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Special Assistance Provision 2

Special Assistance Provision 2 is an alternative to standard methods of counting and claiming meals for reimbursement used in the National School Lunch Program (NSLP) and the School Breakfast Program. (SBP) In the first year or Base Year of Provision 2, applications are distributed to all enrolled students and collected by the School Nutrition Program (SNP) department in the contracting entity (CE) All students are fed lunch and breakfast at no charge. An CE establishes percentages for numbers of free, reduced-price and paid students, by campus, by month, for lunch and for breakfast, in the first or Base Year of Provision 2. In subsequent years, only total meal counts are taken for reimbursable meals served. The Base Year percentages for free, reduced-price and paid students for each campus, for each month, for lunch and breakfast are multiplied times the corresponding total monthly counts of reimbursable meals served, for each campus, for each month, for lunch and breakfast. This calculation will be the basis for reimbursement claims filed in years after the Base Year of Provision 2.

After the Base Year, applications for free and reduced-price meals are not distributed, categorical eligibility determinations are not made and no verification of applications is conducted. All students continue to be fed at no charge. Reimbursement rates under Provision 2 do not differ from the rates for non-Provision 2 SFAs; however, increased participation in reimbursable meals may lead to increased reimbursement dollars to the SFA. Additional sources of revenue should be explored to subsidize any loss of paid or reduced-price student revenue. Any shortfall in the SNP account must be subsidized and brought to a zero balance from other than federal funds on an annual basis. *(See Feasibility Worksheet at end of this section.)*

The Texas Department of Agriculture (TDA) must approve an application to begin Provision 2 before May 15 of each year. A Coordinated Review Effort (CRE) will be performed in the Base Year, and the CE must be in compliance before being allowed to continue Provision 2. An E may renew Provision 2 after four years in additional four-year cycles, providing the socioeconomic status of the CE's population has not improved more than a total of five percent in the last three years. A CE may potentially not have to distribute applications, as long as the CE remains eligible to continue Provision 2.

Any CE interested in Provision 2 should contact the Provision 2 Coordinator at TDA and the Child Nutrition Program (CNP) Specialist at the local Regional Education Service Center (ESC).

The NSLP regulations contain a clause known as Special Assistance Provision 2 (Provision 2). The purpose of this regulatory provision is to reduce the burden of paperwork on parents and on CEs by reducing the requirements for taking applications, verifying applications, notifying the public

and counting meals by category for schools, which agree to serve all enrolled students meals at no charge. In accordance with this provision, the CE agrees to pay from other than federal funds any program costs not covered by program income.

Implementation Dates

Beginning Provision 2

Provision 2 must start at the beginning of the school year.

Delayed Implementation

Schools must implement Provision 2 at the beginning of the school year. However, TDA may allow a school to delay implementing Provision 2 for a period not to exceed the first claiming period of the Base Year. Delayed implementation permits Provision 2 schools to charge participating students for reduced price and paid meals in the first claiming period of the Base Year. This exception is permitted to assist schools in securing completed free and reduced price applications from households which might not submit an application if there is no charge for meals. Annual claiming percentages are applied to the delayed claiming periods in the non-Base Years.

Note: If delayed implementation is approved by TDA, the first claiming period of the school year is not considered part of the Base Year. While a standard categorical count is taken at the point of service (or approved alternate) for each claiming period of the school year, a monthly claiming percentage is not calculated for the delayed implementation period. For the claiming period of each non-Base Year corresponding to the delayed implementation period of the Base Year, an annual claiming percentage must be calculated, derived from all months of the Base Year except the first claiming period of the school year. Monthly percentages may be used for the remaining months.

Previous Year's Eligibility during Delayed Implementation

Carrying over your previous year's eligibility for the first 30 operating days would undermine your ability to obtain the free and reduced price applications for the Base Year. If you choose to carry over prior year's eligibility status during a delayed implementation, consider using it for a shorter timeframe (e.g., one week rather than the first 30 operating days).

The First Claiming Period

Generally, Claims for Reimbursement are filed for meal service provided in each month. Regulations allow that if the first month of Program operations for any school year contains ten (10) operating days or less, that month may be combined with the Claim for Reimbursement for the month immediately following the claim month. For example, if a Provision 2 school starts mid-August with eight operating days and there are 15 operating days in September, these two months could be considered the first claiming period for a total of 23 operating days. If there were 11 operating days in August, the school district would be required to file two separate claims of

reimbursement. For schools that operate on a year-round schedule, the first claiming period begins with the first operating day that begins on or after July 1. One of the first things that must be done (after obtaining TDA approval to operate under Provision 2) is to notify the public that they way the school is handling the school meal program is changing unless the CE is using delayed implementation. There will be two separate notices to the public if the CE uses delayed implementation.

Public Notification

When your school is implementing Provision 2, you must notify the media and distribute a letter to parents/guardians about the availability of school meals at no charge under the NSLP and, if applicable, the SBP. The required Provision 2 Public Announcement is published before beginning the Base Year. A prototype or sample media release approved by TDA is in the supplement section of this manual. The local education agency (LEA) must also distribute free and reduced price meal applications. The letter to parents/guardians, requests that households eligible for free and reduced price meals complete the application. The application must be completed so that the LEA can obtain proper reimbursement in order to continue providing meals to all students at no charge. If you delay implementation of Provision 2, you may delay informing households that schools will implement Provision 2. However, you must follow the standard public notification requirements for the time the school is operating under Delayed Implementation. The LEA may want to send the standard media release and letter to parents/guardians with a free and reduced price application.

General Requirements

Base Year

- The Base Year of Provision 2 must begin at the start of the school year. Applications must be distributed for that Base Year period. Use of previous year applications to determine Base Year percentages are not allowed.
- Applications are distributed, and free and reduced-price eligibility determinations are made using the standard procedures, including notifying households of their children's eligibility status. The LEA may use the direct certification (DC) list to issue benefits.
- The required Provision 2 Public Announcement is published before beginning the Base Year. (A sample media release is available from TDA.)
- Meals are served to all students at no charge.
- Meal counts are taken and claimed for reimbursement using standard procedures, i.e., by the eligibility category of the child receiving the meal.
- Verification of applications is conducted and documented in accordance with normal application procedures in only the Base Year. Letters of Denial of Benefits are no longer sent to

households by the SFA, as all students are being fed at no charge.

- If the reimbursement received by the CE is not sufficient to cover total nonprofit SNP costs, non-federal funds must be used to pay the difference.
- During the Base Year, a complete review of the foodservice operation by TDA will be conducted to document and ensure total compliance with the current methods being used by the LEA to determine free, reduced-price and paid categories and counting and claiming procedures used to report claims for reimbursement.

Calculate Base Year Percentages

The LEA must establish Base Year percentages for regular-price, reduced-price and free meal categories by campus, by month, for breakfast and lunch by completing Attachment C to the Provision 2 Policy Statement Amendment — Percentage Calculation Form (must be obtained from TDA). It is **required** that the LEA state the percentage as a six-digit decimal for improved accuracy in consolidation. The total of the percentages for free, reduced and paid for each month for each campus must equal exactly 1.0000.

Monthly Claiming Percentages for Non-Base Years

The Percentage Calculation Form is part of the Amendment to the Policy Statement for Free and Reduced-Price Meals that must be completed for the LEA's Base Year, by program (lunch and breakfast), by campus and by month. This document will determine a percentage of total meals served for students eligible for free meals, students eligible for reduced-price meals, and students eligible for paid meals. Total counts of reimbursable meals served in Years 2, 3 and 4 will be taken at the campus level and consolidated on a monthly basis for lunch and breakfast. These total counts for lunch and breakfast for each campus will be multiplied by the percentage of students eligible for free meals, reduced-price meals and paid meals for the same campus for the corresponding month from the Base Year Percentage Calculation Form.

The Percentage Calculation Form must be furnished to TDA after completion of the Base Year by June 15 for the LEA to be eligible to continue with Provision 2.

Annual Claiming Percentages for Non-Base Years

A CE may elect to annualize base year claiming percentages by program (NSLP and SBP), consolidating the annual schools meal counts CE-wide by year. The annualized calculation form will determine a percentage of total meals served for students eligible for free meals, students eligible for reduced-price meals and students eligible for paid meals CE-wide. Annual claiming percentages are based on the total number of all reimbursable meals (lunch and breakfast) by type served over the entire year. Annual percentages must be calculated using the actual meal counts. Monthly percentages may not be added together and averaged to develop annual percentages. Total counts of reimbursable meals served in Years 2, 3 and 4 will be taken at the campus level and consolidated CE-wide on a monthly basis for lunch and breakfast. These total counts for lunch and breakfast for the CE will be multiplied by the percentage of students eligible for free meals, reduced-price meals and paid meals by the CE annualized percentages from the Base Year Annual

Percentage Calculation Form each month.

The Annualized Percentage Calculation Form must be furnished to TDA by June 30 for the CE to be eligible to begin utilizing annual claiming percentages for the new school year.

Examples of monthly and annual claiming percentage calculations follow:

Monthly Claiming Percentages:

For each Provision 2 school, the meal count, taken by type (free, reduced-price and paid) at the point of service in April 2000 (base year) was as follows:

Free Meals Claimed for April 2000 = 22,500

Reduced-Price Meals Claimed for April 2000 = 5,000

Paid Meals Claimed for April 2000 = 2,500

The sum of daily meal counts at the point of service is a total of 30,000 total student meals served during the claiming period (one month).

Free Meals = 0.750000 of total student meals ($22,500 \div 30,000$)

Reduced -Price Meals = 0.166666 of total student meals ($5,000 \div 30,000$)

Paid Meals = 0.083333 of total student meals ($2,500 \div 30,000$)

The total meal count for April 2001 (non-base year) was 32,125 reimbursable meals.

Free Meal Claim for April 2001: $32,125 \times 0.750000 = 24,093.75$ free meals, rounded to 24,094.

Reduced Price Meal Claim for April 2001: $32,125 \times 0.166666 = 5,354.16$ reduced- price meals, rounded to 5,354.

Paid Meal Claim for April 2001: $32,125 \times 0.083333 = 2,677.07$ paid meals, rounded to 2,677.

Rounding Meal Counts on Claims: The CE must establish monthly meal counts, by category, for the claim using the base year percentages (0.XXXXXX). It is required that the CE calculate the meal count out to two decimal places before rounding to a whole number for improved accuracy in consolidation.

Confirm Total Meal Count: 24,094 free + 5,354 reduced price + 2,677 paid = 32,125 meals. If this confirmation step does not equal the total, recheck calculation and rounding. If these are correct, and the rounded totals by type do not equal total meals (due to rounding rather than math error), make adjustments in the paid category in order that the sum of the free, reduced price and paid meals claimed equals the total.

Repeat above procedures for each month (claiming period) of the school year. The claiming percentages for each category will vary from month to month.

Annual Claiming Percentages

For each Provision 2 school, the daily meal count is taken by type (free, reduced price, and paid) at the point of service for each day in the **base year**. The **base year** meals are added together, by type. Do not add monthly claiming percentages together to obtain annual claiming percentages.

Convert the meals to annual claiming percentages by type:

Free claiming percentage calculations for the year:

Total free meal counts for the **base year** 175,250
175,250 free meals ÷ 250,000 total meals = 0.701000

Reduced price claiming percentage calculation for the year:

Total reduced price meal counts for the **base year** 45,500
45,500 reduced price meals ÷ 250,000 total meals = 0.182000

Paid claiming percentage calculation for the year:

Total paid meal counts for the **base year** 29,250
29,250 paid meals ÷ 250,000 total meals = 0.117000

Confirm the claiming percentages: $0.701000 + 0.182000 + 0.117000 = 1.000000$

If the total does not equal 1.000000, make an adjustment to the paid claiming percentage to make the total equal 1.000000.

Apply these claiming percentages to each month's total meal count during the non-base years of the cycle and approved extensions.

Changes to Base Year Campus Structure and Scenarios

The following scenarios do not pertain to CEs utilizing annualized base year claiming percentages if the entire CE has established Provision 2. If an SFA is using annualized claiming percentages, any new school added, a school which has had changes in its facility, or changes in population, the SFA-wide annualized percentages will eliminate the need to take application to establish the ratio of meals claimed as free, reduced-price and paid.

Scenario When the Campus Structure Changes

Opening of a new campus or any change to the grade structure of an existing campus could cause the CE to be required to reestablish Base Year data for those campuses. This would require the redistribution of free and reduced-price applications to all students at those campuses and the submission of new Percentage Calculation Forms to TDA for approval. Notification of any change to campus structure must be made in writing to TDA before the start of the school year in which the campus structure would change. Determinations will be made by TDA on a case-by-case basis.

Scenario When a New School is Constructed

When a school participating in Provision 2 moves into a newly constructed building and the new school's enrollment is made up of the same population as the "old" Provision 2 school, can the new school continue to operate under Provision 2?

Yes. Since the newly constructed school's enrollment consists of the same attendance area and therefore the same enrollment makeup, the base year Provision 2 claiming percentages which were developed in the old facility may be used in the new school.

If the new school draws attendance from various existing schools, does the new school have to take applications for its students?

Yes. The population of the new school is unique; therefore the ratio of meals claimed as free, reduced-price and paid will also have changed.

Scenario When Other Changes in Facilities are Conducted

A Provision 2 school's entire student enrollment moves out of their school (school A). If another school's enrollment moves into school A, can they participate under Provision 2 and use the old claiming percentages?

No. The eligibility for Provision 2 is tied to the school population, not the physical school building. If school A wishes to participate under Provision 2 with its new population, TDA-approval must be granted and a new base year conducted.

Scenario When a Change in Population Occurs

If two or more schools have a realignment of grades, must the affected school(s) reestablish a base year in order to remain on Provision 2?

The schools can continue to use their current claiming percentages only when the realignment of grades does not affect the attendance area of a school. However, if the attendance area of a school changes as part of the grade realignment the current claiming percentages cannot be used in that school (see previous question and answer about changes in attendance area).

What do you do about claiming percentages when two schools merge?

A combined claiming percentage may be developed using base year data from both schools as long as the attendance area for the combined schools is the same as the attendance area for both schools prior to consolidation. The base year meal counts by category, free, reduced price and paid, must be added together and converted to claiming percentages. If the schools were at different points in their Provision 2 cycle, the merged school adopts the earlier school's position in the current 4-year cycle. For example, if one school is in the 3rd year of a cycle and the other school is in the 2nd year, the cycle for the merged school is considered to be in the 3rd year.

Student Transfers from Provision 2 School

When a child transfers within the same LEA from a school on Provision 2, a new application or direct certification is required unless the transfer is in a base year and the child's individual eligibility information is available. If the transfer is done in a non-base year, a new application is required. This also applies when a child transfers to another CE.

Years 2, 3 and 4

At the beginning of each school year, the Provision 2 public announcement is made stating that all meals will be provided free to all students regardless of economic status.

Distribution of applications, eligibility determinations, and verifications of applications are not conducted in Years 2, 3 and 4. The SNP department shall make no determinations of free or reduced-price eligibility or economic disadvantaged status. Any responsibilities assigned to the SNP department to conduct eligibility determinations or any other type of means tested determinations would be an improper use of SNP account funds.

Campus meal counts should be only the total meals served that day multiplied by the monthly percentages established in the Base Year.

Although the CE is serving free meals to all enrolled students, they will be reimbursed for those meals at the rate corresponding to the eligibility category for each child's meals. Therefore, if the reimbursement is not sufficient to cover the total nonprofit school food service program costs, the CE must use non-federal funds to pay the difference.

Additional Information

Policy Statement

To participate in Provision 2, the CE must submit to TDA a Provision 2 Amendment to the Policy Statement for Free and Reduced-Price Meals by May 15 to begin establishing the Base Year in August. The CE must agree to serve free meals to all enrolled students regardless of income eligibility. TDA will determine if the CE is eligible to begin to establish Base Year Data. Conditional approval will be based on the CE's last Coordinated Review Effort (CRE).

Public Notification/Applications/Certification

In the Base Year, letters and applications are sent to parents of students prior to or at the beginning of the school year. Applications from the prior year cannot be carried over to determine Base Year eligibility percentages beyond the first 30 operating days of the school year. DC information based on current Supplemental Nutrition Assistance Program (SNAP) (formerly food stamps) eligibility may also be used. Before the start of the Base Year, a Provision 2 Public Announcement is published stating that all enrolled students will be allowed to eat breakfast and lunch at no charge regardless of income eligibility. In Years 2, 3 and 4 after the Base Year, applications are not distributed; there are no eligibility determinations to make, and no verification of applications to conduct. At the beginning of each school year in Years 2, 3 and 4, the Provision 2 Public Announcement is made stating that all meals will be provided at no charge to all students regardless of economic status.

Reimbursement

During all four years of serving students at no charge under Provision 2, the school must continue to record and report a daily meal count. During the Base Year, standard procedures for counting and claiming meals for reimbursement are followed by the CE. In Years 2, 3 and 4 only daily total meal counts are taken, by campus, and consolidated into a monthly total meal count. (*See end of this section for an example of a Provision 2 daily record.*) That total monthly meal count will be multiplied by the percentages for free, reduced-price, and paid established in the corresponding Base Year month to determine the amount of the reimbursement. This will form the CE's reimbursement claim for that month. To reflect increases/decreases in enrollment for each school year, the number of students eligible for free, reduced-price, and paid must be updated as of October 31 of each year. To adjust for increases/decreases in enrollment, multiply the current enrollment figure by the base year percentage for free, reduced-price and paid. However, the sum of the three categories should not exceed the enrollment. CEs must adjust the enrollment number on the claim for reimbursement on a monthly basis to properly reflect fluctuations and to allow for claim submission.

Paid Lunch Equity

Non-pricing schools are exempt from the paid lunch equity requirement because they do not charge for meals. CEs should report non-pricing schools as "\$0" in their pricing reports. If a CE has some Provision 2 schools, they should only include those prices and paid meals claimed in non-Provision 2 schools in their average price calculation for the paid lunch equity requirement.

Lunch Count Data

CEs are required to review the lunch count data for each Provision 2 school during the base year. During non-base years, the CE must conduct a simplified edit check in which the Provision 2 school's total daily meal counts are compared to the school's total enrollment, adjusted by an attendance factor. CEs must promptly follow-up when the claims review process suggests the likelihood of lunch count problems. CEs should document the steps taken to correct any identified

problems.

Claiming Provision 2 Meals on an SFA-Wide Basis

CEs have the option to implement Provision 2 claiming percentages on a CE-wide basis. CEs may extend this option on a school-by-school basis, for all schools or for a subgroup of schools within the CE. Therefore, it is not necessary that all schools in a CE participate in Provision 2 in order for a CE to have comprehensive claiming percentages.

Record Retention

The CE must keep on file for monitoring purposes the Base Year monthly meal counts and percentages (the original Percentage Calculation Form) and base year applications by campus that are used in claiming reimbursement for the four-year cycle of Provision 2. Upon request, the CE must make enrollment, participation or other data available for monitoring purposes to any appropriate agency. The Base Year Percentage Calculation Form, the Policy Statement Amendment and renewals and Base Year free and reduced-price applications must be kept on file by the CE as long as the CE remains on Provision 2.

Escape Clause

An CE operating under Provision 2 may return to standard application and eligibility determination procedures at any time, if standard procedures better suit the CE's program needs. However, in doing so, the CE is responsible for notifying TDA in writing and for notifying parents of the decision and for distribution of free and reduced-price applications to all students at that time and at the beginning of each subsequent school year. It is recommended that termination of Provision 2 should only occur after the end of a school year and before the beginning of the next school year.

Additional Four-Year Cycles

CEs that wish to continue Provision 2 after the four-year cycle may elect to renew for an additional four-year cycle. To qualify for renewal of Provision 2, the CE should make the request to TDA, by letter, and provide documentation that demonstrates the income level of the CE's population has remained the same, declined or had only a negligible improvement, when comparing the originally approved base year data and comparable current data for the year in which you are requesting the extension. Improvement in the socioeconomic status of the CE's population in excess of five percent would cause the CE to reestablish Base Year data by distribution of free and reduced-price applications for the NSLP and/or SBP to all students. Subsequent reapplication for four-year renewals may be requested from TDA after the four-year cycle is completed. The request would also be based on socioeconomic data for the CE population.

Acceptable data to document the socioeconomic status of the CE's population would include but not be limited to:

- a. Local data collected by the Chamber of Commerce or city/county economic planning offices for the CE's population (Such as: employment data, household income, percentage of households

- below the poverty level);
- b. Recent census track data compiled for the local area covering most of the CE's population (Such as: employment data, household income, percentage of households below the poverty level);
 - c. CE's direct certification data for the current school year;
 - d. Other local CE-specific data as approved by TDA. The source or type of any data used must be consistent from year to year.

Documentation submitted for renewal must reflect comparable data for socioeconomic status for the CE's base year and current year.

Renewing Provision 2 Using Direct Certification List Data

To calculate provision 2 renewals using the direct certification (DC) list data, CEs should use the current DC list and the DC list collected from the CE's base year. CEs should then obtain the total number of students on each DC list and divide it by the October Enrollment for each year of the DC list to determine what percentage of the population was eligible from each of these lists. Compare the two numbers to see if there was a five percent improvement between the two percentages.

For more information about Special Assistance Provision 2, please contact the TDA School Operations Unit.

Internal Controls

What is the school food authority claims review process in non-base years?

The claims review process is a simplified system for non-base years of Provision 2. You only need to compare the daily total number of meals served to the attendance-adjusted enrollment. Comparisons by meal type (free, reduced-price and paid) are not required.

- First, determine the enrollment, i.e., the total number of students with access to the lunch program, as of the last serving day in October. You may also use the highest number of students enrolled during the month for internal control purposes.
- Then apply an attendance factor to enrollment to determine the average daily attendance for your Provision 2 school.
- Each day's total student meal count is compared to the attendance-adjusted enrollment.
- If the comparison shows more total meals claimed than attendance-adjusted enrollment, you need to follow up with the school to determine the cause prior to submitting the Claim for Reimbursement to TDA.

How do we calculate our edit check numbers for Provision 2?

The following calculations provide the information necessary to conduct the daily edit check for Provision 2 schools:

$$\frac{\text{# Students with Access to Program}}{\text{Attendance Factor}} \times \frac{\text{Attendance}}{\text{Attendance-Adjusted Enrollment}} = \text{Attendance-Adjusted Enrollment}$$

Next, compare the attendance-adjusted enrollment to the total number of meals claimed for that day:

$$\frac{\text{Attendance-Adjusted Enrollment}}{\text{Total Daily Meal Count}}$$

If the total daily meal count exceeds the attendance-adjusted enrollment, you need to research the reason(s) why the day’s meal counts exceeded the attendance-adjusted enrollment. Prior to submitting the Claim for Reimbursement, you must make corrections or, if necessary, justify the numbers to TDA. It should be determined if the counting system needs to be changed and, if so, the proper corrective action must be taken.

Do we have to perform the annual on-site review in schools participating in Provision 2 during the non-base years of the Provision or extension?

Yes. You must perform the annual on-site review of all schools in your CE, regardless of Provision 2 status or year of cycle, to ensure that meal counts at the point of service (or approved alternate) are being accurately counted and claimed. The exception is that a one-school school food authority does not have to complete the on-site review.

Reporting Data

How do we report the October enrollment and eligibility numbers in non-base years?

Federal regulations require that TDA gather the enrollment and eligibility numbers for each CE at least once a year and report it on the October Claim for Reimbursement. The Provision 2 school data are reported for October just as they are during standard meal counting and claiming procedures. However, since eligibility determinations were not made during the non-base years, adjustments are made to the base year numbers of students eligible based on the eligibility percentage established during the base year. The following example demonstrates that if the enrollment increased by 20 percent, the reported number of free and reduced price eligible students should each be increased by 20 percent (making sure that the totals do not exceed the new enrollment numbers).

Example:

In the base year, a school has the following enrollment and eligibility data that were reported as part of the base year’s October claim for reimbursement:

Enrollment: 100 (actual number as of last operating day in October)

Eligible Free: 80 (actual number determined free as of last operating day in October)
 $80/100 = 0.800000$ or 80% Free Eligibles

Eligible Reduced-Price: 10 (actual number determined reduced-price as of last operating day in October)
 $10/100 = 0.100000$ or 10% Reduced-price Eligibles

Eligible Paid: 10 (enrollment minus the sum of free and reduced-price eligibles)
 100 (Enrolled) - 90 (80 free and 10 reduced price) = 10 paid eligibles
 $10/100 = 0.100000$ or 10% Paid Eligibles

In the following year, the first non-base year, enrollment has increased to 120 children. This represents a 20 percent increase in enrollment (20 divided by $100 = 20$ percent). Since the eligibility determinations are not made in a non-base year, adjustments are made to the base year numbers of children eligible for free and reduced-price meals. As result, the non-base year October Claim for Reimbursement numbers for this school would be:

Enrollment: 120 (actual enrollment on last operating day of October during the non-base year)

Eligible Free: 96
 $120 \times 0.800000 = 96$ free for non-base year October reporting

Eligible Reduced Price: 12
 $120 \times 0.100000 = 12$ reduced price for non-base year October reporting

Eligible Paid: 12
 $120 \times 0.100000 = 12$ paid from base year October reporting

Final Check: 96 free + 12 reduced priced + 12 paid = 120 enrollment

If, on the final check, the number of free plus reduced price plus paid does not equal the enrollment, an adjustment is made to the paid category. Use standard rounding procedures for calculations.

For each non-base year for schools operating under Provision 2, adjustments (upward or downward) are made to the base year numbers of students eligible based on the eligibility percentages established during the base year. TDA requires CEs to report adjustments to their number of students eligible for meal benefits each month on their claim for reimbursement.

Reporting Verification in Non-Base Years

Because the CE will no longer process applications in non-base years, verification will not be

conducted. However, the CE is required to submit the LEA Verification Summary Report for Provision 2. The LEA Verification Summary Report must include the total number of free eligibles and the total number of reduced-price eligibles in the CE using the base year eligibility percentages.

Summer Food Service Program (SFSP)

Most of the CEs that provide foodservice under the Provision 2 alternative are also mandated by state law to offer a summer feeding program, either the Summer Food Service Program (SFSP) or the Seamless Summer Option (SSO). All children that participate in the summer program are fed at no charge, just as in Provision 2; however, in the SNP all meals are claimed as free instead of by category as with Provision 2.

For additional information on the summer programs, refer to Section 12, Seamless Summer Option, or contact TDA at (877) TEX-MEAL.

**SPECIAL ASSISTANCE PROVISION 2 (SAP2)
Feasibility Worksheet**

Name of Contracting Entity (CE) _____ CE ID # _____

Complete one worksheet for Lunch and one for Breakfast

A. Most Recent October Total Days Claimed

1. Student Eligibility:

Free Reduced Paid Total Enrollment

% of Eligibles = each category divided by total enrollment

% of Eligibles = 1.0

(Carry these percentages out to 6 digits for accuracy) Must = 1.00000

2. Meals Served by Category:

Free Reduced Paid Total Meals Served

Percentage of Meals Served by Category Divided by Total Meals Served:

Numbers by category from #2, above, each divided by total meals served

Free Reduced Paid
+ + =

(Carry these percentages out to 6 digits for accuracy) Must = 1.00000

3. Average Daily Participation from the Accuclaim Daily Record

Divide Total Meals Served, from #2 above, by Total Days Claimed to calculate Average Daily Participation

Total Meals Served = Average Daily Participation
Total Days Claimed

Avg. Daily Participation

Divide Average Daily Participation by Total Enrollment to calculate % Participation

Average Daily Participation = % Participation
Total Enrollment

= % Participation

4. Total Federal Reimbursement for the NSLP for October \$
5. From CE records, the total NSLP Cash to be Received from Students, for October \$
6. Monthly Total of all income, line 4 + line 5 \$
7. Multiply the Monthly Total by total number of months in operation for an Annual Total Income for School Nutrition Program
 $() () = \$$

B. Projected Figures under Special Assistance Provision 2 (SAP2)

1. Projected New Meals Served by Category:
 Page 1, #3-Average Daily Participation multiplied by the % Increase from TDA Program Chart (see attached chart to determine which campus will increase participation and by what percentage participation will increase with SAP2)
 $(\text{Average Daily Participation})(\% \text{ Increase}) = \text{Projected New Meals}$
 $() () = =$
2. New Projections by Eligibility Category Projected:
 Projected New Meals multiplied by percentages by category from Page 1, #3.
 $(\text{Projected New Meals})(\text{Free Percentage from \#3}) = \underline{\text{Projected New Meals}}$
 $(\text{Projected New Meals})(\text{Reduced Percentage from \#3}) = \underline{\text{Projected New Meals}}$
 $(\text{Projected New Meals})(\text{Paid Percentage from \#3}) = \underline{\text{Projected New Meals}}$
 The three totals added together should be Projected number of New Meals from #1 of this page.

Free Meals () () = Projected Free Meals

Reduced Meals () () = Projected Free Meals

Paid Meals () () = Projected Free Meals

3. Projected Reimbursement under SAP2
 Each Projected New Meal by category from B2 of this page is multiplied by the federal reimbursement by category. Be sure to calculate severe need if your CE qualifies for that benefit.
 $(\text{Projected Free Meals})(\text{Federal Reimbursement Rate}) = \$$
 $(\text{Projected Reduced Meals})(\text{Federal Reimbursement Rate}) = \$$
 $(\text{Projected Paid Meals})(\text{Federal Reimbursement Rate}) = \$$

Add the three totals together for a Daily Total. Multiply the Daily Total by the total number of days in the claim for a Monthly Total Federal Reimbursement

Free Meals \$ _____
Reduced Meals \$ _____
Paid Meals \$ _____
Daily Total \$ _____ () = _____

Add the Monthly Total of Reimbursement for Projected New Meals to the Monthly Total Income, Pg. 1, #6 = Monthly Total Federal Reimbursement
Monthly Total Federal Reimbursement \$ _____

C. Comparison of Actual Figures with Projected Figures

1. Monthly Total, Part A7 \$ _____
2. Monthly Total, Part B3 \$ _____
3. Subtract C1 from C2 \$ = Monthly difference or CE subsidy

SPECIAL ASSISTANCE PROVISION 2 (SAP2)

**Projected Percentage of Increase in Student Participation from
Traditional to Universal Free Feeding.**

SCHOOL BREAKFAST PROGRAM CHART

ELEMENTARY		MIDDLE/JUNIOR HIGH		HIGH SCHOOL	
Pre-K thru 5 th Grade		6 th thru 8 th Grades		9 th thru 12 th Grades	
Current Participation	Projected % Increase	Current Participation	Projected % Increase	Current Participation	Projected % Increase
10%-20%	26%	20%-30%	10%	15%-25%	12%
20%-30%	20%	30%-40%	8%	25%-35%	8%
30%-40%	15%	40%-50%	7%	35%-40%	5%
40%-50%	10%	50%-60%	6%		
50%-60%	5%	60%-70%	4%		
60%-70%	2%	70%-80%	2%		

NATIONAL SCHOOL LUNCH PROGRAM CHART

ELEMENTARY		MIDDLE/JUNIOR HIGH		HIGH SCHOOL	
Pre-K thru 5 th Grade		6 th thru 8 th Grades		9 th thru 12 th Grades	
Current Participation	Projected % Increase	Current Participation	Projected % Increase	Current Participation	Projected % Increase
60%-70%	3%	45%-55%	22%	30%-40%	33%
70%-80%	4%	55%-65%	15%	40%-50%	25%
80%-90%	2%	65%-75%	13%	50%-60%	15%
90%-95%	1%	75%-85%	8%	60%-70%	10%
		85%-95%	3%	70%-80%	5%

School Review
Special Assistance Provision 2
Year 2 and Following Years

Contracting Entity (CE) Name	Contracting Entity (CE) ID
School Name	Date of Review
ADA _____	Estimate Percent Attendance _____%

	Prior Month ADP	Meal Count on Day of Review	Currently Enrolled	
Total Meals Served	_____	_____	_____	

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|--|--------------------------|--------------------------|--------------------------|
| <i>I. Maintenance of Applications</i> | | | |
| 1. Does the school have on file the approved applications from the base year as supporting documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is Direct Certification, Head Start, Early Head Start and Even Start documentation from the base year maintained? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| <i>II. Meal Count System</i> | | | |
| 1. Does the meal count system produce an accurate count of reimbursable meals served to eligible children? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Does the collection procedure in use match the Attachment B in the approved policy statement? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. 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"/> |
| c. Are only meals that meet meal pattern requirements counted and claimed for reimbursement? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. 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"/> |
| e. Does the school have trained substitute cashier? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Does the school have a back-up counting system in case of mechanical failure of the automated system? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| <i>III. Meal Count Recording and Edit Check</i> | | | |
| 1. Does the school use a proper procedure 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 of meals claimed exceed enrollment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. For any day during the review month, does the percent of student participation 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"/> |

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>IV. Results of Review</i>			
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"/>

V. Comments, Notes and Observations During the Review

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

Signature of Reviewer

Signature of Manager

Prototype Media Release for Free and Reduced-Price Meals Special Assistance Provision 2 — Base Year

The *[Name of Contracting Entity]* today announced an amendment to the policy for serving meals for students served under the National School Lunch Program and School Breakfast Program for the *[_____]* school year, which would allow for all students at all campuses to be served meals at no charge. The ability of the *[Name of Contracting Entity]* to offer this special alternative rests upon the success of the school food authority in receiving a completed application for free and reduced-price meals for the National School Lunch Program and School Breakfast Program from each household in the school.

Applications will be furnished by the *[Name of Contracting Entity]* and can be obtained, or questions answered by contacting *[Name]* at *[Telephone Number]*. Completed applications should be returned to:

[Name of Contracting Entity]
Attention: *[Name, Title]*
[Department/Division]
[Address]
[City, State ZIP]

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To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer.

Prototype Media Release for Free and Reduced-Price Meals Special Assistance Provision 2 — Year 2 and Successive Years

The *[Name of Contracting Entity]* today announced an amendment to the policy for serving meals for students served under the National School Lunch Program and School Breakfast Program for the *[_____]* school year, which would allow for all students at all campuses to be served meals at no charge.

For additional information please contact: *[Name of Contracting Entity]*, Attention: *[Name, Title]*, *[Department/Division]*, *[Address]*, *[City, State ZIP]*, *[Telephone Number]*, *[E-mail Address]*.

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