pattern requirements including vegetable subgroups, and service is supervised to ensure a reimbursable meal is taken.

List of sites:

- Menu items are served by school nutrition staff to ensure that the proper serving sizes are being taken.

List of sites:

- Proper serving size utensils are available for students' use and service is supervised by school nutrition staff to ensure that students take a reimbursable meal.

List of sites:

- Menu items served after the point-of-service are considered a la carte and are not part of the reimbursable meal.

List of sites:

- Other

Describe the other process in the following text box:

List of sites:

Media Release

- A public announcement of the programs is required. Prior to or during the first week of school, a public release must be submitted to the local media requesting free publication. It is the media's decision whether to publish the information or not. The CE **must retain confirmation** that the announcement was submitted (ex. fax transmittal, email or certified mail receipt).
- The submission packet must include:
 1. Media Release
 2. Copy of the letter to households
 3. Application
 4. Complete income eligibility guidelines
- A sample Media Release can be found on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.

Read the sample carefully and address the blank lines before mailing to the newspaper. CEs must ensure that the current non-discrimination statement is used:

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Media Release for Free and Reduced-Price Meals Sample

[Insert Contracting Entity (CE) Name] announced its policy today for providing free and reduced-price meals for students served under the attached current income eligibility guidelines. Each school/site or the central office has a copy of the policy, which may be reviewed by anyone on request.

Starting on *[Insert Date, Name of CE/Site]* will begin mailing letters to the households of the students in the district *[Or Service Area]* about eligibility benefits and any actions households need to take to apply for these benefits. Applications also are available at *[Insert Address for Contracting Entity Office or Locations Distributing Applications]*.

Criteria for Free and Reduced-Price Meal Benefits

The following criteria will be used to determine a student's eligibility for free or reduced-price meal benefits:

Income

1. Household income that is at or below the income eligibility levels

Categorical or Automatic Eligibility

2. Household receiving Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF); or Food Distribution Program on Indian Reservations (FDPIR)

Program Participant

3. Student's status as a foster child, homeless, runaway, migrant, or displaced by a declared disaster
4. Student's enrollment in Head Start or Even Start

Income Eligibility

For those households that qualify for free or reduced-price meals based on income, an adult in the household must fill out free and reduced-price meal application and return it to *[Insert Name, Title, and Contact Information]*. Those individuals filling out the application will need to provide the following information:

1. Names of all household members
2. Amount, frequency, and source of current income for each household member
3. Last 4 digits of the Social Security number of the adult household member who signs the application or, if the adult does not have a social security number, check the box for "I do not have a Social Security number"
4. Signature of an adult household member attesting that the information provided is correct

Categorical or Program Eligibility

[Insert Name of CE] is working with local agencies to identify all students who are categorically and program eligible. *[Insert Name of CE]* will notify the households of these students that they do not need to complete an application. Any household that does not receive a letter and feels it should have should contact *[Insert Name, Title, and Contact Information]*.

Any household that wishes to decline benefits should contact *[Insert Name, Title, and Contact Information]*.

Applications may be submitted anytime during the school year. The information households provide on the application will be used for the purpose of determining eligibility. Applications may also be verified by the school officials at any time during the school year.

Determining Eligibility

Under the provisions of the free and reduced-price meal policy, *[Insert Title and Name of Reviewing Official]* will review applications and determine eligibility. Households or guardians dissatisfied with the Reviewing Official's eligibility determination may wish to discuss the decision with the Reviewing Official on an informal basis. Households wishing to make a formal appeal for a hearing on the decision may make a request either orally or in writing to *[Insert Name of Hearing Official, Title, and Contact Information]*.

Unexpected Circumstances

If a household member becomes unemployed or if the household size increases, the household should contact the school. Such changes may make the students of the household eligible for benefits if the household's income falls at or below the attached current income eligibility guidelines.

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Categorical Eligibility

Direct Certification List

- Each year TDA makes available information about students who qualify for Supplemental Nutrition Assistance Program (SNAP), formerly food stamps and Temporary Assistance to Needy Families (TANF) and were enrolled in the local education agency (LEA) during the prior year. This is known as Direct Certification (DC) and must be used by all LEAs regardless of size. **Note:** Currently, Private schools and RCCIs do not have access to the DC list and therefore do not conduct direct certification.
- The students on this list come from the Health and Human Services Commission's (HHSC) lists of qualified students. Those students are compared to PEIMS information at TEA for the previous October. This is why the July DC list shows last year's grade level. TEA's most recent information on PEIMS is from the previous October.
- The DC list is available for download on TX-UNPS beginning July for the entire school year. The CE must keep the original (July/August) printout on file for five years.
- All LEAs are required to download the complete DC list. Print and keep the original on file. A second copy should be downloaded and edited as needed. The LEA is required to maintain and edit the DC list throughout the school year. The DC list is good all school year, no matter when a student enrolls. Write the date that the letter of predetermination was mailed to the household directly on the working list being maintained. This list should be updated with withdrawn or newly enrolled information, as well.
- TDA will update the DC list monthly. The updates will provide additions only. Existing students should remain on DC.
- LEAs must mail a Letter of Predetermined Eligibility to households in their LEA at the beginning of the new school year.
- All students in a household with a student identified on the DC list are categorically eligible for free meals. The LEA needs to maintain a system for tracking additional students in the household to the name on the DC list (Ex. List with names of students tied to a DC student, note on DC list to tie students to names of other students in a household.)
- The LEA should cross match the DC list with the LEA's enrollment information to identify students on the DC list that are no longer enrolled in the LEA. The LEA must maintain corrections on the working copy of the DC list or another document printed from an automated system that tracks DC students.
- LEAs may share DC lists with other LEAs, as students move from LEA to LEA. The students will be eligible to receive the benefits for the entire school year regardless of where they are enrolled. A copy of the DC list showing the eligible student may be faxed to the new LEA. Other students should be blacked out and confidentiality must be maintained at all times.

If students withdraw from the LEA, the LEA should document on the DC list that the student withdrew or did not enroll in the new school year. However, if a student is on the DC list and withdraws but does not re-enroll at the beginning of the school year and then returns to the LEA

later in the school year, the student is eligible for benefits based on the DC list, no matter when or how long they have been gone from the LEA.

Predetermined Eligible Submitting an Application

- If all students in the household are on the DC list and an application is submitted with a SNAP/TANF number or income qualifying the household for free, the DC list takes precedence and the LEA should disregard the application. The LEA must still file the application but note on the application that students qualify by the DC list.
- If an application with income or a SNAP/TANF number lists students on the DC list and also students not on the DC list, the benefits are issued through the DC list for all students in the household.
- If a household gives a SNAP number or TANF number and income on the same application, the application is approved based on the SNAP/TANF number regardless of the amount of income. There is no need to contact the household.

Example of Direct Certification List

TEXAS DEPARTMENT OF AGRICULTURE DIRECT CERTIFICATION FOR NATIONAL SCHOOL LUNCH 2013-14

LAST NAME	FIRST NAME	MIDDLE NAME	STUDENT ID	BIRTHDATE	SEX	GRADE	ADDRESS	CITY	STATE	ZIP
SMITH	JOHN	JAY	12345678	10-22-1998	M	4	222 WELSH ST	NORTH	TX	76621
*GOMEZ	AIMEE	DAWN	12345678	07-03-1990	F	12	182 MOON ST	WEST	TX	76621
JONES	DREW	MARK	12345678	04-18-1996	M	6	886 WAY DR	SOUTH	TX	76621
BECK	NEIL	GENE	12345678	01-22-1994	M	8	346 FARM LN	EAST	TX	76621
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> <p>Pre-determined letter sent 8/2/13 * = graduated from CE</p> </div>										

Headstart/Early Headstart

- Students who are enrolled in the Head Start Program and Early Head Start are automatically eligible for free meal benefits in the School Nutrition Programs without further application or eligibility determination. The policy only applies to Head Start and Early Head Start students who are enrolled as regular students in academic programs in the school.
- The reviewing official should obtain documentation of the Head Start and Early Head Start participants, which includes a list of the names of the Head Start and Early Head Start students and a statement certifying that those students are currently enrolled as participants in the Head Start or Early Head Start Program. The documentation must include the signature of a Head Start or Early Head Start employee authorized to provide the certification on behalf of the Head Start or Early Head Start office and the date. The LEA must maintain the list on file and a new list must be obtained at the beginning of every school year.

Even Start

- Pre-Kindergarten (Pre-K) students participating in the Even Start Family Literacy program are categorically eligible for free meals. For a student to be categorically eligible for free meals based on their participation in Even Start, three criteria must be met.
 1. The school or institution that is providing the student with Even Start services must be participating in the NSLP or SBP.
 2. The student must be enrolled as a participant in a federally-funded Even Start Family Literacy Program.
 3. The student must be at the pre-kindergarten level. Once a student has entered kindergarten, that student loses his or her categorical eligibility for free meals based upon Even Start.
 4. Categorical eligibility does not transfer to other family members of the Even Start Program.

Homeless, Migrant, Runaway

Homeless

- A homeless student must be identified as lacking a fixed, regular, and adequate nighttime residence.
- A homeless student is one who is designated by the LEA's homeless liaison.
- For public school, a homeless student must be designated by the district's homeless liaison, not the School Nutrition Program director or manager. In private schools that do not have a homeless liaison, an official at the LEA can make the determination that the student is homeless and therefore categorically eligible. That student is eligible to receive free meals. In this case the following documentation is required:
 1. Student's Name
 2. Effective date(s) and
 3. Signature of the official at the CE

Migrant

- A migrant student is one who is designated by the LEA's migrant coordinator, has moved across CE lines, within the last three years, to accompany or join a parent or guardian who has moved to seek or obtain temporary or seasonal work in agriculture or fishing. If the student has completed a Migrant Education Program (MEP) Certificate of Eligibility (COE) Form signed by an MEP coordinator, this form can also be used to document eligibility for free meals.

Runaway

- A runaway is a student who, as designated by the public school district's homeless liaison or for private schools, the director of a homeless shelter, has become homeless or leaves and remains away from home without parental permission. Runaway students are categorically eligible for free meals.

Foster Children

- Must be a student whose care and placement is the responsibility of the Department of Family and protective Services (DFPS) or who is placed by a court with a caretaker household. Unless the other students in the household qualify for free meals through another method, only the foster student is eligible for free meals.

Categorical Eligibility Appropriate Documentation

Early Head Start Even Start, or Head Start	List, letter, or form created by local program official
Foster	<ul style="list-style-type: none">• DFPS Form 2085FC, Placement Authorization, Foster Care/Residential Care• Another form developed by the governing agency that demonstrates court placement with a caretaker household
Homeless, Including Runaway Children	<ul style="list-style-type: none">• A list of eligible students provided by and signed by the CE's homeless liaison• Free and reduced-price meal application submitted by the director of a homeless shelter or school official• Reviewing Official's knowledge that the student's address is a homeless shelter or knowledge that the student has no address
Homeless, Declared Disaster	<ul style="list-style-type: none">• A free or reduced-price meal application completed by the adult with whom a student resides• A list provided by a disaster official• A list provided an emergency shelter official• Designation by the district/school homeless liaison
Migrant	<ul style="list-style-type: none">• A completed Migrant Education Program (MEP) Certificate of Eligibility (COE) Form signed by a state, regional, or local MEP director or coordinator can be used to document eligibility for free meals.• A dated list with the names of each student participating in the program provided by the appropriate official• A letter from a migrant education director, coordinator, or liaison provided by a household
SNAP OR TANF	An official letter or form stating award of program benefits with a nine digit Eligibility Group Number (EDG#)
FDPIR	<ul style="list-style-type: none">• A list of participants provided by the governing agency or tribal official• A letter or form stating award of program benefits

Refer to Section 4 of the ARM for more detailed information.

Processing Applications

- The application packet is posted on the TDA website (www.squaremeals.org) in late spring each year. CEs must use the current year application. Do not reformat or use software generated forms, unless the software form is identical to the prototype. The only change allowed is to copy the form on CE letterhead, being careful not to omit any information.
- CEs wanting to utilize Web-based Applications must contact TDA to receive approval prior to implementation.
- CEs utilizing Scanned Applications must submit a sample of their application to TDA for review prior to implementation. TDA will review the application and advise if changes are needed. TDA does not approve CE scanned applications and it is still the responsibility of the CEs to ensure that all required fields are captured in their scanned application. The sample income on the TDA prototype application is not required to appear on a scanned application.
- New applications may **not** be distributed to households before **July 1** for a new school year.
- Once approved, an application is valid for the entire school year. Withdrawals may be reinstated upon return without submitting a new application. Students withdrawing in the preceding year and returning within the first 30 operating days of the current school year may retain their benefits for the first 30 operating days.
- Applications must be reviewed and an eligibility determination made within 10-operating days of receipt of the application. The reviewing official should date-stamp the application with the date the reviewing official actually received the application.
- It is the LEA's responsibility to review all applications to determine if the household submitted a complete application. The household should be contacted or the application returned if required information is not provided or the information is unclear. Questionable applications should not be approved. All households must be notified of their eligibility status, denied households must be notified in writing. A sample notification letter is provided in the ARM Section 4.
- All applications must be kept on file for a minimum of 5-years (3-years for private and RCCIs). During an AR the current year's applications for schools selected will be reviewed.
- Applications must be signed by the reviewing official and should indicate the date each application is approved for benefits and the level of benefit. Automated systems determining eligibility must have the batch signed by the reviewing official. The reviewing official must be a LEA employee and cannot be a FSMC employee.
- LEAs with automated systems must have the ability to generate a daily listing (master roster) of all eligible students, the basis of approval (income, categorical), the eligibility status, the date of approval and other significant dates, such as withdrawal and re-entry. The reviewing official must sign a listing of the applications approved by batch (daily, weekly). The batch should be run at least weekly.
- Students in households receiving Supplemental Nutrition Assistance Program (SNAP) benefits (formerly the Food Stamp Program) or Temporary Assistance for Needy Families (TANF) can get free meals regardless of income. There is no need to contact the household.
- TIERS or case numbers are not acceptable for eligibility determination. Only SNAP/TANF Eligibility

Determination Group (EDG) numbers with 9-digits or any 8-digit number that does not begin with 0.

Denied

- Households that are denied benefits must be given written notification of the denial. The notification must advise the household of:
 - The reason for the denial of benefits
 - The right to appeal
 - Instructions on how to appeal
 - A statement that households may reapply for free and reduced-price benefits at any time during the school year
- The reviewing official must record on denied applications the following information:
 - Reasons for denial
 - Date of denial
 - Date denial notice is sent
 - Name of the reviewing official

Transfers

- Whenever possible, a CE's School Nutrition Programs Department should share eligibility information with a receiving CE when a student transfers across CEs
- The new CE may accept the eligibility determination from the student's former CE without incurring liability for the accuracy of the initial determination
- When a copy of an application is provided, the accepting CE should review the application for arithmetic errors and compare the income and household size to the IEG chart. If the accepting CE determines that an error occurred, the accepting CE must notify the household that they must file a new application in order to receive free or reduced-priced meals

Status Change and Withdrawn

- LEA officials must maintain accurate records of status change and withdrawal of students receiving free and reduced-price benefits. The Master Roster should reflect all changes and should include the date and the category to which the changes are made. For those LEAs that have automated systems, this information may be maintained in a computer instead of being noted on the application.
- If a student withdraws from an LEA and returns **anytime during the school year**, the LEA can reactivate that student's status without securing another application.
- When a student withdraws from the LEA the household application should be pulled from the free or reduced-price category and placed in a Withdrawn file. The date of withdrawal should be noted on the application and the Master Roster should be changed to reflect the withdrawal.
- LEAs using scanned applications should note on the original image any withdrawn students and date of withdrawal.
- Automated systems that track withdrawals should maintain a current list of withdrawn students noting the date withdrawn.

Refer to Section 4 of the ARM for more detailed information.

Letter to Household of Approval/Denial of Benefits

[insert contracting entity (CE) letterhead]

[insert date]

Dear [insert parent or guardian name]:

We have reviewed your application for free and reduced-price meals for your student (students):

[insert student's name (student's name's)]

[insert name of student's school]

Your application has been

- Approved for free meals.
- Approved for reduced-price meals at [insert the amount the student (students) pays for lunch] for lunch, [insert the amount the student (students) pays for breakfast] for breakfast and [insert the amount student (students) pays for snacks] for snacks served at the afterschool care program.
- Denied for the following reason (reasons):
 - Income over the allowable amount.
 - Incomplete application. Please complete the forms attached to provide the needed information.

If you do not agree with the decision, you may discuss it with [insert name and phone number of the reviewing official]. You also have a right to a fair hearing. To request a fair hearing, call or write the following official:

[insert name and title of hearing official]

[insert address]

[insert telephone]

You may reapply for benefits at any time during the school year. If you are not eligible now but have a decrease in household income, become unemployed, have an increase in household size, or qualify for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) or Federal Distribution Program on Indian Reservations (FDPIR), you may fill out another application at that time.

Sincerely,

[insert signature of reviewing official]

The U.S. Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.) If you wish to file a Civil Rights program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](http://www.ascr.usda.gov/complaint_filing_cust.html), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Individuals who are deaf, hard of hearing 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.

Master Roster of Eligibility

- LEAs must maintain a current list of students who qualify for free and reduced benefits. This list is called a roster.
- The roster list of free and reduced eligibility is derived from:
 - Approved applications
 - Categorically eligible lists
 - Direct Certification (DC)
 - Migrant
 - Head Start/ Early Head Start
 - Even Start (Pre-K students only)
 - Homeless
 - Runaway
 - Foster
- As new applications and updated categorically eligible lists are received the list of eligible students must be updated.
- Good communication between the reviewing official and the LEA School Nutrition personnel is important to keep the list current with new students and withdrawals.
- The Master Roster is a listing of all students and their approved categories. The list must include at a minimum:
 - Student's name
 - Eligibility status
 - Date approved
 - Date noting any change such as withdrawn or changed eligibility
- All changes must be dated and initialed by the person making the changes.
- LEAs must supply Master Rosters that match applications and categorically eligible lists for each site to be reviewed during an AR.

Refer to Section 7 of the ARM for more detailed information.

Verification

- Annually, the LEA must randomly select and verify a selection of applications approved for benefits. This includes all applications for the LEA, not by campus site.
- Categorically eligible households, DC, Headstart, Even Start, Migrant, Runaway, and Homeless are exempt from verification. Denied applications are exempt from verification.
- The verification process may begin any time after the LEA begins receiving applications. An estimate of applications to be verified can be based on last year's numbers. On October 1, a count of the actual number of approved applications on file must be made to determine if enough applications have been selected. If necessary, additional applications must be selected. Round all fractions upward. LEAs that utilize computer systems are advised to be certain the computer system has correctly calculated verification numbers. Some systems use normal rounding procedures, causing the LEA to be short of the verification requirement based on the October 1 count.
- The LEA may elect to replace up to 5% of the applications selected for verification if an application for a household selected for verification is considered a "fragile" household. Fragile is defined as those households where it is highly probable that they will not respond to verification due to language barriers or life crisis in the household. LEAs are in the best position to know the personal circumstances of households in their areas and so the election to replace applications is left to LEA level.

Step One – Determining Sample Size

Basic Verification

- Basic verification requires LEAs to select 3% of all applications on file October 1 or 3,000 (whichever is less), to determine the number of applications to be verified. LEAs may not exceed the 3%. Once the number of applications is determined, the selection of applications must come from **error prone applications** – those within \$100 of the monthly or \$1,200 of the annual guidelines. For manual systems it is suggested that error prone applications be identified in at time of determination (for example, a colored dot is one way to identify error prone applications). Automated systems should be able to identify error prone applications. Check with your software provider to ensure that this is possible.
- LEAs may select an alternative sampling method if they meet one of two conditions.

Condition #1 - If the non-response rate for the preceding school year is less than 20%, then an alternative sampling (Alternative Method 1 or Alternative Method 2) may be used. Non-response rate is defined as *the percentage of applications selected for verification for which the LEA has not obtained verification information*. Calculate the non-response rate by dividing the number of non-responsive households by the number of households selected and notified.

Condition #2 – If LEAs have more than 20,000 students approved by application and if the non-response rate for last year's verification was at least 10% below the non-response rate for the preceding school year. Students that are categorically eligible through direct certification, homeless, migrant, runaway, Head Start, Even Start are not included in the 20,000 approved students.

Alternative Sampling Methods

- **Alternative Method 1** – 3% or 3,000 (whichever is less) randomly selected from all applications of October 1 regardless of income reported.
- **Alternative Method 2** – 1% or applications or 1,000 (whichever is less) randomly selected from all approved error prone applications and .5% or 500 applications (whichever is less) randomly selected from approved SNAP/TANF applications as of October 1.

Sampling worksheets are located in the ARM section 6.

Step Two - Confirmation Review

- Prior to any Verification an official, other than the official who made the eligibility determination, must review each approved application selected for verification to ensure that the initial determination was accurate. The Confirming Official must sign the bottom of each application once the application has been re-checked. Batch may be used for electronic systems. See the ARM Section 6 for more information if the Confirmation Review determines that the initial determination was incorrect.
- The requirement for a confirmation review may be waived if:
 - The LEA uses an accurate technology-based automated system, and
 - TDA gives approval after confirming that the automated system is accurate.

LEAs must submit a letter to TDA to request a waiver. Provide the name of the system in the waiver request. TDA will review past Administrative Reviews (Coordinated Review Efforts or CREs) conducted and approve accordingly. The waiver will be applicable as long as the same electronic eligibility determination system is used.

Step Three – Notify Households

- Once the sample size of household applications have been selected the LEA must send a letter to the household with the following information:
 - Statement that the household has been selected for verification;
 - Request for documentation of income received for a full month during any time period from when the household submitted the application until verification notification.
 - the Privacy Act statement
 - the types of acceptable information that may be provided to confirm income.
 - Four weeks of income from any consecutive four weeks may be provided to support the application.

A sample letter is located in Section 6 of the ARM.

Step Four – Verification Record

- The Verification Official must review all documents submitted by the households for income verification and use the “Verification Record” form, in the ARM, for each selected application.

Step Five – Follow Up

- The LEA must designate a Follow-Up Official. At least one attempt must be made to reach

all households that do not respond to verification. That attempt can be by mail, telephone, e-mail or personal contact. The Follow-Up Official's signature and the date of follow-up must be recorded on the application.

Step Six – Completion of Verification

- Verification of selected applications must be completed by November 15. Households must be notified of change in eligibility. When verification results in a reduction or termination of benefits, households must be sent a written adverse action notice 10-calendar days prior to the change. The adverse action notice must include:
 - Reasons for the change;
 - That an appeal must be filed within the 10-calendar day notice period;
 - Instructions on how to appeal;
 - That the household may reapply for benefits but will have to submit income information upon reapplication.

- SNAP/TANF households may submit proof of participation in those programs or complete an income application and provide documentation of income.

- USDA requires LEAs to report results of verification to TDA annually. LEAs report verification in TX-UNPS and may begin entering CE Verification Summary information November 15.

Verification for Cause

- The LEA has an obligation to verify all questionable applications.

- Any household that fails to submit verification information that does not support the initial determination of eligibility must be sent a Notice of Adverse Action.

- Data from applications verified for cause is not included in the CE Verification Summary submitted through TX-UNPS.

Refer to Section 6 of the ARM for more detailed information.

Example of Confirmation Review Waiver

CE LETTERHEAD

DATE

Director for Compliance Monitoring
Texas Department of Agriculture
Food and Nutrition Division
P. O. Box 12847
Austin, Texas 78701

Dear ,

NAME OF CE School Nutrition Program requests that the requirement for a Confirmation Review prior to verification be waived. Accurate free and reduced eligibility is determined using NAME OF SYSTEM software system. This system has been utilized in this CE since YEAR SYSTEM WAS PURCHASED.

Thank you for your consideration. We look forward to your response.

Sincerely,

Name of School Nutrition Programs Director

Title of School Nutrition Programs Director

Verification Information for Free and Reduced-Price Meals Sheet

Based on circumstance of your household, the following information can be used to verify your student's eligibility.

Household Receiving Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF)

If you receive SNAP or TANF benefits for your household, the following documents will provide the information needed to verify eligibility:

- SNAP or TANF certification notice showing the dates of the certification period
- Letter from the SNAP or TANF office stating that you now receive SNAP or TANF
- ATP Card (Authorization to participate)

If your student was approved for free meals because you put a SNAP or TANF case number on your student's form, but you no longer get SNAP or TANF for your household and want to continue school meal benefits, please

- complete another meal benefit form with income information for everyone in your household and write the name of each adult household member on the form or on another piece of paper and
- attach copies of pay stubs or other papers showing current income to the CE Verification Official.

Households Not Receiving, SNAP or TANF Benefits

If you do not receive SNAP or TANF benefits for your household, you must provide documentation that shows the household's current income. *Current income* is the amount of money your household received for a complete month for any time between the month prior to the application through the time period the household is required to provide information for verification. The documents you send must show (1) amount of the income received, (2) name of the person who received it, (3) date the income was received, and (4) how often the income is received.

Copies of the following types of documents can be used to prove income:

- **Earnings/wages/salary for each job:** Current paycheck stubs or pay envelope that show how often income is received; statement from employer describing gross wages and frequency of payment; business or farming papers, such as ledger or tax books.
- **Social Security/pensions/retirement:** Social Security retirement benefit letter; statement of benefits received; or pension award notice.
- **Unemployment compensation/disability or worker's compensation:** Notice of eligibility from State Employment Security Office; check stub; letter from Worker's Compensation
- **Welfare payments (General Assistance):** benefit letter from welfare agency.
- **Child support/alimony:** Court decree; agreement; copies of checks received.
- **All other income:** Other forms of income (such as rental income) that show the amount of income received, how often received, and the date received.
- **No income:** Brief note explaining how you provide food; clothing and housing for your household; and when you expect an income.

Please contact _____ if you have any questions.

Verification Official

The U.S Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.) If you wish to file a Civil Rights program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Individuals who are deaf, hard of hearing 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.

Counting and Claiming

Daily Record of Participation (Accuclaim or Edit Check)

- CEs using automated systems will need to provide participation reports for the month of review and the day of review.
- The Accuclaim/Edit Check Daily Record Excel spreadsheet with instructions is located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms. A completed example is also found on the square meals website under NSLP Administration and Forms.
- The Accuclaim/Edit Check tests on the Daily Participation Record should be performed daily.
- The person completing the form should have daily contact with the Reviewing Official to be sure the form reflects the correct number of students approved for free and reduced priced meals.
- Accuclaim/edit checks are required only for lunch unless the CE is a breakfast only CE. If the CE is breakfast only, then the Accuclaim/Edit Checks are required for that meal.
- Provide a copy of the Accuclaim/Edit Daily Record for the review month for each serving site identified in TX-UNPS.
- Provide a copy of the Basic Claim submitted through TX-UNPS for the review month.

Possible Problems with Edit Checks

The personnel performing the edit checks should be aware of other indications of possible problems. Some items to watch for are as follows:

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

Edit checks should be performed 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.

Refer to Section 7 of the ARM for more detailed information.

Financial Information

- A Financial Summary form will be sent to the CE in the AR announcement packet approximately one month prior to the AR visit. Please complete the form and have it ready for the reviewer, along with all supporting documentation.
- The following documentation should be available for the reviewer:
 - Daily deposit slips and posting to School Nutrition account
 - Record of revenue
 - Record of expenditures
 - Invoices paid with School Nutrition funds
 - Payroll and benefits documentation for employees paid from School Nutrition funds
 - Bid documentation for items purchased with School Nutrition funds
 - Copy of bid
 - Award list with pricing
 - Formal advertising (at a minimum – 2 consecutive days for 2 weeks in a circulated newspaper)
 - Detailed General Ledger from beginning of school year through review month
 - Documentation of monthly balance for previous school year
 - Documentation of deposit of matching funds into School Nutrition account from previous spring
- To maintain the nonprofit status of the School Nutrition Programs, the fund balance or net cash resources of the School Nutrition account should not exceed three month's average expenditures. If an excess balance should occur, the CE must immediately take steps to reduce the balance or have an acceptable plan for using surplus revenues. The plan should be such that the balance would be reduced within a year. The plan **must be submitted** to TX-UNPS.
- All expenditures that meet or exceed **\$5,000** must be approved by TDA. Capital expenditure requests should detail what the purchase is for and whom it is being purchased from. Requests must be sent through TX-UNPS.
- Reduced-Price Charge — CEs cannot charge more than 40 cents for lunch, 30 cents for breakfast, and 15 cents for Afterschool Care Program snacks; reduced-price meals must be less than the full-price meals.
- In no case should the funds available to pay the cost of adult meals be less than the actual cost of providing the meals.

Financial Records

Record of Program Expenditures

- Designed to assist School Nutrition Programs directors in documenting expenses as required by the NSLP and SBP Agreements. State Board of Education policies require that public schools maintain these records for a period of five years. USDA requires that private schools and Residential Child Care Institutions (RCCI) maintain these records for a period of three years. Record of Program Expenditures is located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.

Daily Record of Income

- Student reimbursable meal income and all a la carte income (including adult meals) must be recorded daily. Adults should be separated by those that pay for meals and those that may receive their meals due to administration of the programs.
- CE systems will need to provide detailed income reports for the review period and the day of review.
- Daily Record of Income with instructions is located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms. A sample is included in this tab.
- CEs must have some method for documenting school nutrition related expenditures and revenue.

School Nutrition Operating Costs Worksheet (RCCIs and Private Schools may use)

- To serve as a format for documenting Allowable Expenditures
- Located in the ARM, section 14

Summary of Food Costs Worksheet (RCCI's and Private Schools may use)

- Used to summarize CN related expenses
- Used to document that income was deducted from expenditures
- Used to document the calculations to deduct the cost of non-program adults' and other non-reimbursable meals served from the School Nutrition costs
- Located in the ARM, section 14

Single Audit Identification Data Sheet

- This information is collected by TDA on this document to meet federal requirements. This document is only used by private schools and RCCIs. Public schools do not use this document to report their single audit information.
- Located in the ARM, section 14

Refer to Section 14 of the ARM for more detailed information.

SCHOOL NUTRITION FINANCIAL SUMMARY

PLEASE COMPLETE THE FOLLOWING INFORMATION. THIS FORM WITH SUPPORTING DOCUMENTATION FROM THE GENERAL LEDGER IS REQUIRED.

Contracting Entity No. _____
Name: _____
FUND TYPE Special Revenue _____
General Fund _____ Enterprise _____

Completed By: Name _____
Title _____
Telephone _____
Email _____

Note: All areas may not apply to RCCI Facilities

SECTION I

Column A: Complete with required information.

Column B: Checklist for supporting documentation.

Column	
A	B

1. What was the cash/investments balance for the School Nutrition Program on the last day of your last fiscal year? (Usually August 31 st)	\$	
2. What was the cash/investments for the School Nutrition Program on the first day of the current fiscal year (Usually September 1 st)	\$	
3. What were the total expenditures for the School Nutrition Fund for your last fiscal year?	\$	
How many operating months in the School Nutrition's school year?	Months	
4. Does the current net cash resources balance exceed more than an average of three-months of operating costs?	Yes___ No___	
Net Cash Resources = Current Assets minus Current Liabilities Indicate the Net Cash Resource amount here:	\$	
If applicable, indicate the amount of the excess balance here:	\$	
If yes, was the Plan for Reducing Excessive Operating Balance submitted to TDA?	Yes___ No___	
5. Was the School Nutrition Fund supplemented by the General Fund at the end of your last fiscal year?	Yes___ No___	
If yes, indicate the amount supplemented here:	\$	
6. Did the School Nutrition Fund earn interest during the last school year?	Yes___ No___	
If yes, indicate the amount here:	\$	
Was interest posted to the School Nutrition Fund?	Yes___ No___	
On a separate sheet, list the School Nutrition cash balances for each month of the prior fiscal year.		
7. Is rent or a usage fee of CE owned buildings charged to the School Nutrition Fund?	Yes___ No___	
If yes, indicate the amount charged here:	\$	
8. Were the State Matching Funds (last received) posted to the School Nutrition Fund?	Yes___ No___	
If yes, indicate the amount posted here:	\$	
9a. Is anyone who does not work directly for the School Nutrition Department paid from the School Nutrition Fund? If yes, provide a list of the employees on a separate sheet of paper.	Yes___ No___	
9b. Have all School Nutrition employees, who are paid 100% from the School Nutrition Fund, signed a statement certifying 100% of their time is worked in School Nutrition? If employee payroll costs are pro-rated to the School Nutrition Fund, please provide a statement on how these costs are allocated.	Yes___ No___	

Section I (continued)

10. Does the CE have an exclusive beverage contract?	Yes___ No___	
Is School Nutrition purchasing items from the exclusive beverage contract?	Yes___ No___	
If yes, was the correct pro-rata share of revenue reimbursed to the School Nutrition fund?	Yes___ No___	
On a separate sheet, provide all annual pro-rata share amounts and the years that have been reimbursed to the School Nutrition Fund.		
11. Are any adults, other than those employed by the School Nutrition Program, allowed to eat meals/snacks free of charge or below the actual cost of the meal?	Yes___ No___	
If yes, does a separate line item show how the School Nutrition Fund was reimbursed to offset these costs?	Yes___ No___	
If yes, indicate the amount here:	\$	
On a separate sheet, describe how the meals are tracked.		
12. Has the School Nutrition Fund made any purchases for capital expenditures in excess of \$5000.00?	Yes___ No___	
If yes, was the request put in writing and submitted to TDA for approval?	Yes___ No___	
13. Is the CE charging the School Nutrition Fund for any expenditures?	Yes___ No___	
If yes, on a separate sheet indicate the expenditure, the total amount charged, and how the amount/percentage was determined/calculated.		

SECTION II

During the Administrative Review, documentation for the questions in Section I, as well as the following items pertaining to the School Nutrition Funds, will be reviewed.

1. Provide a copy of the Chart of Accounts.		
2. Provide daily deposit slips and postings to the general ledger of the School Nutrition income for the schools reviewed for the Month of Review.		
3. Provide the most recent record of revenue to the School Nutrition Fund.		
4. Provide the most recent record of expenditures to the School Nutrition Fund, including:		
a. Invoices paid through the School Nutrition Funds from the month of review.		
b. Payroll and benefits documentation for employees paid from the School Nutrition Funds.		
c. Are direct costs applied to the School Nutrition Fund?	Yes___ No___	
If yes, what rate is applied?	Rate:	
d. Is the indirect cost rate applied?	Yes___ No___	
If yes, are direct costs included in the indirect allocations?	Yes___ No___	
e. Documentation (including tracking of and a line item transfer from General Fund to School Nutrition) of all bad debts (i.e. outstanding charges, alternate meals).		
5. Provide bidding documentation for items purchased with School Nutrition Funds, including:		
a. Copy of bid		
b. Award list with current pricing of items purchased by CE-formal advertising.		

Plan for Reducing Excessive Operating Food Service Fund Balance

Contracting Entity (CE) Name: _____ Date: _____

CE Identification Number (CE ID): _____ ESC:¹ _____

The above named CE hereby submits the following plan to reduce the excessive operating food service fund balance. This plan will be completed by _____, 20__.

Current Operating Food Service Balance: \$ _____

Average Monthly Food Service Expenses: \$ _____

Plan to Resolve Excess Operating Food Service Fund Balance:

(If additional space is needed attach another page.)

(Signature of Authorized Representative)

(Printed Name of Authorized Representative)

(OFFICIAL USE ONLY)

APPROVED

DENIED

Signature, Title

Date

¹ Education Service Center

Daily Record of Income—National School Lunch Program and School Breakfast Program Form

Contracting Entity (CE):			CE ID Number:			Site:			Month/Year:				
Date	National School Lunch Program (NSLP) Income Received					School Breakfast Program (SBP) Income Received				10 Other Income	11 Total Income [5 + 9 + 10]	12 Total Bank Deposits	
	1 Student's Meals		3 Adults	4 Other	5 Total Income [1 + 2 + 3 + 4]	6 Student's Meals		7 Adults	8 Other				9 Total Income [6 + 7 + 8]
	Reimbursable	2 Other				Reimbursable							
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													
31													
12 Lunch Total Income					13 Breakfast Total Income				14 Total Income				
15 NSLP Federal Reimbursement			16 SBP Federal Reimbursement			17 Total Federal Reimbursement			18 Total All Income				

Directions for Completing Daily Record of Income—National School Lunch Program (NSLP) and School Breakfast Program (SBP) Form

Purpose

This form is designed to help contracting entities (CEs) record the daily and cumulative monthly income for their School Nutrition Programs (SNPs) as required by the Texas Department of Agriculture (TDA). CEs should complete this form daily and total the daily columns monthly.

Use This Form	
Frequency	Daily, cumulative monthly
Required Form Format	Use this form or a similar reporting instrument.
Record Retention	Completed forms kept onsite and made available on request. State Board of Education policies require public and charter schools to maintain records for a period of five years. Private schools RCCIs maintain records for three years.

Directions for Completing Form

General Information

- **Contracting Entity (CE):** Record the name of the CE in the designated space.
- **CE ID Number:** Record the CE ID Number in the designated space.
- **Site:** Record the name of the site in the designated space.
- **Month/Year:** Record the month and year of the income in the designated space.

National School Lunch Program (NSLP) Income Received

Students

- **Column 1: Reimbursable:** Record the total amount received from lunch service sold to students by day for meals that are reimbursable in the designated space. This includes reduced-price and paid lunches.

Do include income received for the meals served on the designated serving date even if that income was prepaid before the designated serving date. However, do not include prepays for meals to be served in the future as income on the day received. Apply prepay amounts as income on the day the meal is served.

Do not include the income received from reimbursement for NSLP claims in this column. Income from the claims process will be recorded in a different location on this form.

- **Column 2: Other:** Record all other income received from lunch service sold to students by day in the designated space. This includes snack bar, extra milk, and a la carte items.

Adults

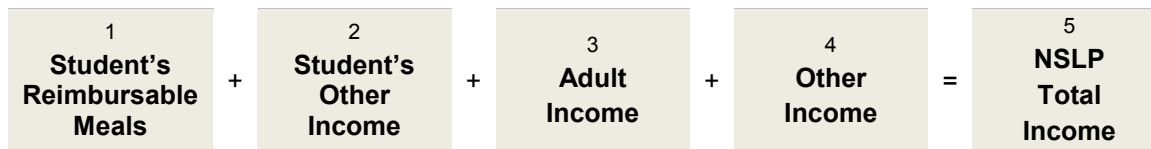
- **Column 3: Adults:** Record the total income for all food and extra milk sold to adults during lunch in the designated space. This includes income from program and nonprogram personnel as well as visiting adults.
- **Column 4: Other:** Record the total amounts received for the NSLP from all other sources in the designated space.

Do include income received for the meals served on the designated serving date even if that income was prepaid before the designated serving date. However, do not include prepays for meals to be served in the future as income on the day received. Apply prepay amounts as income in the appropriate column on the day the meal is served.

Do not include the income received from reimbursement for NSLP claims in this column. Income from the claims process will be recorded in a different location on this form.

Total for NSLP Income

- **Column 5: Total Income:** Record the sum of *Columns 1* through *4*—the total for each day’s income for NSLP, excluding reimbursement for NSLP claims—in the designated space.



School Breakfast Program

Students

- **Column 6: Student Meals, Reimbursable:** Record the total amount received for breakfast service sold to students by day for meals that are reimbursable in the designated space. This includes income from reduced-price and paid meals.

Do include income received for the meals served on the designated serving date even if that income was prepaid before the designated serving date. However, do not include prepays for meals to be served in the future as income on the day received. Apply prepay amounts as income in the appropriate column on the day the meal is served.

Do not include the income received from reimbursement for SBP claims in this column. Income from the claims process will be recorded in a different location on this form.

Adults

- **Column 7: Adults:** Record the total income for all food and extra milk sold to adults during breakfast in the designated space—this includes income from program and nonprogram personnel as well as visiting adults.

Other

- **Column 8: Other Income:** Record the total amount of daily income received into the SBP from all other sources in the designated space.

Do include income received for the meals served on the designated serving date even if that income was prepaid before the designated serving date. However, do not include prepays for meals to be served in the future as income on the day received. Apply prepay amounts as income on the day the meal is served.

Do not include the income received from reimbursement for NSLP claims in this column. Income from the claims process will be recorded in a different location on this form.

Total SBP

- **Column 9: Total Income:** Record the sum of *Columns 6* through *8*—the total for each day’s income for SBP from all sources, excluding reimbursement for SBP claims—in the designated space.



Other Sources of Income

- **Column 10: Other Income:** Record other income that the site has received for non-NSLP or non-SBP purposes including catering services or other food service activities in the designated space.

Daily Total Income/Deposits

- **Column 11: Total Income:** Record the sum of *Columns 5, 9, and 10*—the combined daily total income for the food service program, excluding reimbursement for NSLP and SBP claims—in the designated space.

5		9		10		11
NSLP Total Income	+	SBP Total Income	+	Other Income	=	Program Total Income

- **Column 12: Total Bank Deposits:** Record the deposits made into the school food service account each day in the designated space.

Monthly Totals

- **Box 12, Lunch Total Income:** Sum the total month’s income for NSLP for the month by adding the total for each day for *Column 5, Total Income*. Record the total amount in the designated space.
- **Box 13, Breakfast Total Income:** Sum the total month’s income for SBP for the month by adding the total for each day for *Column 9, Total Income*. Record the total amount in the designated space.
- **Box 14, Total Income:** Sum the total month’s income for NSLP, SBP, and other income sources by adding the total for each day for *Column 11, Total Cash*. Record the total amount in the designated space.
- **Box 15, NSLP Federal Reimbursement:** Record the month’s reimbursement(s) received for NSLP claims in the designated space.
- **Box 16, SBP Federal Reimbursement:** Record the month’s reimbursement(s) received for the SBP claims in the designated space.
- **Box 17, Total Federal Reimbursement:** Sum the amounts received for the reimbursement for claims for the month by adding *Box 15, NSLP Federal Reimbursement* and *Box 16, SBP Federal Reimbursement*. Record the total in the designated space.

15		16		17
NSLP Federal Reimbursement	+	SBP Federal Reimbursement	=	Total Federal Reimbursement

- **Box 18 Total All Income:** Sum the month’s total income from all sources by adding **Box 14, Total Cash** and **Box 17, Total Federal Reimbursement**. Record the total in the designated box.

14		17		18
Total Income	+	Total Federal Reimbursement	=	Total All Income

(NOTE: Adding the monthly total recorded in Column 12, Total Bank Deposits and the amount recorded in Box 17, Total Federal Reimbursement should equal the amount recorded in Box 18, Total All Income.)

Total of Column 12 Daily Entries	+	17 Total Federal Reimbursement	=	18 Other Income
--	---	--------------------------------------	---	-----------------------

Directions for Record of Program Expenditure Form

Purpose

This form is designed to help contracting entities (CEs) track and retain information on food service program expenditures as required by the Texas Department of Agriculture (TDA).

(NOTE: Funds used from accounts other than the regular School Nutrition Program (SNP) account should, first, be deposited into the SNP account and then disbursed from the SNP account as appropriate.)

CE and Site Level Use of This Form

In completing this form, the CE should use a form for each site if expenditures are paid at the site level in addition to a separate form for all expenses paid at the CE level.

Use This Form	
Frequency	When payments are made
Required Form Format	Use this form or a similar reporting instrument.
Record Retention	Form kept onsite and made available on request. State Board of Education policies require public and charter schools to maintain records for a period of five years. Private schools and RCCIs maintain records for three years.

However, if the all expenses are paid at the CE level, the CE need only complete one form to document the expenses paid.

Directions for Completing Form

General Information

- **Contracting Entity (CE):** Record the name of the CE in the designated space.
- **CE ID Number:** Record the CE ID Number in the designated space.
- **Site:** Record the name of the site in the designated space.
- **Month and Year:** Record the month and year of the program expenditures in the designated space.
- **Date:** Record the date of each payment in the designated space.

Payment Information

- **Column 1, Payee/Vendor:** Record the name of the person or company to whom each payment is made in the designated space.
- **Column 2, Check Number:** Record the number of each check or, in the case of a cash payment, record the word *cash*, in the designated space.
(Note: For vendors paid in cash, the CE or site must secure a signed receipt for each cash payment.)
- **Column 3, Amount:** Record the amount of each check or cash payment in the designated space.

Type of Expenditure for Payment

(NOTE: Columns 4, 5, 6, and 7, break down the amount of the payment in Column 3, Amount into four types of expenditures. Therefore, if Columns 4, 5, 6, and 7 are summed for each line, the total should be equal to the amount in Column 3.)

- **Column 4, Food:** Record the amount of each payment for food items in the designated space. Food includes all items intended for consumption, including milk and food items.
- **Column 5, Labor:** Record the amount of each payment for labor that is incurred for the CE's or site's preparation and service of meals in the designated space.

- **Column 6, Utilities:** Record the amount of each payment for utilities in the designated space. If the food service areas share utility billing with areas funded through other programs, the CE or site will need to prorate the payment to reflect the percentage of the facility that is used by the CE or site.
- **Column 7, Other:** Record the amount of each payment for all other nonfood items in the designated space. These items are not listed under *Column 4, Food*; *Column 5, Labor*; or *Column 6, Utilities*.
- **Column 8: Explanation of Other Expenditures:** Record a brief explanation of those expenditures listed in *Column 7, Other* in the designated space.

Totals

- Record the total for each column—*Column 3, Amount*; *Column 4, Food*; *Column 5, Labor*; *Column 6, Utilities*; and *Column 7, Other*—in the designated box on the *Total* row.

(Note: The total for Column 3, Amount is the sum of Column 4, Food; Column 5, Labor; Column 6, Utilities; and Column 7, Other.)

3		4		5		6		7
Amount	=	Food	+	Labor	+	Utilities	+	Other

Procurement

- The CE must follow state procurement guidelines outlined in the Texas Education Code. Each school board has the option to approve small purchase procurement threshold to \$50,000.00 and RCCIs to \$100,000.00.
- For specific regulations and procedures regarding procurement, please refer to the Purchasing Module of the Texas Education Agency Financial Accountability System Resource Guide at <http://ritter.tea.state.tx.us/school.finance/audit/resguide13/purchase/pur.pdf>
- The CE should purchase items as awarded. Invoices showing delivered product pricing should match list of awarded products.
- During the AR School Operations Compliance Monitors will match invoice items to bids and products identified on food production records.
- CE contracts over \$100,000 must include:
 - a statement requiring each responsive bidder to include a certificate of debarment and suspension.
 - Compliance with the Clean Air and Water Act.
 - A Certificate Regarding Lobbying. This is required to be on file for those companies entering into a contract exceeding \$100,000 in federal funds.

The above information can be found in Section 17 of the ARM.

- Buy American Provision – CEs are required to purchase domestically grown and processed foods, to the maximum extent practicable. Purchases made in accordance with the Buy American Provision must still follow the applicable procurement rules calling for free and open competition. CEs must ensure that **all** procurements using funds from the nonprofit CE School Nutrition account comply with the Buy American provisions. This includes foods that are sold to students as a la carte food items.
- The CE is required to request information on trans fats to be included in the bid packet. CEs must provide documentation of efforts to reduce the purchase of trans fat products as compared to the previous year.

Refer to Section 17 of the ARM for detailed information.

On-Site Monitoring Reviews

The Healthy, Hunger-Free Kids Act of 2010 (the Act), Public Law 111-296 included guidance for On-Site Reviews. The USDA revised Prototype On-Site Monitoring Review Form has been included in this section and is located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.

- CEs with more than one serving site must perform an On-Site Monitoring Review of the lunch meal counting and recording procedures in each school cafeteria prior to February 1, annually.
- The director, supervisor or a manager from a different site must conduct each On-Site Monitoring Review.
- A corrective action plan should be recorded on the form for any areas out of compliance.
- The CE must conduct a follow-up On-site review within 45-days if errors were noted during the first review to determine that the corrective action resolved the non-compliance areas.
- It is the responsibility of the School Nutrition Director to maintain compliance with the regulations every year the CE's cafeterias are in operation.
- It is suggested that a list of all sites be placed in a file with each corresponding On-Site Monitoring Review form.
- During the AR year, it is suggested that On-Site Monitoring Reviews be conducted in early fall to help identify potential counting and claiming issues.

Refer to Section 7 of the ARM for detailed information.

National School Lunch Program (NSLP) and School Breakfast Program (SBP) Onsite Monitoring Form

Contracting Entity (CE) Name:	Date of Review:
CE ID Number:	Attendance Factor:
Site Name:	

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
I. Application Approval			
1. Are applications approved at this school? Responsible Party _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Are applications on file correctly approved?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
II. Direct Certification			
1. Is direct certification correctly utilized by the school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. If YES, is required documentation maintained at the CE level? (If Question 1 above is <i>No</i> , mark "N/A")	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
III. Master List			
1. Is a master list used in the meal system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Do names listed on the master list match approved applications on file and on the direct certification list?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. If more than one list is used (e.g. master list/ticket issuance list/foodservice line list), then are all lists the same?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Are all lists updated as needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IV. Meal Count System			
1. Does the meal count system produce an accurate count of reimbursable meals (free/reduced-price/paid) served to eligible children?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Is the implemented collection procedure the approved collection procedure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Is the method used for counting reimbursable meals in compliance with the approved point of service requirement? (Meal counts must be taken at the location where complete meals are served to children)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. If the meal count is not taken at the end of the foodservice line, does the school have a system to account for reimbursable meals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Is the point-of-service meal count used to determine the school's claim for reimbursement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Is the person responsible for monitoring meals correctly identifying reimbursable meals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Is there a method of identifying non-reimbursable meals (i.e., not meeting meal pattern requirements, seconds, adult meals, etc.), distinguishing them from reimbursable meals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Is someone trained as a backup for the monitor and the meal counter?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Does the collection procedure in use ensure that only one meal per child per day is claimed for reimbursement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|---|--------------------------|--------------------------|--------------------------|
| 2. Does the meal count system prevent overt identification? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Is the medium of exchange made available to all students at the same location? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Does the medium of exchange use accepted codes for identifying students as free, reduced price or paid? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does the school have a back-up counting system in case of mechanical failure of the automated system and do staff know when and how to implement it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is the school correctly implementing policies for handling the following issues? | | | |

	Yes	No	N/A
• Incomplete Meals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Second Meals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Lost, stolen, misused, forgotten or destroyed tickets, tokens, IDs, PINs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Visiting student meals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Adult and non-student meals (and identifying program vs. non-program)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• A la carte	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Student worker meals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Field Trips	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Charged and/or prepaid meals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Offer vs. Serve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

V. Meal Count Recording and Edit Checks

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|--------------------------|--------------------------|--------------------------|
| 1. Does the school use proper procedures for counting and recording meals? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. For any day during the review month, does the number claimed for free and reduced-price meals exceed the number of free and reduced-price eligible students? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. For any day during the review month, does the number of meals claimed exceed the attendance factor? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Does the school have proper procedures to manage and safeguard cash (reconciliation, extra item sales, adult meals, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are daily counts correctly totaled and recorded? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. If claims are aggregated, are the meal counts correctly totaled and consolidated? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are internal controls (edits, monitoring, etc.) established to ensure that daily meal counts do not exceed the number of students eligible or in attendance and that an accurate claim for reimbursement is made? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Record today's meal counts by category and compare to the number of students eligible by category. | | | |

	Number of Students Approved by Category	Today's Meal Counts by Category
Free		
Reduced-Price		
Paid		

NOTE: The following two questions are for all CEs except for CEs on Provision 2 in non-base years or RCCIs with only residential children.

Yes No N/A

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 9. Is a current eligibility list kept up-to-date and used by the meal count system to provide an accurate daily count of reimbursable meals by category (free, reduced-price, paid)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. If applicable, are edit checks completed and documented which compare the daily counts of free, reduced-price and paid lunches against the product of the number of children currently eligible for free, reduced-price and paid lunches, respectively, times an attendance factor (and any discrepancies accounted for)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

VI. Results of Review

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 1. Is corrective action plan required? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is a follow-up review required? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

VII. Comments, Notes and Observations During the Review

VIII. Suggest Corrective Action (Follow-up in 45 days)?

Signature of CE Reviewer Signature of Manager

**Directions: National School Lunch Program (NSLP) and
School Breakfast Program (SBP) Onsite Monitoring Form**

Purpose

This form is intended to serve as review or self-assessment in preparation for an onsite administrative review (AR). Staff may find conducting a self-assessment every other month will support preparation for an onsite review and promote effective management.

Use This Form	
Frequency	As needed, recommended every other month
Required Form Format	Use this sample or a similar review instrument.
Record Retention	Form kept onsite and made available on request. State Board of Education policies require public and charter schools to mail record for a period of five years. Private schools RCCIs maintain records for three years.

Directions for Completing This Form

General Information

- Contracting Entity (CE) Name: Record the name of the CE in the designated space.
- CE ID Number: Record the ID number of the CE in the designated space.
- Site/School Name: Record the site or school location name in the designated space.
- Date of Review: Record the date the review was completed.
- Attendance Factor: Record the CE's attendance factor in the designated space.

(NOTE: The attendance factor is the total daily attendance for the month divided by the number of days in operation for the month. This number is reported on the Accuclaim/Edit Check Daily Record or for Provision 2 schools the P2 | Daily/Accuclaim Record Form.²)

Questions I–V

- Answer each question by marking the appropriate box under Yes, No, or N/A and fill in any blanks spaces as requested.
- Review the CE/site retained documentation related to each question topic area.
 - Is the documentation readily accessible?
 - Is the document kept in an organized manner?
 - Does the documentation support the answer?
 - If not, what changes need to be made to ensure that the CE/site is implementing the program correctly?
- Compare results from the self-assessment to previous scores.
- Develop strategies to address areas of need.

Question VI

- Determine if the answers to Questions I–V will result in a corrective action plan (CAP). Mark the appropriate response once that determination has been made.
- Determine if a follow-up review is needed to make sure the CAP has been completed successfully. Mark the appropriate response once that determination has been made.

Question VII

- Record any comments, notes or observations based on the review (and CAP and follow-up if appropriate) that will help in improving the nutrition program.

² Form available at <http://www.squaremeals.org>.

Food Production Records/Documentation

- Some of the most common AR findings are food production record findings. Food production records document the meal served and support the claim for reimbursement.
- Complete and accurate food production records should be kept of all meal types served and claimed for reimbursement (breakfast, lunch, after school care program snacks).
- TDA Daily Food Production prototype forms are located on the TDA Food and Nutrition website (www.squaremeals.org) under NSLP Administration and Forms.
- All columns, except the comment column, are required. Although the CE is not required to use the prototype food production records available, all information from the prototypes must be on CE created documents.
- If Column #20 of the food production record is completed prior to meal service, then adjustments need to be made to column #20 based on actual meal production.
- Meals served to students and claimed for reimbursement must include all components in sufficient quantity prior to the point of service to meet requirements.
- Schools must offer a variety of milk during lunch and breakfast meal services from the following choices:
 - 1% unflavored
 - skim/no fat unflavored or flavored
 - lactose-free milk
- USDA requires that Offer vs. Serve be implemented for senior high school students, grades 9 – 12 at lunch. Offer vs. Serve is not required at breakfast for any grade levels but is encouraged to assist in food costs and students being able to choose meals they will consume.
- Schools preparing foods for satellite feeding sites must prepare a Receiving Kitchen Food Production Record for each feeding site as well as a Central Kitchen Food Production Record.

Refer to Sections 8 and 9 of the ARM for detailed information.

Product Documentation

- Labels and product analysis sheets should be on file for products used and purchased that contribute to a reimbursable meal.
- All CN labeled products that are federally approved and have a CN logo and carry a warranty. If a CE participating in the School Nutrition Program purchases such a product and uses it according to the manufacturer's directions, the institution will not have an audit claim filed against it for that CN labeled product for noncompliance with the meal pattern requirements. Copies of all CN labels used in the CE should be maintained.
- Product analysis sheets should be maintained for all products that do not have a CN label. A product analysis sheet contains a statement that clearly identifies the contribution that the product makes toward the CN meal pattern requirements. This statement is based on formulation and/or laboratory testing and is signed by a high-ranking official in the company. **A product analysis sheet carries no USDA warranty or guarantee.** A sample Product Analysis sheet can be found in Section 9 of the ARM. The product analysis must contain all of the information given in the ARM to be accepted by TDA.
- Nutrient fact labels and ingredient labels from all grain products should be maintained to identify weight, nutrient standards, and whole grains.
- All CEs must provide documentation of fat content of products to meet 23 grams of fat maximum per Texas Public School Nutrition Policy (TPSNP). Nutrient fact labels and product analysis are appropriate documentation for this requirement.

Refer to Section 24 of the ARM for detailed information.

Sample Statement
Product Analysis Sheet/Product Formulation Statement for
Meat/Meat Alternate (M/MA) Products

Provide a copy of the label in addition to the following information on company letterhead signed by an official representative of the company.

Product Name: _____ **Code No:** _____

Manufacturer: _____ **Case/Pack/Count/Portion/Size:** _____

I. Meat/Meat Alternate

Please fill out the chart below to determine the creditable amount of Meat/Meat Alternate.

Description of Creditable Ingredients per Food Buying Guide	Ounces per Raw Portion of Creditable Ingredient	Multiply	Food Buying Guide Yield	Creditable Amount *
		X		
		X		
		X		
A. Total Creditable Amount¹				

*Creditable Amount - Multiply ounces per raw portion of creditable ingredient by the Food Buying Guide yield.

II. Alternate Protein Product (APP)

If the product contains APP please fill out the chart below to determine the creditable amount of APP. If APP is used, you must provide documentation as described in the Example of Documentation on the next page for each APP used.

Description of APP, manufacture's name, and code number	Ounces Dry APP Per Portion	Multiply	% of Protein As-Is*	Divide by 18**	Creditable Amount APP***
		X		÷ by 18	
		X		÷ by 18	
		X		÷ by 18	
B. Total Creditable Amount¹					
C. TOTAL CREDITABLE AMOUNT (A + B rounded down to nearest ¼ oz)					

*Percent of Protein As-Is is provided on the attached APP documentation.

**18 is the percent of protein when fully hydrated.

***Creditable amount of APP equals ounces of Dry APP multiplied by the percent of protein as-is divided by 18.

¹Total Creditable Amount must be rounded down to the nearest 0.25oz (1.49 would round down to 1.25 oz. eq. meat). Do not round up. If you are crediting both M/MA and APP, you do not need to round down in box A until after you have added the creditable APP amount from box B.

Total weight (per portion) of product as purchased _____

Total creditable amount of product (per portion) _____

(Reminder: Total creditable amount cannot count for more than the total weight of product)

I certify that the above information is true and correct and that a _____ ounce serving of the above product (ready for serving) contains _____ ounces of equivalent meat/meat alternate when prepared according to directions.

I further certify that any APP used in the product conforms to the Food and Nutrition Service Regulations (7 CFR Parts 210, 220, 225, 226, Appendix A) as demonstrated by the attached supplier documentation.

Signature of Company Official

Title

Printed Name

Date

Phone Number

Sample Advertising Literature for XYZ Food Products Chart

Sample Label Content	Label Content Related to Meal Pattern Requirements
<p>XYZ Food Products, 1200 Nowhere St., Anywhere, USA 00000</p> <p>New School Breakfast Products</p> <ul style="list-style-type: none"> Fully Cooked Charbroiled Beef Pattie (Product Code 0000) Ingredients: Beef, Water, Fortified Textured Soy Protein Concentrate, Seasoning Cooked Portion Size: 2.68 oz. eq. Case Pack: 40 pcs—6.7 lb. case Fully Cooked Charbroiled Pork Pattie (Product Code 0000) Ingredients: Pork, Water, Fortified Textured Soy Protein Concentrate, Seasoning Cooked Portion Size: 2.65 oz. eq. Case Pack: 45 pcs—7.45 lb. case <p><i>Preparation Instructions:</i> (From frozen state), Conventional Oven: Preheat oven to 375° F. Cook for 50 minutes. Convection Oven: Preheat oven to 350° F. Cook for 35 minutes.</p> <p>Benefits</p> <ul style="list-style-type: none"> Meet all FNS requirements. Provide 2 oz. eq. of cooked lean meat for school lunch Convenient Packaging Easy Handling and Preparation Reduced Sodium 	<p>This sample contains questionable information and lacks necessary information to determine the product’s contribution toward meal pattern requirements.</p> <p>Questionable Information in the Sample</p> <ol style="list-style-type: none"> The ingredient statement lists beef, not ground beef. This means that the patties could contain partially defatted chopped beef and/or meat by-products. The fat level is not restricted to a 30% maximum level as with ground beef. This fact sheet claims that the products described provide 2 oz. eq. cooked lean meat for school lunch programs. The reader has no way of making this determination. This fact sheet contains no certification statement. This fact sheet is not signed by a company official. <p>Information Needed to Determine the Product’s Meal Pattern Contribution</p> <ol style="list-style-type: none"> Weight of raw portion Percent fat of the raw meat Weight of raw meat Amount of dry alternate protein product in the product if contained. Proper hydration instructions and certification that the alternate protein product used is authorized as an alternate food in the Child Nutrition Programs and meets USDA-FNS requirements.

Afterschool Care Program Reviews

- The Afterschool Care Program (ASCP) must be reviewed twice a year. The first review should take place within the first **four** weeks after the program begins and then later in the year. An *Afterschool Care Program On-Site Monitoring Checklist* can be found at www.squaremeals.org, select National School Lunch Program and select “NSLP Administration and Forms” from the menu on the left-hand side of the webpage.
- A list of school sites participating in the ASCP must be provided to the CE personnel conducting the snack reviews. Snack service must be checked for all sites on the CE’s site level application in TX-UNPS.
- Complete and accurate records must be maintained.
- If all snacks are claimed free, documentation that the site is located in an area served by a school in which at least 50-percent of the enrolled students are eligible for free or reduced-price meals must be maintained. For public schools, the TX-UNPS will automatically determine if a school is area eligible.
- All other sites must maintain documentation of free and reduced price eligibility for all students claimed for snacks (applications or categorically eligible lists).
- An enrollment roster documenting each student’s daily attendance must be maintained for all ASCP.
- Daily snack counts by student name must be maintained.
- For Area Eligible sites the total numbers of snacks served are counted as free.
- For Non-Area Eligible sites snacks are counted by student’s eligibility.
- Food production records must be maintained as well as product information for documentation of compliance with meal pattern requirements. A weekly food production record may be used.
- Reminder: sweets (cookies) may not be offered more than twice per week and the fruit/vegetable/juice component must be 6 ounces or 3/4 cup.

Refer to Section 10 of the ARM for detailed information.

Civil Rights Compliance and Disabilities

- The nondiscrimination poster provided by TDA should be displayed in a prominent place in the serving area at each serving site.
- The new nondiscrimination statement and procedure for filing civil rights complaints should be in print on all program materials and on websites.
- All CN employees must be trained on Civil Rights annually. Documentation of attendance should be maintained by the CE for all employees. Sign in sheets and/or certificates of attendance are acceptable forms of documentation to be provided for the AR review. Documentation to include:
 - Date
 - Topic
 - Participant name/Signature/initial of participant
- It is recommended the CE develop and put in writing established procedures to receive complaints alleging discrimination concerning the School Nutrition Programs. The CE process should include accepting a completed Discrimination Complaint form, forwarding the form to the School Nutrition Director and forwarding to TDA. TDA will then forward the complaint to USDA.
- A discrimination complaint form can be found at www.squaremeals.org, select National School Lunch Program and select “NSLP Administration and Forms” from the menu on the left side of the webpage. All complaints, written or verbal shall be accepted by the CE and forwarded to TDA.
- Separation of students based on gender is not allowed by USDA Civil Rights regulations (Ex. All boys at one table and all girls at another table). School Nutrition should work with campus principals and administrators to ensure compliance.
- Information on Accommodating Children with Special Dietary Needs can be found on the USDA Food and Nutrition Service (FNS) website at: <http://www.fns.usda.gov/cnd/guidance/default.htm>. The guidance is based on the USDA policy, Meal Substitutions for Medical or Other Special Dietary Reasons. Students with disabilities must be accommodated by federal law.
- Prior to making any diet substitutions or diet changes for any student with a disability, school officials must ensure that the following is completed:
 - The parent/guardian must obtain a statement from the student’s physician and provide it to school officials. The statement must state the following:
 - a. the student’s disability;
 - b. an explanation of why the disability restricts the student’s diet;
 - c. the major life activity affected by the disability; and
 - d. the food or foods to be omitted from the student’s diet and the food or choice of foods that must be substituted.
- When nutrition services are required under a student’s IEP, school officials must include school food service staff early on and throughout the process of making decisions regarding special meals or modifications to meals. It is important that all recommendations for accommodations or changes to existing diet orders be documented in writing to protect the school and minimize misunderstandings. Schools must maintain copies of these diets and documentation on file.
- School food service staff must not accept a physician’s statement for a student with a disability and provide special meals without it first going through the two steps above.

Refer to ARM Section 19, Other Operational Issues, and ARM Section 13, Accommodating Children with Special Dietary Needs, for detailed information.

(Example of a CE policy on discrimination complaints)

(CE Name)

Policy for Handling Discrimination Complaints

Policy: All cafeterias will display the updated nondiscrimination poster in a prominent location for public viewing in the serving area.

Procedures: The cafeteria manager or unit supervisor will:

1. Listen to parent complaints or concerns, try to answer questions, and provide them with a discrimination complaint form to be completed.
2. The completed form will be forwarded to the CE School Nutrition Director.

Procedures: The School Nutrition Director will:

1. Forward the discrimination complaint form to the Food and Nutrition Division of the Texas Department of Agriculture at:

Food and Nutrition Division
P.O. Box 12847
Austin, TX 78711

2. Texas Department of Agriculture will forward information to USDA.

Student-Parent Involvement

- Regulations require that each school site document activities that promote student parent involvement in the NSLP. The involvement activities are left to the discretion of the individual school site.
- Section 19 of the ARM lists some suggested activities for student-parent involvement. The *Student-Parent Involvement Activity Form* can be found at www.squaremeals.org, select National School Lunch Program and select “NSLP Administration and Forms” from the menu on the left-hand side of the webpage.
- Completed documentation for each site in the CE should be available during the Administrative Review.
- RCCIs are not required to have Student-Parent Involvement activities.

Refer to Section 19 of the ARM for detailed information.

Student-Parent Involvement Activity Form
Return completed form to the CE's School Nutrition Programs office.

School/Site: _____

Date: _____

Date of Activity: _____

Description of Activity: _____

Students—Number Involved: _____

Adults—Number Involved: _____

Comments: _____

Person Completing Form: _____

Date Received in CE School Nutrition Programs Office: _____

Hazard Analysis Critical Control Point (HACCP) Plan and Health Inspections

- CEs were required to implement a food safety program for the preparation and service of school meals served to students in the school year beginning July 1, 2005.
- The program must be based on HACCP principles and conform to guidance issued by the USDA.
- Compliance monitors will review the HACCP Plan on site, observe practices, and review monitoring forms. Monitoring logs need to be kept on file for at least 6 months following the end of the month of monitoring. This includes all temperature logs.
- All managers are required to complete the weekly checklist as a monitoring tool for HACCP.
- HACCP training must be performed at each site, every year. Documentation of training must be kept on file in the CE.
- CEs are required to receive 2 health inspections each school year at each serving site.
- Documentation of inspections must be reported through TX-UNPS throughout the year.
- Health Inspection reports must be posted in public view at each serving site.
- School Nutrition Program contracts for vendors or caterers should include a requirement for vendors or caterers to provide their HACCP Plan when submitting a proposal for catered meals.

Refer to Section 18 of the ARM for detailed information.

Local Wellness Policy

- It is required law that each CE participating in USDA's school meals programs establish a board approved Local Wellness Policy. Documentation to support a local wellness program that complies with the USDA Guidance and includes a date for implementation to regional ESC School Nutrition Program Specialists. The CE is responsible for the actual development of the policy.
- CEs are required to set goals for nutrition education, physical activity, nutrition promotion and other school-based activities that are designed to promote student wellness in a manner that the CE determines is appropriate.
- All CEs must implement their Board Approved Local Wellness Policy. Proof of the board approval needs to be made available. Compliance monitors will review documentation of activities identified by the CE to implement their policy.
- The FND-105, *Local Wellness Policy Checklist* signed by the appropriate authorities must be available and showing:
 - that the CE is adhering to nutrition guidelines outlined in the wellness policy.
 - verification of the person or persons charged with operational responsibility for ensuring that the school meets the local wellness policy.
 - evidence that parents, students, representatives of the CE, the school board, school administrators, and the public were involved in the development of the school wellness policy. This includes the notification used as an invitation to these entities for involvement in the development of the policy.
 - evidence of CE's requirement to inform and update the public (including parents, students and others in the community) about the content and implementation of the local wellness policies. Also, CEs are required to measure periodically and make available to the public an assessment of the local wellness policy, including:
 1. The extent to which schools/facilities are in compliance with the local wellness policy;
 2. The extent to which the CE's local wellness policy compares to model local school wellness policies; and
 3. The progress made in attaining the goals of the local wellness policy.

Refer to Section 19 of the ARM for detailed information.

Exclusive Beverage Contracts

- CEs that have entered into Exclusive Beverage Contracts with vendors must meet all regulatory requirements as they pertain to these contracts.
- If any nonprofit School Nutrition products are purchased via the exclusive contract, then all Federal procurement requirements must be met. Reference 7CFR 210.21; 2 CFR.
- Additionally, if nonprofit School Nutrition products are included in the contract, any rebates, commissions, scholarship fund contributions, or any other payments back to the CE or CE related organizations, must be reimbursed to the nonprofit School Nutrition account on a prorated basis.
- CEs with existing contracts in place that include School Nutrition products must reimburse the School Nutrition account it's pro-rata share for the current and subsequent school years and maintain appropriate documentation supporting the established pro-rata share. The law was effective in 1999, so contracts that extend back to 1999 must award School Nutrition their share if applicable.
- If a CE has entered into an Exclusive Beverage Contract, a worksheet to calculate School Nutrition Program's pro-rata share must be completed by the CE and available for the TDA monitor the day of the AR review. This form can be found at www.squaremeals.org, select National School Lunch Program and select "NSLP Administration and Forms from the menu on the left-hand side of the webpage.
- A copy of the Exclusive Beverage Contract and other applicable documents must also be provided to the reviewer during the AR.

Refer to Section 20 of the ARM for detailed information.

Food Service Pro-Rata Share of Exclusive Beverage Contract Form

Contracting Entity (CE) Name: _____

CE ID Number: _____

Authority: The information requested in this form is required for Texas Department of Agriculture (TDA) compliance monitoring activities, in accordance with Office of Management and Budget (OMB) A-87: 2 CFR 225; A-122: 2 CFR 230; and A-110: 2 CFR 215.

Complete this form if the Contracting Entity (CE) has an exclusive beverage contract that also requires participation by the CE's school nutrition department. This information will be reviewed by the TDA Food and Nutrition (F&N) to determine CE compliance with federal regulations. Federal regulations require that the school nutrition department receive a specific percentage (a pro-rata share) of all payments made to the CE by the vendor under the exclusive beverage contract.

Pro-rata share percentage

1. \$ _____ Total contributions of cash and other assets received by the CE under the exclusive beverage contract, as described below:
 - a) All cash payments including, but not limited to, the following: lump sum payments, attendance incentives, any sales promotion bonuses, sponsorship fee values, and other cash payments, and
 - b) Fair market value of donated items including, but not limited to, the following: software packages received, sports-related items, computer equipment, athletic incentives such as scoreboards, and all other supplies and/or equipment.
2. \$ _____ Total purchases by students, staff, and/or adults and district purchases and sales under the exclusive beverage contract. Include the following: all products; carbonated and non-carbonated beverages, approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc. purchased, or vended district-wide.
3. \$ _____ Total purchases by school nutrition program/s (SNP) with SNP funds under the exclusive contract. Include the following: beverages, equipment, and serving materials.
4. Pro-rata share % _____: Percentage of total district-wide purchases made by the SNP.
5. Pro-rate _____ % x Total contribution (#1) \$ _____ = \$ _____ amount owed to SNP.

In accordance with federal regulations, the SNP is entitled to its pro-rata share of all payments to the CE in addition to the SNP sales and commissions. The CE must show a clear audit trail with supporting documentation. This documentation must be kept on file by the CE (do not send to TDA).

Contracting Entity (CE) Official and Title

Date

Documentation of Receipt

Attach documentation showing the transfer of the pro-rata share of funds to the CE's nonprofit food service account to this form. Acceptable documentation includes bank statements, copies of canceled checks, or records of accounting transfer should be attached to this form.

Directions: Food Service Pro-rata Share of Exclusive Beverage Contract Form

Purpose

This form is intended to be used to report the pro-rata share of funds that must be apportioned to the nutrition program if the contracting entity (CE) has an exclusive beverage contract that also requires the participation of the CE's nutrition department. Federal regulations require that the nutrition department receive a specific percentage (a pro-rata share) of all payments made to the CE by the vendor under the exclusive beverage contract.

CEs are required to complete this form or a similar form to provide the required information. CE's should keep this form on file and accessible for review. It does not need to be sent to the Texas Department of Agriculture (TDA). TDA will review this form when onsite or on request.

Use This Form	
Frequency	Yearly
Required Form Format	Use this form or a similar reporting instrument.
Record Retention	Form kept onsite and made available on request. State Board of Education policies require public and charter schools to maintain records for a period of five years. Private schools and RCCIs maintain records for three years.

Directions for Completing Form

General Information

- **Contracting Entity (CE) Name:** Record the name of the CE in the designated space.
- **CE ID Number:** Record the CE ID Number in the designated space.

Pro-rata share percentage

- **1—Total Contributions:** Record the total contributions of cash and other assets received by the CE under the exclusive beverage contract in the designated space as follows:
 - *Cash Payments:* All cash payments including, but not limited to, the following: lump sum payments, attendance incentives, any sales promotion bonuses, sponsorship fee values, and other cash payments, and
 - *Donated Items:* Fair market value of donated items including, but not limited to, the following: software packages received, sports-related items, computer equipment, athletic incentives such as scoreboards, and all other supplies and/or equipment.
- **2—Total CE Purchases:** Record the total amount of purchases by students, staff, and/or adults and CE purchases and sales under the exclusive beverage contract in the designated space. This includes, but is not limited to, the following:
 - *Beverages:* Carbonated and noncarbonated beverages
 - *Equipment and Serving Items:* Approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc. purchased, or vended across the CE
- **3—Total SNP Purchases:** Record the total amount of purchases made by School Nutrition Programs (SNPs) with SNP funds³ under the exclusive contract in the designated space. This includes, but is not limited to, the following:
 - *Beverages:* Carbonated and noncarbonated beverages
 - *Equipment and Serving Items:* Approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc.
- **4—Pro-rata Share Percentage:** Record the percentage of contract expenditures that was made by the SNP under the exclusive contract in the designated space.

³ If the SNP staff serve special meals to adults or students outside of normal service (i.e., student or teacher appreciation dinner), the funds used to provide the service or any funds collected for providing the service are also regulated by these rules.

- Divide the total SNP purchases by the total of CE purchases to get the pro-rata percentage.

# 3—Total SNP Purchases	÷	#2—Total CE Purchases	=	Pro-rata Share
\$75,000		375,000		.2

- **5—Pro-rata Amount:** Record the amount of funds or contributions to be credited to the SNP by multiplying the pro-rata percentage by the *total contributions to the CE* received by the CE in the designated space.

# 4—Pro-rata Share	x	#1—Total Contributions to the CE	=	Pro-rata Amount
.2		135,000		\$27,000

- **Signature:** Sign the form stating that the information is correct and date in the designated space.

Documentation of Receipt

- File documentation showing the transfer of the pro-rata share of funds to the CE's nonprofit foodservice account with this form. The form and documentation are to be kept onsite and made available on request.

Acceptable documentation includes bank statements, copies of canceled checks, or records of accounting transfer should be attached to this form.