

**State Board of Education
North Carolina Department of Public Instruction**

**2019 - 2020
Agreement Renewal
to Administer
the Federally-Assisted
School Nutrition Programs**

***Traditional Public
Schools***

Agreement Renewal Documents Include:

1. 2019 - 2020 Agreement
2. 2019 - 2020 Policy Statement for Providing Free and Reduced-Price Meals to Students
3. 2019 - 2020 Agreement Signature Page
4. Local Wellness Policy Responsibility Document
5. Attestation of Compliance with Meal Pattern Requirements
6. Smart Snacks Option Declaration Form
7. Community Eligibility Provision Amendment (CEP) (if applicable)
8. Effective Date of Free or Reduced-Price School Meals Household Application Eligibility Determination (if applicable)

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

- (2) fax: (202) 690-7442; or

- (3) email: program.intake@usda.gov.

This institution is an equal opportunity provider

**State Board of Education
North Carolina Department of Public Instruction
Agreement to Administer the
Federally-assisted School Nutrition Program(s)**

School Year 2019 - 2020

This Agreement exists to achieve the purposes of: (1) the Richard B. Russell National School Lunch Act, as amended (42 U.S.C. 1751-1760) and regulations governing the National School Lunch Program (7 CFR 210 and 245); and (2) the Child Nutrition Act of 1966, as amended (7 U.S.C.1771 – 1985), and regulations governing the School Breakfast Program (7 CFR 220 and 245); and (3) the Special Milk Program for Children (7 CFR 215); and (4) Public Law 105 – 336 authorizing reimbursement for snacks; and (5) Public Law 85-478, as amended authorizing the Seamless Summer Option (SSO) and (6) Public Law 108-265 to amend the National School Lunch Act and Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management; and (7) Public Law 111-296 the Healthy, Hunger Free Kids Act of 2010; and (8) 2 CFR Part 200 (formerly Office of Management and Budget Circular A-87) Uniform Administrative Requirements, cost principles and audit requirements for federal awards which stipulates allowable and unallowable expenses in the nonprofit School Nutrition Program; and 2 CFR Part 200.317 – 326 which governs the procurement of goods and services using School Nutrition funds; and (9) North Carolina General Statutes 115C-264 and 115C – 450 and subsequent amendments governing the operation of the School Nutrition Programs within the state of North Carolina and Session Law 21 – 342 (Eliminate Reduced-price Breakfast); and (10) policies adopted by the State Board of Education that govern the operation of the School Nutrition Programs in the public schools of North Carolina.

The State Board of Education, North Carolina Department of Public Instruction (NCDPI), hereinafter referred to as the "State Agency (SA)," and the Local Education Authority (LEA) acting on behalf of the School Food Authority (SFA), listed below, hereinafter referred to as the "SFA" agree to comply with the conditions of this Agreement which are based on public laws, regulations, statutes, policies, procedures and best practices that govern the School Nutrition Programs to be operated by the SFA.

The terms of this Agreement and the detailed information contained in the School Nutrition Technology System (SNTS) sponsor application packet, including all forms, checklist items, and other documentation necessary for review and approval for participation within any of the School Nutrition Programs listed above, shall be considered a part of this Agreement, and shall not be modified or changed in any other way than by consent in writing of both parties hereto.

A. The State Agency (SA)

1. Agrees that to the extent of funds available, it shall reimburse the SFA for meals and snacks served to children participating in the program(s) for which the SFA is approved in the electronic application of the SNTS; agrees to amend the electronic application as needed during the effective period of this Agreement; agrees that during any fiscal year, the amount of reimbursement paid to the SFA for meals and snacks served to children in each school, institution or site shall not exceed the amount equal to the number of meals or snacks, by types (free, reduced, paid), served to children, multiplied by the assigned rates; agrees that it will reimburse the SFA using funds appropriated through the performance based reimbursement process, if all schools/sites within the SFA qualify for these funds; agrees to reimburse State funds to the SFA in the allocated amount to cover the student copay for reduced-price breakfast meals in accordance with Session Law 21 – 342;

2. Agrees to supply, in writing, to the above named SFA's School Nutrition Program Administrator, all changes, additions and deletions to Federal and State regulations and policies of the State Board of Education that govern the operation of the programs;
3. Will operate in accordance with U.S. Department of Agriculture policy, which prohibits discrimination on the basis of race, color, national origin, sex, age, or disability;
4. Reserves the right to disallow any claim or portion of a claim for reimbursement, to withhold Federal School Nutrition funds and/or to recover any School Nutrition funds which are used in a manner that is not in accordance with Federal and/or State laws or policies of the SBE that govern the operations of these programs and any of the terms as stipulated in this Agreement;
5. Shall execute this Agreement.

B. The School Food Authority (SFA)

1. Shall apply to the SA to administer the School Nutrition Program(s) for the 2019 - 2020 school year and shall provide all documents required for any school or site in which it desires to operate any of the School Nutrition program(s); agrees to complete an electronic application for the SFA and for each school or site under the jurisdiction of the SFA; agrees the electronic application will provide all required information that is sufficient to determine eligibility; agrees the SFA and site electronic applications may be amended throughout the year as needed by the SFA and as approved by the SA; agrees to notify the SA of any program, administrative or personnel changes pertaining to the Agreement within the month in which the changes occur; acknowledges that no reimbursement will be provided for any meal/snack service that has not received prior approval by the SA; agrees to seek prior approval from the State Agency to operate emergency feeding sites during unanticipated school closures.
2. Shall adopt a Free and Reduced-price Policy Statement which contains all provisions of 7 CFR 245.10 and shall ensure that each school or site under the jurisdiction of the SFA abides with these provisions;
3. Shall execute this Agreement with respect to all participating schools or sites under its jurisdiction, and shall maintain compliance with all provisions of 7 CFR Parts 210 (National School Lunch Program), 215 (Special Milk Program), 220 (School Breakfast Program), and 245 (Eligibility for Free and Reduced-price Meals), 225 (Summer Food Service Program), and shall:
 - a. Maintain a nonprofit School Nutrition Program and observe the limitations on the use of School Nutrition Program revenues as set forth in 7 CFR 210.14; CFR 220.6 and 2 CFR Part 225; assure all Federal School Nutrition Funds and all other sources of income that accrues to the nonprofit School Nutrition Program shall be used only for authorized, allowable purposes as stipulated in 7 CFR 210, 215, 220, 225, 245, 2 CFR 200.317-326 and 2 CFR 200.400-475; maintain a system of financial accounting as prescribed under 7 CFR 210.14, 220.13 and 2 CFR 200.400-475; assure School Nutrition funds are used only to support and/or enhance the nonprofit School Nutrition Program and for no other purpose; deposit all revenues received in the School Nutrition Program into the program's nonprofit account; agree that once funds are commingled with other School Nutrition revenues, regardless of their source, they must be used in accordance with the applicable laws, regulations and policies as described in the preamble of this Agreement; agree that all uncollected student meal charges will be reimbursed to the nonprofit School Nutrition Program account prior to September 30 of each year such that no bad debt is carried in the nonprofit School Nutrition account beyond September 30; acknowledge that failure to submit the quarterly financial report thirty (30) days after the

due date may be grounds for withholding Federal School Nutrition funds until such time as the report is submitted;

b. Implement and monitor written cash management procedures for the School Nutrition Program that are consistent with G.S.115C-422, financial management best practices, and cash management policies/procedures established by the local Board of Education; deposit all cash into a bank **account daily**; implement and monitor a system for recording and managing all inventory including but not limited to food, supplies, and equipment;

c. Limit the net cash resources in the School Nutrition Program to an amount that does not exceed three (3) months average expenditures for its nonprofit School Nutrition Program or such other amount as may be approved by the SA in accordance with 7 CFR 210.19; once excess cash resources are approved by the SA for a specific expenditure(s), they may be used for no other purpose(s); provide sufficient funds to the nonprofit School Nutrition account for lunches served to students not eligible for free or reduced-price meals to ensure paid lunch equity by adjusting the price of the paid lunch in accordance 7 CFR 210.14 and/or the the most current edition of the *Paid Lunch Equity Tool* or by providing funds from other allowable non-Federal sources to the nonprofit School Nutrition account unless the program is documented to have a net cash balance which exceeds three (3) months average expenditures; implement and monitor a financial system to account for all alternate meals served to students; ensure all revenue generated from the sale of non-program foods complies with 7 CFR 210.14;

d. Assess indirect cost to the School Nutrition Program in a manner that promotes the program's financial solvency and is consistent with G.S. 115C-450 such that indirect cost shall not be assessed unless the program has a minimum of one month's operating balance as defined by the statute; document the LEA's methodology for assessing indirect cost by completing an annual Indirect Cost Letter of Intent; where allowable, assess indirect cost at the LEA's approved indirect cost rate and apply the rate to salaries/benefits, supplies and travel directly attributable to the School Nutrition Program and to no other cost objectives;

e. Deposit a minimum of \$45,000 annually into the nonprofit School Nutrition Program account in accordance with the current edition of the *Policy Allotment Manual* (as prepared by the North Carolina Department of Public Instruction) in order to meet the State's required revenue match;

f. Comply with the requirements of the 7 CFR 210.21, and subsequent USDA Policy Memoranda regarding procurement in the practices specific to the breakfast, lunch and after school snack programs; comply with overall procurement practices as prescribed in 2 CFR 200.317-326; comply with State procurement practices where indicated; ensure food, supplies, equipment, consulting services, chemicals, maintenance, technology, equipment, bank services and all other goods and services, procured with School Nutrition funds, are competitively procured and such procurements are conducted in a manner that ensures free and open competition; abide with the Buy American provision by clearly addressing the provision in applicable solicitations and contract language and by purchasing domestic agricultural commodities or products to the extent practicable and by approving all non-domestic foods in advance, should foods of non-domestic origin be used as a result of cost, availability or other factors considered under the provision; obtain prior approval from the School Nutrition Services Section for all capital expenditures for special purpose equipment with a unit cost of \$5,000 or more; acknowledge that failure to procure all goods and services in accordance with Federal regulations constitutes an unallowable use of School Nutrition

funds and makes the entire procurement amount that was conducted using Federal School Nutrition funds subject to reclaim by the State Agency; comply with 7 CFR 220.16 and subsequent Federal and State guidance pertaining to the procurement of a Food Service Management Company (FSMC) should the local Board of Education choose to outsource the nonprofit School Nutrition Program to a for-profit management company; agrees failure to comply with the Federal regulations and Federal/State guidance when procuring the services of a FSMC will result in the withholding of Federal School Nutrition funds and may lead to termination from the program(s).

g. As prescribed in 7 CFR 210.10 and 220.8, serve nutritious, well-balanced, and age appropriate meals to all children to improve their diets and safeguard their health; follow a food based menu planning approach and produce enough food to offer each child at minimum, the food components and quantities specified in the meal pattern for each age/grade group served; meals planned for grades K-12 must meet dietary specifications for calories, saturated fat, sodium and trans-fat for lunch and breakfast; schools serving meals to children ages 1 through 4 must serve at minimum, the food components and quantities required in the lunch and breakfast meal patterns established for the Child and Adult Care Food Program, set forth in 7 CFR 210.10(p) and 7 CFR 210.10(q) as applicable; use and maintain accurate and complete daily food production records, valid standardized quantity recipes, nutrient analyses, current manufacturer's product specifications and other records required to substantiate that minimum meal pattern requirements and required dietary standards have been met and shall serve as source documentation to substantiate the basis for serving reimbursable meals to students; provide written documentation for Administrative Reviews upon request by the SA reviewers including but not limited to menus, accurate, current recipes used in food preparation of school menu items, nutrient analysis and meal component and quantity worksheets; daily production records and/or delivery tickets that document food as planned, prepared, offered and leftover; nutrition labels and specifications for food products and ingredients used in the preparation of current school menu items; agree that senior high schools (as defined by the SA) must participate in offer versus serve provision at lunch; schools below the senior high level may participate in offer versus serve at the discretion of the SFA and the SFA will notify the SA accordingly and at such time as the offer versus serve provision differs by age/grade group within a single school; make potable water available to children at no charge in the place where lunch meals are served during the meal service and at breakfast when breakfast is served in the cafeteria; submit detailed nutrient analyses of one week from the month of October of planned menus for each meal pattern grade group used for breakfast and lunch and provide the corresponding meal component contribution information for each menu; submit a complete attestation form as a means of documenting compliance with the requirements for performance-based reimbursement; post signage for students explaining the minimum components and/or food items that constitute a reimbursable meal including the requirement to select at least ½ cup fruit or vegetable at lunch as prescribed in 7 CFR 210.10(a)(2) and at breakfast as prescribed in 7 CFR 220.8(h) and 220.8(j) for breakfast at or near the beginning of the serving line(s) as a means of promoting the reimbursable meal and reinforcing nutrition education messages that emphasize selecting healthy choices for a balanced meal; schools participating in the School Breakfast Program (SBP) must inform families of the availability of breakfast for all students; notification of the availability of breakfast must be relayed just prior to or at the beginning of the school year in the informational packets that are sent to each household with free and reduced-price meal applications for the new school year; schools should issue reminders regarding the availability of the SBP multiple times throughout the school year; schools may provide reminders to children through their public address systems in schools or through means normally used to communicate with the households of enrolled children;

other acceptable outreach activities may include developing or disseminating printed or electronic material to families and school children; a school participating in the program(s), or a person approved by a school participating in the program(s), must not directly or indirectly restrict the sale or marketing of fluid milk at any time or in any place on school premises or at any school-sponsored event;

h. Establish and monitor a system to accurately issue meal benefits for eligible students based on current meal eligibility criteria and the most recent edition of the *Eligibility Manual for School Meals: Federal Policy for Determining and Verifying Eligibility* (2017), as published by the Food and Nutrition Service, US Department of Agriculture or most current guidance; receive prior SA approval when using web-based applications; conduct a second review or independent review of all household applications; use the SA's automated system to Directly Certify eligible students for free meals based on their participation in Food and Nutrition Services (formerly the Food Stamp Program) and/or Work First Cash Assistance (formerly Temporary Assistance for Needy Families or TANF) and Food Distribution Program for Indian Reservations (FDPIR) as frequently as possible and at a minimum of three (3) times per year at or around the beginning of the school year three (3) months after the initial effort; and six (6) months after the initial effort; extend meal benefits to students who reside in the households of other students who are directly certified for free meals; maintain sufficient documentation to indicate students who are directly certified and those to whom benefits are extended; maintain documentation from local officials to substantiate the categorical eligibility of migrant, homeless, runaway, foster children and any other student who may be categorically eligible for meal benefits; maintain similar documentation for children enrolled in the Federally- funded Head Start Program and are simultaneously enrolled in the LEA; and should validate case number(s)/other identifier(s) listed on the application;

i. Maintain files of currently approved and denied household applications for free and reduced-price meal benefits, respectively and the names of children approved for free meals based on documentation certifying that the child is included in a household approved to receive Food and Nutrition Services (FNS) benefits, formerly known as food stamps, or Work First Cash Assistance (formerly known as Temporary Assistance to Needy Families or TANF) or Food Distribution Program on Indian Reservations (FDPIR); shall approve and maintain all household applications and other benefits issuance documentation at the SFA level; retain all household applications for free and reduced-price meals submitted by families for a period of three (3) years after the end of the fiscal year to which they pertain or as otherwise specified as prescribed in 7 CFR Parts 210, 215, 220 or 245;

j. Verify (or Directly Verify) the income eligibility of children from a sample of household applications (using a method to be determined by the SA based on the prior year's Verification non-response rate) approved for free and reduced-price meal benefits for the current school year based on the prior year's non-response rate; upon completion of the Direct Verification process, continue the Verification process in accordance with procedures described in the most current edition of the *"Eligibility Manual for School Meals: Federal Policy for Determining and Verifying Eligibility"* (2017) or most current guidance. The Verification sample size must be based on the October 1 sample pool; the Verification process must begin on October 1 and conclude November 15; with the exception of Verification for cause, agrees the SFA will not verify more than or less than the standard sample size or the alternate sample size and will not verify 100% of applications; verify for cause any approved applications for free or reduced-price meal benefits when known or available information indicates a household may have misrepresented their incomes on applications for free or reduced-price meals for

children; report the outcome of any verification for cause to the SA once the verification for cause process is complete;

k. Serve meals free or at a reduced-price to all children who are determined by the determining official to be eligible for such meals under 7 CFR Part 245; serve breakfast meals free of charge to students who qualify for reduced-price meals, thus absorbing the student copay of \$.30; serve such meals using the state allocation and/or other available resources; serve lunch meals to students who qualify for reduced-price meals at a cost of no more than \$.40; price the reimbursable meal as a unit; if participating in the Community Eligibility Provision (CEP), agrees to provide meals and snacks at no cost to students; provide sufficient meal periods that are long enough to give all students adequate time to consume breakfast and lunch meals or a minimum of fifteen (15) minutes of seat time to consume breakfast and a minimum of twenty (20) minutes of seat time to consume lunch; agree that students who are eligible for free or reduced-price meals must be allowed to take any reimbursable lunch or any choices offered as part of a reimbursable lunch; establish prices for paid lunches in accordance with 7 CFR 210.14; exercise local control to establish different unit prices for each lunch offered provided the benefits made available to children eligible for free or reduced-price meals are not affected;

l. Count the number of free, reduced-price and paid reimbursable meals served to eligible children at the point of service, or through another counting system, if such system receives prior approval by the SA; establish an alternate system for meal counting and claiming that may be used when the primary system is inoperable; obtain prior written approval from the SA for any alternative meal counting system; if participating in the Community Eligibility Provision (CEP), develop written procedures to account for meals and snacks served to students free of charge and to ensure only one reimbursable meal or snack is claimed for each student; account for any alternate meals served to students through a local Board-approved Meal Charge Policy or other internal procedure as approved by the LEA; **systems must ensure that children are not overtly identified through the SFA's meal counting and claiming system.**

m. Claim reimbursement at the assigned rates only for reimbursable free, reduced-price, and paid meals served to eligible children in accordance with the Agreement; if participating in the Community Eligibility Provision, claim meals based on the SA-approved free meal/paid meal claim rate; establish internal controls that ensure the accuracy of meal counts prior to the submission of the monthly Claim for Reimbursement; **conduct daily edit checks using the daily Average Daily Membership (ADM) and the Average Daily Attendance (ADA)** to ensure the number of meals served does not exceed the number of meals for which the SFA is authorized; ensure the SFA official authorized to approve the claim for reimbursement reviews and analyzes meal counts to ensure accuracy as specified in 7 CFR 210.8 and 220.9; agree that meal counts must be certified prior to submission of the monthly claim for reimbursement; agree that meals served to adults shall not be claimed for reimbursement; acknowledge that failure to submit accurate claims will result in the withholding and/or recovery of Federal School Nutrition funds, suspension, or termination of the Agreement by the SA as specified in 7 CFR 210.25 and 220.19; acknowledge that if failure to submit accurate claims reflects embezzlement, willful misapplication of funds, theft or fraudulent activity the penalty specified in 7 CFR 210.26 and 220.19 shall apply;

n. Upon approval of this Agreement by all parties, submit claims for reimbursement in accordance with 7 CFR 210.8, 220.11, or 215.10 no later than the 10th of each month; (should the 10th of the month fall on a weekend or holiday, the claim for reimbursement shall be due no later than midnight of the first full work day following the weekend or

holiday); agree that the SA must receive valid claims for reimbursement within sixty (60) days following the end of the month for which payment is claimed to be eligible for reimbursement as claims for reimbursement received by the SA after sixty (60) days will be denied; claims filed for meals served prior to the execution of this Agreement will be denied;

o. Require lunches, breakfasts, and snacks for teachers and all adults other than School Nutrition cafeteria employees to be paid for by the individual or from sources other than School Nutrition Program funds; ensure that School Nutrition funds are used only for the purpose of providing meals and/or snacks to eligible students as these funds may not be used to support or supplant adult meals and/or snacks;

p. Perform no less than one comprehensive on-site review to include an in-depth review of the meal counting and claiming and cash management procedures employed by each school or site under its jurisdiction for the National School Lunch Program (NSLP) and the School Breakfast Program (SBP); conduct the on-site review of each school prior to February 1 of each school year. SFAs are required to establish internal controls which ensure the accuracy of meal counts prior to the submission of the monthly Claim for Reimbursement. The internal controls must include an on-site review of the readily observable general areas of review identified under 7 CFR 201.18(h) and the meal counting and claiming system employed by each school (as defined in 7 CFR Part 210.2) approved to participate in the NSLP and at 50% of the schools approved to participate in the SBP within the jurisdiction of the SFA. While the annual requirement is to complete 50% of the schools approved to participate in the SBP in the SFA's jurisdiction, each school approved to participate in the SBP must be reviewed at least once every two years. If the review discloses problems with a school's meal counting or claiming procedures, the school food authority shall: ensure that the school implements corrective action; and, within 45 calendar days of the review, conducts a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system authorized by the State Agency under 7 CFR 210.7 of this part and that the counting system, as implemented, yields the actual number of reimbursable free, reduced-price and paid lunches, respectively, served for each day of operation;

q. Establish and enforce rules that prevent the sale of foods and beverages in competition with the School Nutrition Program as set forth in SBE Policy #CHNU-000, and NC General Statute 115C-264; assure all revenues for food and beverages sold to students from 12:01 AM through the time the school cafeteria ceases meal service for the day accrue to the nonprofit School Nutrition Program; agree that violations of the Competitive Foods Regulations (SBE Policy #CHNU-000 and GS 115C-264) will result in repayment of funds to the SFA's nonprofit School Nutrition Program from the operating account of the school found to be in violation of the regulations; agrees to select one (1) of five (5) options available for implementation of the Final Rule entitled *Nutrition Standards for All Foods Sold in School as Required by the Healthy, Hunger-Free Kids Act of 2010* and agrees to comply with the nutrition standards as prescribed in the final rule for all foods and beverages sold to students from the time of day the cafeteria ceases meal service until thirty (30) minutes after the dismissal bell rings; agrees to inform school officials, principals, teachers, and others who conduct fund-raising activities using food and beverages sales to students of the requirements for food and beverages sales that are consistent with the LEA's option (or combination of options if approved by the SA); agrees to enforce the LEA's approved option should violations occur at any time during the instructional day at any location on the school campus;

r. Comply with regulations regarding nondiscrimination (7 CFR Parts 15, 15a, 15b and FNS Instruction 113-1); make no discrimination against any child because of his eligibility for free or reduced-price meals in accordance with the approved Free and Reduced-price Policy Statement; agree to provide the current non-discrimination statement on all public documents including but not limited to the School Nutrition website; comply with requirements regarding the use of student's confidential meal eligibility status and ensure this confidential information is used only for purposes as prescribed by law and for no other purpose; limit the disclosure of individual student's confidential eligibility for free and reduced-price meals to persons authorized by law to receive it for reporting purposes and for no other purpose; agree that direct access to student's confidential meal eligibility status is limited only to the School Nutrition Administrator and his/her designee in the School Nutrition Department; agree that the use of students' confidential meal eligibility status will not be used for local education initiatives without prior written parental consent; agree that disclosure of students' individual confidential meal eligibility status for any local education purpose without prior written consent of the parent(s) or guardian(s) constitutes grounds for dismissal; require a Memorandum of Agreement (MOA) to be approved in advance by the SA and signed and executed between the School Nutrition Administrator (determining official for the SFA) and the individual requesting the confidential information; cite the specific public law and/or general statute authorizing the use of individual student's confidential meal eligibility status without prior written parental/guardian consent; complete an annual *Civil Rights Checklist* for the SFA and for each school or site under its jurisdiction no later than December 15; maintain all *Civil Rights Checklists* on file in the SFA's central office for a period of three (3) years after the end of the fiscal year of the final claim for reimbursement for the fiscal year to which they pertain, except in situations where audit findings have not been resolved in which case the records shall be retained beyond the three (3) year period as long as required for resolution of the issues raised by the audit;

s. Agree that meals and/or snacks provided through the School Nutrition Programs may not be used to discipline or punish students, nor shall meals or snacks be used as rewards;

t. Maintain proper sanitation and health standards in conformance with all applicable State and local laws and regulations; maintain a SFA-wide Food Safety Program to include a Hazard Analysis Critical Control Point (HACCP) Plan for each school, and/or site and; ensure a minimum of two (2) health inspections are conducted by a Registered Environmental Health Specialist (REHS) in each school or site included in this Agreement. If the local REHS does not complete a minimum of two (2) health inspections each school year, it is the responsibility of the SFA to request in writing that an inspection is solicited. The SFA is to retain a copy of the letter(s) for a period of three (3) years after the end of the fiscal year to which they pertain or as otherwise specified as prescribed in 7 CFR Parts 210, 215, 220 or 245. **All North Carolina School Nutrition Program Administrators/Directors are required to achieve and maintain Certified Food Protection Manager (CFPM) certification by passing an American National Standards Institute (ANSI) approved food safety exam. New Directors must obtain the certification within five (5) years prior to their starting date as Director or complete certification within thirty (30) days of being hired as a Director. Supervisors and Assistant Directors are usually central office personnel who work under the direct supervision of the School Food Authority (SFA) Director of the School Nutrition Program, and thus, are subject to the same professional standards for annual continuing education as Directors and should also maintain CFPM status.**

- u.** Maintain a sufficient number of trained staff in the central office to ensure adequate monitoring and oversight of the School Nutrition Program in all schools or sites; maintain an adequate number of staff at each school or site as necessary, to adequately prepare and serve meals and snacks to students; maintain adequate facilities for receiving, storing, preparing and serving safe and unadulterated food to students.
- v.** No later than December 1, April 1 and the first day of End of Grade testing (May), provide the SA with a list of all elementary schools under its jurisdiction in which fifty (50) percent or more of enrolled children have been determined eligible for free or reduced-price meals as of the last operating day of the month prior to the dates of required submission; this list shall be based on information provided by the SA regarding the boundaries of the attendance areas for all elementary schools identified as having fifty (50) percent or more of enrolled children certified as eligible for free or reduced-price meal benefits;
- w.** Plan and implement a program of student and parent involvement in the School Nutrition Program; require School Nutrition employees to attend professional development improvement and continuing education activities conducted by or facilitated by School Nutrition Administrators within the SFA. Provide professional development and continuing education opportunities for all School Nutrition Staff as prescribed by the *USDA Professional Standards for State and Local School Nutrition Programs Personnel as required by the Healthy, Hunger-Free Kids Act of 2010*; and implement an acceptable method of tracking the continuing education hours completed by each employee;
- x.** Upon request, make all accounts and records pertaining to its School Nutrition Programs available to the SA and State Distributing Agency (SDA) and to the US Department of Agriculture's Food and Nutrition Service (FNS), for audit or review, at a reasonable time and place; retain all accounts and records for a period of three (3) years after the end of the fiscal year of the final claim for reimbursement for the fiscal year to which they pertain, except in circumstances where review and/or audit findings have not been resolved in which case the records shall be retained beyond the three (3) year period as long as required for resolution of the issues raised by the audit/review;
- y.** Implement the State Board of Education Healthy Active Children Policy and LEA's board-approved Local Wellness Policy for all schools or sites under its jurisdiction; ensure the Local Wellness Policy includes all elements as prescribed in 7 CFR 210; submit a copy of the Local Wellness Policy to the North Carolina Department of Public Instruction; submit modified Local Wellness Policies upon adoption by the local board of education; designate a Local Education Agency official who has oversight of the Healthy Active Children Policy, Local Wellness Policy, and the ten (10) components of coordinated school health (someone other than the School Nutrition Administrator unless the School Nutrition Administrator has oversight as described above) to oversee the implementation, periodic assessment, evaluation and required reporting and public notification of local wellness activities as required by law; submit the name and contact information for the designated LEA official who will oversee the implementation, evaluation and public reporting requirements of the Local Wellness Policy; ensure the SFA and each school in the SFA complies with the Healthy Active Children Policy and Local Wellness Policy; submit an annual written report indicating the SFA's progress towards achieving the goals as stated in these policies; and conduct and make available to the public a triennial assessment to evaluate the extent to which schools are in compliance with the Local Wellness Policy, how the Local Wellness Policy compares to statutory requirements, and the LEA's progress made in attaining the goals of the Local Wellness Policy;

- z.** Abide with the terms and conditions of the Agreement with the North Carolina Department of Agriculture and Consumer Services to accept and use, in as large quantities as may be efficiently utilized in the nonprofit School Nutrition Program, the USDA Foods (formerly known as commodities) available to the program.
- 4.** If the SFA chooses to participate in the After School Snack Program (ASSP), the after school program must be one that complies with requirements listed below and documentation of each approved ASSP site shall be maintained by the SFA. The SFA with eligible schools (as defined in 7 CFR 210) that elect to serve meal supplements served after the school day, shall agree to:
- a.** Maintain, on file, appropriate records that were used to determine whether the after school program met the criteria required to participate in the ASSP **for each program** at each site; complete the After School Snack Program checklist annually for each ASSP and maintain a copy on file for a period of three (3) years after the end of the fiscal year of the date of the final claim for reimbursement for the fiscal year to which they pertain, except that if audit findings have not been resolved; the records shall be retained beyond the three (3) year period as long as required for resolution of the issues raised by the audit;
 - b.** Serve meal supplements which meet the minimum requirements prescribed in 7 CFR 210.10 and claim reimbursement for no more than one (1) meal supplement per child per day;
 - c.** Price the meal supplement as a unit;
 - d.** Serve meal supplements free or at a reduced-price to all children who are determined by the SFA to be eligible for free or reduced-price school meals under 7 CFR 245;
 - e.** If charging for meal supplements, the charge for a reduced-price meal supplement shall not exceed fifteen (15) cents;
 - f.** Claim reimbursement at the assigned rates only for meal supplements served in accordance with the Agreement;
 - g.** Conduct an on-site review of each after school or site at least two (2) times per year; the first review shall be made during the first four (4) weeks that the ASSP is in operation each school year, except that an after school program operating year round shall be reviewed during the first four (4) weeks of its initial year of operation, claim reimbursement for no more than one meal supplement per child per day;
 - h.** Provide a point of service participation count and ASSP production record which provides documentation that only students in attendance received one (1) snack per day and the snack provided meets the minimum meal pattern requirements for the age group in the ASSP;
 - i.** Claim meal supplements based on accurate “point of service” meal supplement counts.
- 5.** If a SFA chooses to operate the Summer Nutrition Programs (which include Seamless Summer Option (SSO) and Summer Food Service Program (SFSP), the SFA must:
- a.** Exercise full control and authority over the operation of the Program at all sites under its sponsorship;
 - b.** Demonstrate financial and administrative capacity to operate the program and accept final financial and administrative responsibility for the total program operations at all sites;
 - c.** Not be seriously deficient in operating any federally assisted School Nutrition Program;
 - d.** Operate a nonprofit nutrition program during any period from October through September for children on school vacation; intercession, track out, or at any time of

- the year, in the case of SFA administering the program under a continuous school calendar system for children from areas in which poor economic conditions exist;
- e. Request approval from the NCDPI to operate year round schools to provide reimbursable meals to students during year round schools track out and maintain separate records for on and off track student meals;
 - f. Ensure that all non-school site and administrative personnel have attended a training session provided by a SFA as specified in 7 CFR 225.15(d)(1);
 - g. Agree to serve meals at no cost as stipulated in 7 CFR 225;
 - h. Serve meals during the designated times which meet the requirements and provisions set forth in 7 CFR 225.16 for SFSP and 7 CFR 210.10 and 7 CFR 220.8 for SSO.
 - i. Comply with all regulations and policies of the School Breakfast Program (7CFR 220), National School Lunch Program (7 CFR 210) and/or After School Snack Program (7 CFR 210) in providing meals and snacks to eligible participants in the SSO, including implementation of the SSO in year-round schools; or
 - j. Comply with all regulations and policies of the SFSP (7 CFR 225) or School Breakfast Program (7CFR 220), National School Lunch Program (7 CFR 210), and/or After School Snack Program (7 CFR 210) in providing meals and snacks to eligible participants in the SFSP, including implementation of the SFSP in year round schools; or
 - k. Establish the predominant age group of the participants for each site, based on written documentation and serve meals that meet the meal pattern and dietary standards required for the specified age group for the SSO and when utilizing Offer vs Serve in the SFSP;
 - l. Certify that all non-school sites have been visited and have the capacity and facilities to provide the meal service planned for the number of children anticipated;
 - m. Conduct a review of all sites including any required pre-operational and first week visits and a review during the fourth week of operation or before the site closes;
 - n. Serve up to two meals (combination may not include lunch and supper), or one meal and one snack, or two snacks per day for all sites except migrant sites or camps; migrant sites may serve up to three meals or two meals and a snack per day;
 - o. Serve up to three reimbursable meals per day to children attending residential or non-residential camps, which are eligible for free or reduced price school meals, based on household applications;
 - p. Agree to claim reimbursement only for the types of meals specified on the Site Application and served without charge to children at approved site(s) during the approved meal service period. The meals claimed for reimbursement shall not exceed the maximum approved level of meal service for sites(s) as required under 7 CFR 225.6(d)(2). No permanent changes will be made in the serving time of any meal unless the NCDPI approves the changes
 - q. Operate emergency sites at schools or non-school locations when schools are closed due to a disaster with prior State agency approval.
 - r. Comply with the Demonstration Project for Non-Congregate Feeding for Outdoor Summer Meals Sites Experiencing Excessive Heat Waiver as approved by NCDPI including submitting with the monthly claim for reimbursement - specific dates participants were permitted to take meals off site; the number of meals claimed that was taken off site.
 - s. Maintain all program records, reports, and other documents in accordance with 7 CFR 225.15(c); upon request, make all accounts and records pertaining to the SFSP available to State, Federal, or authorized officials for audit or administrative review at any reasonable time and place. The records shall be retained for a period of three years after the end of the fiscal year to which they pertain. In the event that

audit or investigative findings have not been resolved, the records shall be retained until all issues raised by the audit or investigation have been resolved.

- t. For SFSP, maintain documentation of nonprofit food service, including copies of all revenues received and expenses paid from the nonprofit food service account and unused reimbursement. Unused reimbursement means the difference between the amount of reimbursement earned or received and allowable costs or a situation when reimbursement exceeds cost. Limit the net cash resources in the SFSP to an amount that does not exceed three (3) months average for sponsors that operate at least one School Nutrition Program year-round.
- u. The Records, including all records of training, site visits, reviews and actions taken to correct deficiencies, shall be retained for a period of three years after the end of the fiscal year to which they pertain pursuant to 7 CFR 225.15; 7 CFR 210.23 and 7 CFR 200. In the event that audit or investigative findings have not been resolved, the records shall be retained until all issues raised by the audit or investigation have been resolved.

6. Shall comply with USDA's Civil Rights Guidance as contained in FNS Instruction 113-1 and reads follows:

"The SFA hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U. S.C. 2000d et. seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et. seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.); all provisions required by the implementing regulations of the Department of Agriculture; Department of Justice Enforcement Guidelines, 28 CFR 50.3 and 42; and FNS directives and guidelines to the effect that, no person shall, on the grounds of race, color, national origin, sex, age or disability, be excluded from participation in, be denied benefits of, or otherwise be subject to discrimination under any program or activity for which the SFA receives Federal financial assistance from FNS; and hereby give assurance that it will immediately take measures necessary to effectuate this Agreement."

By accepting this assurance, the SFA agrees to complete the Civil Rights Checklist prior to December 15, compile data, maintain records and submit reports, as required, to permit effective enforcement of the non-discrimination laws and permit authorized USDA personnel during normal working hours to review such records, books and accounts as needed to ascertain compliance with the non-discrimination laws. If there are any violations of this assurance, the Department of Agriculture, Food and Nutrition Service, shall have the right to seek judicial enforcement of this assurance; this assurance is binding on the SFA and its successors, transferees and assignees, as long as they receive assistance or retains possession of any assistance from the SA and/or the USDA. The individual whose signature appears below is authorized to sign this assurance on behalf of the program applicant (the SFA).

7. Shall abide with and shall require all school personnel to abide with the following ethics clause as required by the National School Lunch Act:

"Whoever willfully misapplies, steals or obtains by fraud or embezzlement any funds, assets or property provided under the National School Lunch Program and/or School Breakfast Program whether received directly or indirectly, shall if such funds, assets or property are of a value of \$100 or more, be fined no more than \$25,000 or imprisoned not more than 5 years or both; or if such funds, assets or property are of a value of less than \$100, be fined not more than \$1,000 or imprisoned not more than 1 year or both. Whoever receives, conceals or retains for personal use or gain, funds, assets or property provided under the National School Lunch Program and School Breakfast

Program, whether received directly or indirectly, knowing such funds, assets or property have been embezzled, willfully misapplied, stolen or obtained by fraud, shall be subject to the same penalties.”

8. Agree to have an audit conducted annually of all Federally-assisted School Nutrition Programs subject to the “Single Audit Act” and applicable federal circulars.

C. The SA and the SFA mutually agree that:

1. Schools or sites may be added or deleted by amending this Agreement as the need arises and references herein to schools or sites within the SFA shall be deemed to include all schools or sites as added through the Site Application.
2. Both shall cooperate with USDA officials and contractors conducting evaluations and research in the School Nutrition Programs.
3. For the purpose of this Agreement, the following terms will mean respectively:

a. *Adult*: means a person who is (1) a staff member or employee of a school, including all faculty, supervisory and other personnel and (2) not under 21 chronological years of age in nonprofit Residential Child Care Institutions (RCCIs) and (3) not a student of high school grade or under as determined by the state education agency in schools as defined in 7 CFR 210.2;

b. *Child*: means (a) a student of high school grade or under as determined by the state education agency, who is enrolled in an educational unit of high school grade or under as described in paragraph (a) and (b) of the definition *school* including students who are mentally or physically disabled as defined by the state and who are participating in a school program established for the mentally or physically disabled; or (b) a person under 21 chronological years of age who is enrolled in an institution or center as described in paragraph (c) of the definition of *school* or (c) for purposes of reimbursement for meal supplements served in after school care programs, an individual enrolled in an after school care program operated by an eligible school who is twelve (12) years of age or under or in the case of migrant workers and children with disabilities, not more than eighteen (18) years of age or under;

c. *Local Education Agency (LEA)*: means a public board of education or other public or private nonprofit authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public or private nonprofit elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public or private nonprofit elementary schools or secondary schools. The term also includes any other public or private nonprofit institution or agency having administrative control and direction of a public or private nonprofit elementary school or secondary school, including residential child care institutions, Bureau of Indian Affairs schools, and educational service agencies and consortia of those agencies, as well as the State educational agency in a State or territory in which the State educational agency is the sole educational agency for all public or private nonprofit schools.

d. *Meals*: means food served at a school under the indicated programs which meets the applicable nutritional requirements set forth in the regulations and policies; *Meals* include breakfast, lunch or snack;

e. Nonprofit School Nutrition Program: means meal service operated by the SFA for the benefit of children, all of the income from which is used solely for the operation or improvement of such meal service and for no other purpose;

f. School: (a) an educational unit of high school grade or under, recognized as part of the educational system in the state and operating under public or nonprofit private ownership in a single building or complex of buildings; (b) any public or nonprofit private classes of pre-primary grade when they are conducted in the aforementioned schools; or (c) any public or nonprofit, private residential child care institution, or distinct part of such institution, which operates principally for the care of children, and, if private, is licensed to provide residential child care services under the appropriate licensing code by the State or a subordinate level of the government, with the exception of residential summer camps which participate in the Summer Food Service Program for Children, Job-corps Centers funded by the Department of Labor, and private foster homes; the term "Residential Child Care Institution" includes, but is not limited to: homes for the mentally, emotionally, or physically impaired, and unmarried mothers and their infants; group homes; half-way houses; orphanages; temporary shelters for abused children and for runaway children; long term care facilities for chronically ill children; and juvenile detention centers; a long term care facility is a hospital, skilled nursing facility, intermediate care facility, or distinct part thereof, which is intended for the care of children confined for thirty (30) days or more;

g. School Food Authority (SFA): means the governing body which is responsible for the administration of one or more schools, institutions or sites, and which has the legal authority to operate the NSLP, the SBP, the SMP, the SFSP, the SSO and/or the ASSP therein.

4. This Agreement is effective for the programs as approved in the electronic application for the period commencing July 1 and ending the following June 30 unless otherwise amended; the SA may renew the Agreement for each school year thereafter by notice in writing given to the SFA as soon as practicable after funds have been appropriated by Congress for carrying out the purpose of the National School Lunch Act and the Child Nutrition Act.
5. The SA may withhold Federal School Nutrition funds from the SFA when there is evidence of material non-compliance with the terms and conditions of this Agreement; the SA may also withhold Federal School Nutrition funds for failure of the SFA to take corrective action within sixty (60) days of notification of non-compliance as a result of an Administrative Review (AR) or Technical Assistance (TA) Review; the SA may require the LEA to reimburse the SFA using local funds to repay any funds that were used for unallowable purposes; the SA may terminate this Agreement with the SFA immediately upon receipt of evidence that the terms and conditions of this Agreement or any of the regulations specified herein have not been fully complied with by the SFA; any termination of this Agreement by the State Agency shall be in accordance with applicable laws and regulations.
6. The terms of this Agreement shall not be modified or changed in any way other than by the consent in writing of both parties hereto.

Policy Statement for Providing Free and Reduced-price Meals to Students

This document is part of the Agreement between the LEA/SFA and the SA to administer the Federally-assisted School Nutrition Programs.

The School Food Authority (SFA) accepts responsibility for providing **free and reduced-price meals and/or free milk and after school snacks** to eligible children. The LEA/SFA assures the North Carolina State Board of Education, Department of Public Instruction, that the LEA/SFA will uniformly implement the following policies to administer the program(s) in all schools and sites under its jurisdiction. In fulfilling these responsibilities, the LEA/SFA agrees to the following provisions:

- A. With the exception of students participating in the CEP for whom meals are served at no cost, serve meals free to children from households whose income is at or below the free meal eligibility scale listed in the current income eligibility guidelines, or whose participation in Food and Nutrition Services (formerly Food Stamp Program), Work First Cash Assistance (formerly Temporary Assistance for Needy Families (TANF) or the Food Distribution Program on Indian Reservations (FDPIR) qualifies them for direct certification for free meals, or whose migrant, homeless, runaway or foster child status or other Federally-approved status as prescribed by the United States Department of Agriculture, entitles them for categorical eligibility for free meals;
- B. With the exception of students participating in the CEP for whom meals are served at no cost, serve meals at a reduced-price to children from households whose income is at or below the reduced-price meal eligibility scale listed in the current income eligibility guidelines and/or use the state allocation and other available resources for the student co-pay for reduced-price breakfast meals (\$.30 per meal) to serve breakfast meals at no charge to students who are eligible for reduced-price meals;
- C. With the exception of students participating in the CEP for whom meals are served at no cost, set reduced-price charges for lunch and breakfast at or below the maximum reduced-price allowed by regulations and below the full price of the lunch or breakfast. Reduced-price charges for lunch shall be set at \$.40 or less, reduced-price breakfast shall be served free of charge to qualifying students using the state allocation provided under Session Law 21-345 or at \$.30 or less and reduced-price snacks shall be served at \$.15 or less;
- D. Ensure food is not used as a means of rewarding or punishing students for any purpose;
- E. Ensure no physical segregation or other overt identification of, nor any other discrimination against, any child because of his/her inability to pay the full price. The names of children eligible to receive free or reduced-price meals shall not be distributed, published, posted, distributed or announced in any manner, and there shall be no overt identification of any such children by use of special tokens, tickets, identification numbers or any other means. Further assurance is given that children eligible for free or reduced-price meals shall not be required to:
 - 1. Work for their meals;
 - 2. Use separate dining room areas;

3. Go through a separate serving line;
 4. Enter the dining room through a separate entrance;
 5. Eat meals at a different time;
 6. Eat a meal different from the one sold to children paying the full price.
- F. Operate the School Nutrition Programs so that no child shall be discriminated against on the basis of race, color, national origin, sex, age, or disability, nor are students separated during the meal service based on gender or other protected criterion.
- G. Authorize the School Nutrition Administrator to serve as the Determining Official for the LEA; the Determining Official shall determine student's meal eligibility status based on the 2019 - 2020 eligibility guidelines or participation in the CEP. This official agrees that information on the application will be used to determine the child's eligibility for only those benefits designated by the parent/guardian. The determining official is also authorized to make decisions about extending school meal benefits to students residing in households where other students are directly certified for free meals and who are subsequently eligible to receive them based on USDA guidance. The determining official is also responsible for collecting, analyzing and reporting data to support the LEA's /SFA's Identified Student Percentage (ISP) should the district elect to participate in the CEP. (Note: the Determining Official may not serve as the Hearing Official. See Item L.) LEAs are responsible for assuring that the certification and verification processes meet all regulatory requirements and polices including the calculation of income frequencies.
- H. Develop and make available to each child's parent or guardian, a letter as outlined herein, including a household application for free or reduced-price meals, at the beginning of each school year. Parents will be responsible for completing a household application and returning it to the school or Board of Education for review. Such applications and documentation of action taken will be maintained for three (3) years after the end of the school year to which they pertain. Applications are effective for one year. Any parent enrolling a child in a school for the first time, at any time during the year, shall be provided an application for meal benefits. If a child transfers from one school to another under the jurisdiction of the LEA, his eligibility for free or reduced-price meals will be transferred to, and honored by, the receiving school. Parents or guardians will be notified, within 10 working days, of the acceptance or denial of their applications. Children will be served meals immediately upon the submission of a complete application; children whose applications are approved for free meal benefits shall not incur charges during the application processing period.

Household applications will not be provided to nor requested from families whose children enrolled in schools participating in the CEP unless there are students in the household that are enrolled in non-CEP schools. Students enrolled in CEP schools will be eligible for breakfast, lunch and snacks at no cost to the student beginning on the first day of school and continuing for the duration of the school year.

Use data from the State Agency's Direct Certification Technology System to issue meal benefits to students who are directly certified for free meals and to notify the students' households of free meal benefits and allow the household the opportunity to decline free meal benefits should they choose to do so.

Public Law 111-296 allows certification of a foster child for free meals, without application, if the LEA or other School Nutrition Program institution obtains documentation from an appropriate State or local agency indicating the status of the child as a foster child whose care and placement is the responsibility of the State or that the foster child has been placed with a caretaker household by a court. The foster child is categorically eligible and may be certified for meal benefits without an application. Households with foster and non-foster children may choose to include the foster child as a household member, as well as any personal income earned by the foster child, on the same household application that includes their non-foster children; this will streamline the application process and may help the foster family's non-foster children qualify for free or reduced-price meals based on household size and income.

In processing the application, the LEA would certify the foster child for free meals, and then make an eligibility determination for the remainder of the household based on the household's income (including personal income earned by the foster child) or other categorical eligibility information reported on the application. Foster payments received by the family from the placing agency are not considered income and do not need to be reported. The presence of a foster child in the household does not convey eligibility for free meals to all children in the household in the same manner as Food and Nutrition Services (FNS), Work First Cash Assistance (formerly Temporary Assistance for Needy Families or TANF), Food Distribution Program.

When an application is denied, parents or guardians will be provided written notification which shall include the following:

1. the reason for the denial of benefits, (for example: income in excess of allowable limits or incomplete application);
 2. notification of the right to appeal the denial of benefits;
 3. specific instructions on how to appeal; and
 4. a statement reminding parents that they may reapply for free and reduced-price meal benefits at any time during the school year. (Note: The reasons for ineligibility shall be properly documented and retained on file at the SFA level.)
- I. Select and verify by November 15 the eligibility of a sample of the approved free and reduced-price applications on file as of October 1. The SFA further agrees to maintain the following records relative to verification for a period of three (3) years after the end of the fiscal year:
1. total number of applications on file as of October 1;
 2. documentation of the sample selection; and
 3. a summary of all verification activities and outcomes.
- J. Conduct a second review or independent review of all applications to ensure the applications are complete and benefits are accurately issued. This includes applications that were initially determined to be ineligible for free and reduced-price benefits (i.e. denied by the initial reviewer).

K. Designate individuals within the LEA who are authorized to serve as liaisons in the following areas:

- Migrant Liaison;
- Homeless/Runaway Liaison;
- Head Start Liaison;
- Even Start Liaison; and
- Foster Child Liaison.

These liaisons will be authorized to provide official, accurate information to the LEA's determining official for the purpose of determining the categorical eligibility for students who meet pre-established criteria and for using this information as part of the formula to determine the LEA's Identified Student Percentage for the CEP.

L. Designate a Hearing Official to establish and use a fair hearing procedure under which:

1. a household can appeal a decision made on the original application;
2. a household can appeal an adverse action made because of verification of an application; and
3. the SFA can challenge the continued eligibility of any child. During the appeal and hearing, the child who was determined to be eligible based on the application submitted will continue to receive free or reduced-price meals or free milk.

The Hearing Official must be someone not involved in the original eligibility determination. It is suggested that the Hearing Official hold a position at a higher administrative level than that of the Determining Official.

HEARING PROCEDURE

Prior to initiating the hearing procedure, the school official, the parent(s) or the guardian may request a conference to provide an opportunity for the parent(s)/guardian(s) and school official(s) to discuss the situation, present information, obtain an explanation of data submitted in the application and the decisions rendered. Such a conference shall not in any way prejudice nor diminish the right to a fair hearing.

The designated hearing official shall ensure that the hearing procedure provides the following for both the household and the LEA:

1. A publicly-announced, simple method for making an oral or written request for a hearing;
2. An opportunity to be assisted or represented by an attorney or other person;
3. An opportunity to examine, prior to and during the hearing, the documents and records presented to support the decision under appeal;
4. Reasonable promptness and convenience in scheduling a hearing, and adequate notice as to its time and place;

5. An opportunity to present oral or documentary evidence and arguments supporting a position without undue interference;
 6. An opportunity to question or refute any testimony or other evidence and to confront and cross examine any adverse witness(s);
 7. A fair hearing that will be conducted and a subsequent decision made by an official who did not participate in the original decision under appeal (or any previous conference);
 8. A fair and impartial decision made by the hearing official that will be based on the oral and documentary evidence presented at the hearing and entered into the hearing record;
 9. Written notification of the decision to all parties concerned and any designated representative thereof;
 10. A written record, including the decision under appeal, any documentary evidence and a summary of any oral testimony presented at the hearing, the decision of the hearing official and the reasons therefore, and a copy of the notification to the parties concerned of the hearing official's decision; and,
 11. Retention of such written record must be retained for a period of three (3) years after the close of the school year to which it pertains; these records must be made available for examination by the parties concerned or their designees at any reasonable time and place during such period.
- M. Submit a public/press release annually to notify the public of the process for applying for free and reduced-price meal benefits. At such time during the course of the year the LEA is informed of major employers contemplating or experiencing large layoffs, or other conditions that would result in loss of income to households, the LEA will provide specific information about applying for free or reduced-price school meal benefits to employees whose children may be enrolled in the LEA. In addition, the LEA agrees to provide such a public release whenever there is a change in eligibility criteria, unless specifically exempted from doing so. The public release must inform the household to contact the school or LEA if any student was not listed on the application.
- N. For non-CEP schools, establish written procedure(s) to collect money from children who pay for their meals and milk and to account for the number of free, reduced-price, and full price and alternate meals served. The procedure described will be used so that no other child in the school will be aware of such procedure or the identity of the children receiving free or reduced-price meals or free milk. For schools participating in the CEP, establish a written procedure to count all reimbursable breakfasts, lunches, and snacks served to students at no cost. The procedure shall ensure all students enrolled in CEP schools receive meals at no cost and that only one meal or snack is claimed per student.
- O. Submit to the North Carolina Department of Public Instruction, School Nutrition Services, 6324 Mail Service Center, Raleigh, NC 27699-6324, any revisions to the administrative procedures outlined in this policy statement before implementation. Such changes will be effective only upon approval by the department. All changes in eligibility criteria must be publicly announced in the same manner used at the beginning of the school year.

**State Board of Education
 North Carolina Department of Public Instruction
 Agreement to Administer the
 Federally-assisted School Nutrition Program(s)
 For Local Education Agencies (LEAs)
 School Year 2019 – 2020
 Signature Page**

My signature below indicates that I understand and agree to all the terms and conditions contained in the 2019 – 2020 Agreement and Free and Reduced-price Policy Statement to operate the Federally-assisted School Nutrition Program(s) and will ensure all school personnel abide with the provisions set forth in the Agreement and Policy Statement.

_____ [Name of LEA/SFA] _____ [LEA/SFA Agr #]

On behalf of the Local Education Agency and School Food Authority:

Superintendent:

_____ [Print] _____ [Signature] _____ [Date]

School Nutrition Program Administrator:

_____ [Print] _____ [Signature] _____ [Date]

Finance Officer:

_____ [Print] _____ [Signature] _____ [Date]

On behalf of the North Carolina Department of Public Instruction / State Board of Education:

Director, School Nutrition and District Operations:

Dr. Lynn Harvey, RDN, LDN, FAND, SNS _____ [Signature] _____ [Date]
 [Print]

NOTE: This signature page must be provided in addition to the automated renewal of the application between the Local Education Agency (LEA), the School Food Authority (SFA) and the North Carolina State Board of Education, Department of Public Instruction, to administer the Federally-assisted School Nutrition Program(s). After completing the automated application, and carefully reading the Agreement and the Policy Statement, please **sign three copies of this document each in blue ink and return by June 5, 2019 to:**

**North Carolina Department of Public Instruction
 School Nutrition Services Section
 6324 Mail Service Center
 Raleigh, NC 27699-6324
 Attn: Jacquelyn McGowan**

Local Wellness Policy Responsibility Document

According to 7 CFR 210, each local education agency (LEA) participating in the School Nutrition Program(s) must:

- Develop a Local Wellness Policy (LWP) which includes, at a minimum, goals for nutrition education, nutrition promotion, physical activity and other school-based activities to promote student wellness; nutrition guidelines for all foods available on campus during the school day consistent with Federal regulations for school meal nutrition standards and the Smart Snacks in School nutrition standards designed to promote student health and reduce childhood obesity, and policies for food and beverage marketing that restrict marketing and advertising to only those foods and beverages that meet Federal regulations for school meals nutrition standards and Smart Snacks in Schools nutrition standards;
- **Involve a broad group of stakeholders – including but not limited to** parents, students, school food authority representatives, physical education teachers, school health professionals, the school board, school administrators, and the public - in the development, implementation, periodic review and at a minimum, a triennial assessment (includes the extent to which schools are in compliance with the LWP, the extent to which the LWP compares to model wellness policy, and describes progress made in attaining goals of the LWP) of the Local Wellness Policy;
- Inform and update stakeholders and the public (including parents, students, school administrators and staff, and the community) about the content and implementation of the Local Wellness Policy;
- Develop a plan for measuring implementation of the Local Wellness Policy, including designation of an LEA official to maintain responsibility for Local Wellness Policy implementation, compliance and reporting to the public;
- Designate one or more local education agency official(s) who has oversight of the ten components of Coordinated School Health with operational responsibility for ensuring that each school within the LEA complies with the Local Wellness Policy.

In North Carolina, LEAs are required to submit a copy of the current Local Wellness Policy to the NCDPI and submit any modifications to the policy to NCDPI once adopted by the local board of education. LEAs must submit an annual written report indicating the LEA's progress towards achieving the goals as stated in the Healthy Active Children Policy and the Local Wellness Policy and conduct at least a triennial assessment to evaluate the extent to which schools are in compliance with the Local Wellness Policy, how the Local Wellness Policy compares to statutory requirements and the LEA's progress made in attaining the goals of the Local Wellness Policy and make the evaluation results available to the public.

[INSERT DISTRICT/SCHOOL LETTERHEAD]

[Insert Date]

TO: Dr. Lynn Harvey, RDN, LDN, FAND, SNS
Director, School Nutrition and District Operations

FROM: [Insert SFA Administrator Name]
[Insert Title]

RE: Attestation of Compliance with Meal Pattern Requirements

I, [Insert SFA Administrator], as the duly authorized representative of [Insert SFA Name], do hereby attest that the aforementioned SFA and all schools under its jurisdiction operating the National School Lunch Program authorized under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq), and/or the School Breakfast Program authorized under the Child Nutrition Act of 1966 (42 U.S.C. 1773), are in compliance with the meal pattern requirements in effect for School Year 2012 – 2013, as set forth in 7 CFR Part 210.10 and 220.23, as applicable and with the School Nutrition Programs: Meal Pattern Flexibilities for Milk, Whole Grains and Sodium Requirements effective February 11, 2019. In addition, for School Year 2019 - 2020, [Insert SFA Name] attests that:

- Documentation submitted for certification is representative of the ongoing meal service within the SFA;
- The minimum required food quantities for all meal components are available to students in every serving line;
- All labels and/or manufacturer specifications for food products and ingredients used to prepare school meals indicate zero grams of trans fat per serving;
- The breakfast requirements set forth in 7 CFR 220.8(b) will be met (applicable only if SFA serves breakfast);
- Target 1 of sodium restrictions will be met and at least half of the weekly grains in the school lunch and breakfast menu will be whole grain-rich;

- All Pre-K meals are compliant with the pre-k meal patterns set forth in 7 CFR 210.10(p) and 7 CFR 210.10(q) as applicable, using the flexibilities available under 7 CFR 210.18(1)(2) and 226.14(b).

I certify that this attestation is true and correct, and therefore, I believe [Insert SFA Name] is eligible for the performance-based reimbursement.

I understand that if the State Agency determines the SFA to be noncompliant with one or more of the requirements set forth in this attestation statement, fiscal action will include, deactivating the performance-based reimbursement, disallowance of meals, and/or withholding of payment. In addition, I understand that an attestation of compliance must be submitted annually to the State Agency prior to July 1 of each year through the School Year beginning July 1, 2014, to attest full compliance with the subsequent year meal pattern requirements.

School Food Authority

State Agency

Submitted By

Received by

(Signature)

(Signature)

School Nutrition Program Administrator
Title

Director, School Nutrition and District Operations
Title

Date

Date

Smart Snacks Options Declaration Form* (2019 – 2020)

School Food Authority (SFA): _____ SFA #: _____
Print Name of SFA

Please choose from one of the five options described below and place an X on the corresponding line.

_____ **Option 1:** The LEA may extend the existing SBE Policy from 12:01 AM through 30 minutes after the dismissal bell rings (which prohibits the sale of foods and beverages to students in competition with the school nutrition program until 30 minutes after the dismissal bell rings.)

_____ **Option 2:** The LEA may turn all vending sales, their profits and the responsibility to sell products that meet the Smart Snacks nutrition standards over to the school nutrition department to ensure all foods and beverages sold on campus are sold only through the school nutrition program and comply with the Smart Snacks nutrition standards. Foods and beverages that meet the Smart Snacks requirements would be available through vending machines to students throughout the instructional day in locations to be determined by the LEA. Under this option, school nutrition personnel would be responsible for compliance with Federal regulations and for providing required documentation during a review.

_____ **Option 3:** The LEA may purchase foods and beverages that meet the “Smart Snacks” standards from the school nutrition department; simultaneously, the LEA may also purchase the expertise and administrative services of the school nutrition department to determine which products meet the standards. The LEA may also purchase the services of the school nutrition department to maintain all required documentation (including but not limited to procurement specifications, bid awards, contracts, nutrition facts labels, allergen labels and ingredient lists) indicating all foods and beverages sold to students on in any location on the school campus including vending machines, school stores and other sales venues outside the school nutrition department meet the Smart Snacks nutrition standards. Under this option, School Nutrition Personnel will provide documentation to the LEA for use during an Administrative Review or Audit. The LEA will ultimately be responsible for demonstrating compliance with the Smart Snacks Rule. Consistent with SBE policy, under this option, foods and beverages may not be sold in competition with the school nutrition program from 12:01 AM until after the cafeteria closes for the day.

_____ **Option 4:** The LEA will be responsible for purchasing all items to be sold to students outside the school nutrition program and will be responsible for determining whether the products sold in school-owned vending machines, school stores, and other venues anywhere on the school campus comply with the Smart Snacks nutrition standards. LEA personnel will be responsible and accountable for obtaining and maintaining documentation for all purchases (including but not limited procurement specifications, bid awards, contracts, nutrition facts labels, allergen labels and ingredient lists) for each school within the LEA. Under this option, LEA personnel outside the school nutrition program will be responsible for compliance during an Administrative Review or audit. Consistent with SBE policy, under this option, foods and beverages may not be sold in competition with the school nutrition program from 12:01 AM until after the cafeteria closes for the day.

_____ **Option 5: *Combination of Options** – Please note prior approval of the SA is required if the LEA chooses a combination of options. Submit documentation to the School Nutrition Division describing, in detail, the reason more than one option is necessary.

My signature below indicates that I understand the option chosen for the LEA and I agree to inform school personnel of the option and of their responsibilities to comply with the option.

Superintendent:

_____ [Print] _____ [Signature] _____ [Date]

**Agreement amendment
between the
State Board of Education, North Carolina Department of Public Instruction - and the**

(print name of LEA)

**to operate the
Community Eligibility Provision**

This Agreement amendment is between the North Carolina Department of Public Instruction/State Board of Education, hereinafter referred to as the “State Agency” (SA), and the Local Education Agency/School Food Authority (LEA/SFA) and covers the period from **July 1, 2019 to June 30, 2020**. The undersigned has the authority to enter this Agreement to participate in the Community Eligibility Provision (CEP) hereinafter referred to as the “CEP,” as authorized by Section 11(a)(1) of the Richard B. Russell National School Lunch Act (NSLA) (42 U.S.C. 1759a(a)(1)) to provide an alternative to household applications for free and reduced-price meals in SFAs and schools in high poverty areas. The SFA and/or participating school(s) may cease participation in the CEP during the four-year cycle by notifying the State agency no later than June 30th of the school year prior to the year in which they want to return to traditional meal counting and claiming procedures.

A. It is mutually agreed between the State Agency and the SFA that:

1. The SFA agrees to serve all children in the participating school(s) breakfast and lunch at no cost for four (4) successive school years.
2. The SFA must have a percentage of enrolled students who were Identified Students as per the SFA Verification Summary Report or as of April 1st of the year prior to participating in CEP that is greater than or equal to 40%.
3. The LEA agrees to pay, from sources other than Federal funds, the costs of serving breakfast and lunches that are in excess of the Federal assistance received, including Federal cash reimbursement.
4. The SFA agrees not to collect free and reduced-price meal applications that will be used for meal price determination from households in participating schools in subsequent years during the period of participation in CEP.
5. The SFA agrees to maintain a total count of breakfasts and lunches served at the point of service daily by school site.
6. The LEA agrees to abide by all requirements for applying and administering the CEP as stated in Section 104(a) of the Healthy, Hunger Free Kids Act of 2010 amended section 11(a)(1) of the Richard B. Russell National School Lunch Act (NSLA) (42 U.S.C. 1759a(a)(1)) and subsequent policy and guidance issued by the US Department of Agriculture.
7. The SFA agrees to follow all guidelines from the *Eligibility Manual for School Meals: Federal Policy for Determining and Verifying Eligibility*, as published by the Food and Nutrition Service, US Department of Agriculture (2017) or most current guidance.
8. The SFA agrees to submit claims for reimbursement before the tenth of each month.

B. General Conditions

1. This Agreement amendment is non-transferable.
2. Neither the SA nor the LEA has an obligation to renew this Agreement amendment.
3. This Agreement amendment is contingent upon the availability of funds.

Signatures

On behalf of the NC Department of Public Instruction:

Dr. Lynn Harvey, RDN, LDN, FAND, SNS

Print Name of Director, School Nutrition and District Operations

Signature

Date

On behalf of the LEA:

Print Name of Superintendent

Signature

Date

Print Name of School Nutrition Administrator

Signature

Date

This Agreement amendment does not constitute the entire Agreement between the parties with respect to subject matter thereof.

