



## PROVISION 2 PROGRAM PACKET

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SY 2017 - 2018

PLEASE READ CAREFULLY!

New Mexico Public Education Department  
Coordinated School Health and Wellness Bureau  
120 S. Federal Pl, Suite 207  
Santa Fe, NM 87501

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## PROVISION 2 GENERAL GUIDANCE

A school participating in Provision 2 must serve National School Lunch Program (NSLP) and/or School Breakfast Program (SBP) meals to all participating children at no charge for up to four consecutive years. During the first year of Provision 2, known as the **base year**, the school serves all children meals at no charge regardless of the children's free, reduced price, or paid eligibility category, but otherwise, the school operates the meal programs under standard procedures.

The School Food Authority (SFA) must have written approval from New Mexico Public Education Department (NMPED) Coordinated School Health and Wellness Bureau (CSHWB) prior to beginning Provision 2. There is no requirement that a minimum percentage of children enrolled be eligible for free or reduced price meals. However, the school must be prepared to pay the difference between federal reimbursement and the cost of providing all meals at no charge, from sources other than federal funds, such as the general fund.

The SFA must comply with the following:

- Notify the public as to the availability of school meals and distribute household applications to families applying for free or reduced price meals (public notification must announce meals at no charge).
- Determine meal eligibility (free or reduced price) and ensure that applications from Provision 2 schools have an equal chance of being selected for Verification.
- Count meals at the point of service (or approved alternate) and claim those meals according to the eligibility status of the children served.
- Calculate claiming percentages monthly or annually for use in non-base years.
- Retain all base year records for the entire period that the school operates under Provision 2 (base year plus all extensions), plus 5 years, or longer if there are audit findings and until resolution of the findings.

**The SFA must inform the NMPED CSHWB of the planned activity in writing.** In addition, extensions or new base years require the written approval of NMPED CSHWB prior to conducting these activities.

During the base year or after an extension has been granted, a review of the food service operation by the NMPED CSHWB will be conducted to document and ensure 100% accuracy of the current methods being used by the district to determine free, reduced price, and paid categories. Counting and claiming procedures used to report claims for reimbursement will also be reviewed.

If the SFA elects not to operate under Provision 2 in every school within the district in the initial start-up year, the SFA will need to follow the same guidelines in additional years as schools are added to the program. Additional sites may be added in the years following the established base year, but all sites will end at the same time as the initial year.

For example: There are 15 sites starting a new base year in 2014-2015. The 4-year cycle will be completed in 2017-2018; 3 additional sites begin Provision 2 in the 2015-2016 school year, making their completed cycle 2018-2019, but these sites must end Provision 2 in 2017-2018, one year short of completing the 4-year cycle. This way all Provision 2 sites within the district will be on the same ending schedule. (In 2017-2018 a determination must be made to: 1) request an extension for

all 18 sites, 2) start a new base year for all 18 sites, or 3) revert to standard meal counting and claiming procedures.)

Included with this packet is the ***Policy Statement for Free and Reduced Price Meals Provision 2 Addendum*** (this must be completed for any & all new Provision 2 sites, new Base Year requests, and extension requests), the ***Assurance Agreement***, the ***Provision 2 Site Information Sheet*** (which is a list of site specific information for those sites that will be on the program), ***Public Release prototype*** to notify the public, and a ***Household Notification Letter prototype*** to send to households. A copy of the Public Release and a Notification Letter must be submitted to NMPED, along with all other required documentation.

Please complete all required documentation (addendum, assurance agreement, site form, media release, and notification letter) and submit them to NMPED CSHWB by **June 30, 2017**. All documentation will be required when requesting approval for any of the Provision 2 program options.

Contact Felix Griego in the Coordinated School Health and Wellness Bureau if you have any questions at (505) 827-1822 or [felix.griego@state.nm.us](mailto:felix.griego@state.nm.us).

## **Policy Statement for Free and Reduced Price Meals Provision 2 Addendum**

The \_\_\_\_\_ School Food Authority (SFA) agrees to participate in the National School Lunch Program and/or School Breakfast Program and accepts responsibility for schools under its jurisdiction that agree to provide all children meals at no charge while following requirements for operating the Provision 2 Special Assistance Certification and Reimbursement Alternative set forth in 7 CFR 245.

The School Food Authority assures the New Mexico Public Education Department Coordinated School Health and Wellness Bureau that the school district has reviewed *USDA's Provision 2 Guidance; National School Lunch and School Breakfast Programs* and will uniformly implement the following policy in fulfilling its responsibilities. The SFA certifies that each of the schools listed meets the requirements for participation in Provision 2, as set forth in 7 CFR 245.9 (b) and (c).

### **Base Year**

The Provision 2 Base Year must begin at the start of the school year. Applications must be distributed for that Base Year period.

Free and Reduced Price Meal applications are distributed, and eligibility determinations are made using the standard procedures, including the required Provision 2 public announcement that is published before beginning the Base Year. Notice should be given that meals are to be served at no charge to students.

Offer reimbursable breakfast and/or lunches at no charge to all students regardless of the children's eligibility status.

Notify the public of the availability of school meals.

Count meals at the point of service and claim those meals according to the eligibility status of the students served.

Retain Base Year records for the entire period that the school operates under Provision 2, plus five years longer or longer for the NMPED fiscal audit and until resolution of the findings.

Verification of applications is conducted and documented in accordance with normal application procedures in the Base Year only. The SFA is not required to conduct additional verification efforts for these schools in non-base years.

The percentage of the total meals is calculated **monthly** or **annually** for each category (paid, reduced price, and free) by program (lunch and breakfast), and by school. This information must be provided to the New Mexico Public Education Department Coordinated School Health and Wellness Bureau for approval prior to **June 30<sup>th</sup> of the Base Year**. This data will serve as the basis for the SFAs reimbursement claims in years 2, 3, and 4 of Provision 2.

If the reimbursement received by the SFA is not sufficient to cover total nonprofit school food service program costs, **non-federal funds must be used to pay the difference**.

During the Base Year or after an extension has been granted, a review of the food service operation by the New Mexico Public Education Department Coordinated School Health and Wellness Bureau will be conducted to document and ensure 100% accuracy of the current methods being used by the SFA to determine free, reduced price, and paid categories. Counting and claiming procedures used to report claims for reimbursement will also be reviewed.

## **Non-Base Years**

At the beginning of each non-base year school year, the Provision 2 public announcement is made stating that all meals will be provided at no charge to all students regardless of economic status.

No distribution of applications and eligibility determinations or verification of applications is conducted. Any responsibilities assigned to the food service department to conduct any type of free or reduced price eligibility determinations or any other type of means tested determinations would be an improper use of school food service account funds.

Officials count and record only total meals served to children each day and apply the monthly percentages developed during the Base Year to the total number of children's meals for the corresponding month in the non-base year to determine the counts by type for the reimbursement claim. SFAs must claim PK-5 students according to the CSHWB procedures for breakfast.

The opening of a new school or any change to the grade structure of an existing school could cause the school district to be required to reestablish Base Year data for those affected schools by redistribution of free and reduced price applications to all students at those schools and the submission of new claiming percentages for those schools to NMPED for approval. **Notification of any change to district structure must be made in writing to NMPED before the start of the school year.**

If the SFA elects not to operate under Provision 2 in every school within the SFA in the initial startup year, the SFA will need to follow the same guidelines in additional years as schools are added. Additional sites may be added in the years following the established base year, but all sites will end at the same time as the initial year.

## **Recordkeeping**

The school district shall retain specified base year records for the entire period that the school operates under Provision 2 (base year plus all extensions), plus five years, or longer if there are audit findings and until resolution of the findings, as per 7 CFR 210.15(b), 220.7(e), 245.9(g) and 1 CCR 2254-R-8.00.

Base Year records include:

- All approved and denied free and reduced price meal applications
- Direct Certification data
- Categorically eligible student data lists
- Changes in eligibility status as a result of Verification and other reasons
- Daily meal counts, by type
- Calculation of claiming percentages
- Attendance areas of each school participating in Provision 2
- The socioeconomic data that will be used as the base year data if an extension is granted
- Any extension authorization from CDE OSN
- Verification records
- Claims for reimbursement

Non-base year records must be retained for five years after submission of the final claim for reimbursement for the fiscal year to which they pertain, or longer if there are audit findings and until resolution of the findings.

Non-base year records for Provision 2 include:

- Total daily meal counts of reimbursable meals
- Edit check and on-site review documentation
- Reimbursement claims

**Renewal or Extension**

At the end of the 4-year cycle, NMPED will contact the SFA, and schools may opt to revert to standard meal counting and claiming procedures, create a new base year in the next school year, or apply for an extension. Regardless of the option chosen, the SFA must inform NMPED in writing of the planned activity at the end of the Provision 2 cycle and no later than **June 30, 2017**.

NMPED may approve 4-year extensions if the income level of the school’s population, as adjusted for inflation, has remained stable, declined, or had only negligible improvement, when comparing the originally approved Base Year data and comparable current data for the year in which the extension is requested. The type of data used for comparison must be the same for the Base Year and for the last year of the current cycle.

**Provision 2 Site Information Sheet:** Included with this policy statement is the name of the school, programs in operation under Provision 2, initial year and month of implementation, years the cycle is expected to remain in effect, year Provision 2 must be reconsidered, and socioeconomic data used to support any extension.

**Revisions to Policies** - Submit to the New Mexico Public Education Department Coordinated School Health and Wellness Bureau any revisions to the administrative procedures outlined above **before** implementation. Such changes will be effective only upon approval. All changes in eligibility criteria must be publicly announced in the same manner as announced at the beginning of the school year.

\_\_\_\_\_  
School Food Authority Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
NMPED CSHWB Director Signature

\_\_\_\_\_  
Date

**SY 2017-2018 ASSURANCE REGARDING**

**IMPLEMENTATION OF PROVISION 2**

<b>District</b> _____	<b>District STARS ID Number</b> _____
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*National School Lunch Program and School Breakfast Program: Alternatives to Standard Application and Meal Counting Procedures* amends the eligibility regulations for free and reduced price meals under the National School Lunch Program (NSLP) and School Breakfast Program (SBP) with an alternative to the standard requirements for the annual determinations of eligibility for free and reduced price school meals and daily meal counts by type titled Provision 2.

The School Food Authority (SFA) may implement this provision for any school and for breakfast, lunch, or both. If the SFA chooses to implement this provision, the schools selected must serve free lunches and/or breakfasts to all students and cover with non-federal funds any costs of providing free meals to all students that exceed the federal reimbursement. Applications are distributed and eligibility status is determined during the first year only. This is considered the base year. Annual or monthly claiming percentages by type are derived from the base year and used in the subsequent three years.

The food service director (#1), free and reduced determining official (#2), and claim preparer (#3) employed by the above named district/agency procedures (each staff person, please initial each statement):

#1 #2 #3

\_\_\_ \_\_\_ \_\_\_ I have read the above information regarding Provision 2 and understand all content.

\_\_\_ \_\_\_ \_\_\_ The SFA agrees to serve all children in the participating schools(s) free breakfasts and/or free lunches for four successive school years.

\_\_\_ \_\_\_ \_\_\_ During the base year the SFA will take daily meal counts of reimbursable student meals by type and submit this information to the state agency for non-base year reimbursement. Claiming percentages are established independently for both the lunch and breakfast programs.

\_\_\_ \_\_\_ \_\_\_ All affected households will receive prior notification that the SFA is operating Provision 2.

\_\_\_ \_\_\_ \_\_\_ The SFA agrees to pay with funds from non-federal sources the difference between the cost of serving lunches and breakfasts at no charge to all participating children and federal reimbursement.

\_\_\_ \_\_\_ \_\_\_ During non-base years, participating Provision 2 schools must take total daily meal counts and apply the base year monthly or annual claiming percentages for reimbursement.

\_\_\_ \_\_\_ \_\_\_ The SFA will update their policy statement to reflect participation in Provision 2.



- \_\_\_ \_\_\_ \_\_\_ The verification sample will not include any applications from any school participating in Provision 2.
- \_\_\_ \_\_\_ \_\_\_ The SFA will not distribute applications during years 2-4, and LEAs must complete the Family Economic Data Survey with resources outside of the school foodservice authority.
- \_\_\_ \_\_\_ \_\_\_ Direct certification for all students will be completed once per year, each October.
- \_\_\_ \_\_\_ \_\_\_ The SFA must submit to the state office available and approved socioeconomic data to extend Provision 2 past the 4-year cycle.
- \_\_\_ \_\_\_ \_\_\_ The SFA must follow the guidance provided by CSHWB for counting and claiming reduced students in grades PK-5 for lunch in non-base years.

*By signing below I agree that the above requirements are being followed, and I confirm that the SFA listed above will be implementing this provision.*

	Food Service Director	Determining Official (If same as the Food Service Director, enter "same.")	Claim Preparer (If same as the Food Service Director or Determining Official, enter "same.")
Print Name:			
Signature:			
Date:			
<b>NMPED Internal Use Only</b>			
NMPED Staff Print Name:	Michael Chavez,	CSHWB Director	
Signature:			
Date Approved:			

**[Insert School District Letterhead]**

**LETTER TO HOUSEHOLDS  
SY 2017-18  
Provision 2 – Universal Breakfast Only**

Dear Parent/Guardian:

**(Name of School)** is participating in a Universal Breakfast Program for the current school year **(School Year)**. If your children attend **(Name of School)**, breakfast will be available to them at no charge. All students enrolled at this school may participate in the breakfast program at no charge to them.

Studies have shown that children who eat breakfast perform better in school. By providing breakfast to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfast that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Breakfast Program cannot succeed without your support; please encourage your children to participate in the school breakfast.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

**(Name and Title)**

**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, religious creed, disability, age, political beliefs, 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](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](mailto:program.intake@usda.gov)*

*This institution is an equal opportunity provider.*

**[Insert School District Letterhead]**

**LETTER TO HOUSEHOLDS  
SY 2017-18  
Provision 2 – Universal Lunch Only**

Dear Parent/Guardian:

**(Name of School)** is participating in a Universal Lunch Program for the current school year (**School Year**). If your children attend (Name of School), lunch will be available to them at no charge. All students enrolled at this school may participate in the lunch program at no charge to them.

Studies have shown that children who are not hungry perform better in school. By providing lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school lunch that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Lunch Program cannot succeed without your support; please encourage your children to participate in the school lunch program.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

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*(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](mailto:program.intake@usda.gov)*

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**[Insert School District Letterhead]**

**LETTER TO HOUSEHOLDS  
SY 2017-18**

**Provision 2 – Universal Breakfast and Lunch**

Dear Parent/Guardian:

**(Name of School)** is participating in a Universal Lunch and School Breakfast Program for the current school year **(School Year)**. If your children attend (Name of School), breakfast and lunch will be available to them at no charge. All students enrolled at this school may participate in the breakfast and lunch program at no charge to them.

Studies have shown that children who are not hungry perform better in school. By providing lunch to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfasts and lunches that we serve follow U.S. Department of Agriculture guidelines for healthy school meals. The School Breakfast and Lunch Programs cannot succeed without your support; please encourage your children to participate in the school meal programs.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

If you have any questions about the program please feel free to contact us at (phone #).

Sincerely,

**(Name and Title)**

**Non-discrimination Statement:**

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*(3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov)*

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**[Insert School District Letterhead]**

**2017-2018 School Year  
PUBLIC RELEASE**

**(Name of School/Schools)** is participating in a Universal Breakfast and/or Program for the current school year (**School Year**). If your children attend any of the schools listed, breakfast will be available to them at no charge. All students enrolled at this school may participate in the breakfast program at no charge to them.

Studies have shown that children who eat breakfast perform better in school. By providing breakfast to all children at no charge, we are hoping to create a better learning environment for our students.

The school breakfast that we serve follows U.S. Department of Agriculture guidelines for healthy school meals. The Universal Breakfast and/or Lunch Program cannot succeed without your support; please encourage your children to participate in the school breakfast program.

Applications will be distributed this year and will be used to determine eligibility for free and reduced price percentages to be used in non-base years of the program. Meals will be served to all students at no charge regardless of the eligibility status.

**Non-discrimination Statement:**

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*(3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov)*

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Provision 2 Site Information Sheet

School Name	Program (SBP and/or NSLP)	Implementation Date (mo/yr)	Years the Cycle is Expected to Remain in Effect	Year the Provision Must be Reconsidered (Implementation Date + 3 years)	Socioeconomic Data that will be Used to Support any Extension (see section titled "Extension")	Description of Point-of-Service System for Base Year and Years 2-4

Provision 2 Site Information Sheet – **Sample**

School Name	Program (SBP and/or NSLP)	Implementation Date (mo/yr)	Years the Cycle is Expected to Remain in Effect	Year the Provision Must be Reconsidered (Implementation Date + 3 years)	Socioeconomic Data that will be Used to Support any Extension (see section titled "Extension")	Description of Point-of-Service System for Base Year and Years 2-4
North Elementary School	SBP and NSLP	August 2016	4 Years	June 2020	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #'s entered) or hand-held counts
East Middle School	SBP and NSLP	August 2016	4 Years	June 2020	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #'s entered) or hand-held counts
West High School	SBP and NSLP	August 2016	4 Years	June 2020	Free/Reduced Meal Applications plus Direct Certification	Base: computerized POS where students enter #'s Subseq: computerized POS (no students #'s entered) or hand-held counts