



This information is to keep you informed of any changes in policies and procedures and of new communication originating from the State Office this month.

## February 15, 2019 CE Edition

### Attachments with this issue:

[USDA Summer Meals Newsletter - February](#)

**Many Thanks** to those who attended TDA's **Community Nutrition Conference** earlier this week! We hope the education sessions and peer-to-peer experiences provided you with the knowledge and confidence to be even more successful!

In upcoming issues of the **In The Loop** newsletter we will be sharing some of the unique, innovative and useful ideas and practices that were collected from CEs at the conference. We hope this new avenue to connect CEs with one another will provide useful tools to incorporate as you endeavor to improve and streamline operations.



## TX-UNPS Updates



### **Maximum Approvable Average Daily Participation (ADP)**

Returning Summer Food Service Program (SFSP) Contracting Entities (CEs) have been notified by email of the maximum approvable Average Daily Participation (ADP) by site and meal type that TDA can approve for SFSP 2019.

The maximum approvable ADP determination was calculated by adding 20% to the highest amount claimed by site and per meal type during SFSP 2018. This will be the maximum approvable ADP for the site by meal type for SFSP 2019. This does not mean a CE must utilize the number, however site applications submitted with an ADP greater than the maximum approvable ADP will be returned. TDA may not approve ADPs greater than the ADP listed. Returned applications may be resubmitted and will

start over in the queue for processing.

CEs must review all site applications prior to initial submission in TX-UNPS to ensure that each site application and meal type is no greater than the maximum approvable ADP determined by TDA.

If a CE begins operations and notices a sustained level of participation that is greater than their historical highest monthly ADP, please contact TDA to discuss necessary steps to assess the situation and if an increase in ADP may be approved. All ADP increase requests over 20% of the approved ADP will require a compliance site review as part of the approval process.

## Policy News

### ***SFSP Waiver Rescissions***

On October 11, 2018, USDA provided guidance to the States regarding the status of nationwide waivers of statutory and regulatory requirements in the Summer Food Service Program (SFSP 01-2019), Summer Food Service Program Memoranda Rescission. This guidance rescinded many longstanding, nationwide waivers that streamlined the operation of the SFSP. On December 17, 2018, the Texas Department of Agriculture (TDA) requested statewide waivers from USDA of the federal regulations related to first week site visits, time restrictions for meal service, and area eligibility for closed enrolled sites. USDA also rescinded the waiver that allowed private nonprofit organizations to use “offer versus serve” (OVS) in the SFSP. TDA did not request a statewide waiver of OVS. Therefore, OVS will only be available to School Food Authorities (SFAs) operating the SFSP.



For additional information on the Rescission of Nationwide Waivers in the Summer Food Service Program, please [click here](#) to view TDA's recently developed Question and Answer document.

### ***Determining Allowable Costs – Cost Principals***

Allowable costs must be:

- **Necessary/Reasonable**
  - SFSP reimbursements must be used only for those costs that are necessary and reasonable for accomplishing the objectives of the SFSP program.
  - A cost is considered necessary if the SFSP could not operate properly or efficiently with the item or service.
  - A cost is considered reasonable if it does not exceed that which would be incurred by a prudent person under the circumstances that existed when the decision was made to incur the cost. In determining if a cost is necessary and reasonable, CEs must consider sound business practices and regulations, established market prices and whether the cost is necessary and prudent.
- **Allocable**
  - A cost is allocable to SFSP if the goods or services involved are chargeable or assignable to SFSP in accordance with the relative benefits received.
- **Consistent**
  - A cost must be consistent with the policies and procedures that apply uniformly to both federally-financed and other activities of the CE.

All costs must be budgeted in an approved SFSP application and costs must be allowable expenditures under the SFSP program and any other applicable Federal, State, or local law and regulations or guidance.

Detailed guidance on determining allowable costs may be found in Chapter 9- Program Costs and Reimbursement of [TDA's SFSP Supplemental Handbook](#).

### ***Standards Contracts for Food Service Management Company (FSMC): TDAs SFSP Invitation for Bid and Contract***

TDA has developed a standard *Summer Food Service Program Invitation for Bid (IFB) and Contract for Purchased Meals*, referred to as the SFSP IFB and Contract that CEs must use when contracting with an FSMC for summer meals. The SFSP IFB and Contract is one document; however, it serves two purposes depending on the procurement method required. For FSMC contracts that exceed \$50,000, the document is used as the IFB and then as the binding contract between the FSMC and CE once the contract is awarded following the formal procurement process. For FSMC contracts that do not exceed \$50,000, the CE must use the SFSP IFB and Contract to award the contract using informal procurement process – the document is used only as the contract because an IFB is not required under the informal procurement process.

When applying to participate in the SFSP, all CEs must submit to TDA a summary of how meals will be obtained in the application packet in TX-UNPS. If a CE is contracting for vended meals with an FSMC, prior to the start of SFSP operations, CEs must provide TDA with a copy of the awarded contract. This document may be uploaded by the CE into TX-UNPS.

CEs should be aware that they must submit to TDA, prior to awarding a contract, the following types of bids:

- All bids in an amount that exceeds the lowest bid. CEs must include an explanation as to why the bid was chosen.
- All bids that total \$150,000 or more.
- A sole source FSMC contract

Detailed guidance on contracting with FSMCs and the SFSP IFB and Contract may be found in Chapter 6 – *Procurement and Bid Procedures* in TDA's SFSP Supplemental Handbook.

### ***Helpful Resources for Summer Feeding Programs***

- USDA provides several SFSP Handbooks on its [website](#) including the *Administrative Guide for Sponsors* (AGS)
- TDA provides additional guidance that clarifies and/or supplements policy provided by USDA in the AGS and

- Information on the Seamless Summer Option may be found in Section 12 of the [NSLP Handbook: Administrator's Reference Manual \(ARM\)](#)

Be sure to visit [SquareMeals](#) during the application process and throughout operation of the SFSP for the latest updates and information.

## Texas Farm Fresh Initiative



### *Eat Local. Teach Local. Be Social*

TDA is bringing the 2nd annual **Summer Farm Fresh Challenge** to participants of the Summer Food Service Program (SFSP) and Seamless Summer Option (SSO) statewide! The challenge will occur **June 10-21, 2019**. Pledge your participation in the Summer Farm Fresh Challenge by May 24th to receive supportive materials such as buttons and stickers. The Summer Farm Fresh Challenge encourages summer meal programs to serve more local foods, teach children about the importance of Texas agriculture, and share this message with families and community members.

SFSP and SSO contracting entities (CEs) interested in participating in this exciting challenge can register at [Squaremeals.org/FarmFreshChallengeSFSP](http://Squaremeals.org/FarmFreshChallengeSFSP).

Connect with your partners at TDA today at [FarmFresh@TexasAgriculture.gov](mailto:FarmFresh@TexasAgriculture.gov).

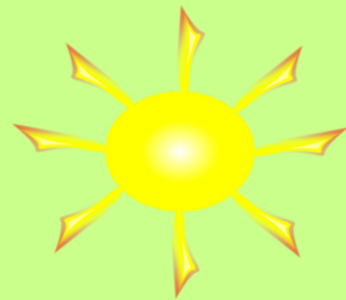
### **Stay Connected — Subscribe to TDA's Farm Fresh E-Harvest Newsletter**

The E-Harvest Newsletter provides a monthly update on farm fresh activities and includes resources such as funding opportunities, a schedule of upcoming trainings, webinars, and more. [Subscribe today!](#)

## Resources

### **Required SFSP Training**

The Summer Feeding season is almost upon us and many organizations are beginning preparations for PY2019 operations. TDA has made one of those steps easier by providing the annual required training online and available [here](#) 24/7. If you prefer to receive your training in person, each Education Service Center will present a six hour class. All new sponsoring organizations are required to attend this training in order for the organization to be eligible to participate in SFSP. Additional training topics may also be available at your [local ESC](#).



### **Summer Outreach Materials**

#### **Summer Meal Notification**

Federal regulations require School Food Authorities (SFA) to notify families about the availability of SFSP meals even if the SFA does not serve meals.

**All Child Nutrition Directors (CNDs) will receive a shipment or shipments of materials in both English and Spanish that TDA is providing to assist CE's with achieving compliance for the federal School Nutrition Program requirement.** Shipments will begin in March. The shipment(s) will include SFSP posters (3 per school) and SFSP parent information cards (1 card for each student). The estimated arrival date will vary among districts. **CEs operating SSO must provide notification as described in Administrator's Reference Manual (ARM), Section 12, Seamless Summer Operation (SSO).**

Once the shipment(s) arrive, please open all boxes and distribute the materials to schools so they can be distributed to students before school is out for the summer break. It will be the CNDs job to distribute the correct number of cards and posters to each campus.

TDA is providing the following materials as a service to SFAs and asks that CNDs take the steps necessary to ensure successful receipt and utilization district-wide before the summer break:

#### **SFSP Posters - Three Posters for Each School**

- Purpose: Inform students and families about how to find summer meal sites
- School Action: Display immediately upon receipt throughout school campus
- For Example: If a CE has 20 schools, the shipment will contain 60 posters

#### **SFSP Parent Information Cards - One Card for Each Student**

- Purpose: Provide take-home information about how to find summer meal sites
- School Action: Distribute to students immediately with instructions to deliver to parents

For more information and resources, please contact your [Education Service Center](#) or visit [SummerFood.org](#).

[Previous Issue](#)



TEXAS DEPARTMENT OF AGRICULTURE  
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By unsubscribing, be aware that this email address will no longer get required communication from TDA via this distribution method. It is up to the organization to find an alternative method of obtaining the information as your organization will still be responsible for all content contained in the communications.