

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.

April 22, 2019  
CE Edition

No attachments with this issue

## TX-UNPS Updates



### 2019 Universal Breakfast Program Waiver

The Universal Breakfast Program Waiver application is now open! The application period runs from March 15 – June 30, 2019!

School district campuses and open-enrollment charter schools participating in NSLP in which 80 percent or more of the students qualify for a free or reduced-price breakfast must offer a free breakfast to each student or seek a waiver from TDA, required by Senate Bill 376. TDA has notified all mandated schools by mail in January 2019. CEs that are mandated to offer free breakfast to all students and wish to apply for a waiver should use the Universal Breakfast Waiver School Year 2019-2020 form

through TX-UNPS Download Forms (SNP-000). All waiver requests must be submitted by **June 30, 2019**. Please refer to the [Universal Breakfast page](#) for details and instructions or contact your Education Service Center for assistance.

### 2019 Seamless Summer Option (SSO) Age/Grade Waiver

#### Applications Open May 1

The SSO Age/Grade Group Meal Pattern Portion Sizes Waiver will be available in TX-UNPS on May 1. CEs participating in SSO that are operating open and restricted open sites and have difficulty implementing the age/grade group requirements may apply for a waiver. The waiver, if approved, will allow the CE to serve the portion size consistent with the most commonly served age/grade group at that site. Click [here](#) for more information.

## Policy News

### Revised ARM

A revised ARM Section 6, *Verification*, has been posted and released. We have also posted ARM Update Guide 2018-2019 which gives details about the revisions.

You can find the ARM, ARM Update Guides and a complete searchable ARM on [SquareMeals](#).



## USDA Policy Memos

### Recent USDA Meal Pattern Memos

USDA released the following six meal pattern memos on April 17, 2019. These memos provide clarification on crediting specific types of food items for reimbursable meals and for serving specific food items as competitive foods. TDA will be releasing **additional guidance** on these memos in the near future.

**SP20-2019** - *Federal Micro-Purchase and Simplified Acquisition Thresholds* has been released and can be found [here](#).

**SP21-2019** - *Crediting Shelf-Stable, Dried and Semi-Dried Meat, Poultry and Seafood Products in the Child Nutrition (CN) Programs* can be found [here](#).

**SP22-2019** - *Crediting Coconut, Hominy, Corn Masa and Corn Flour in the CN Programs* can be found [here](#).

**SP23-2019** - *Crediting Popcorn in the CN Programs* can be found [here](#).

**SP24-2019** - *Crediting Surimi Seafood in the CN Programs* can be found [here](#).

**SP25-2019** - *Crediting Tempeh in the CN Programs* can be found [here](#).

**SP26-2019** - *Crediting Pasta Products made of Vegetable Flour in the CN Programs* can be found [here](#).

**SP27-2019** - *Paid Lunch Equity: Guidance for School Year 2019-20* can be found [here](#) along with the corresponding memo [here](#).

### New Guidance on Paid Lunch Equity Exemption for School Year (SY) 2019-2020

USDA has extended the SY 2018-2019 PLE flexibility to SY 2019-2020 in SP 27-2019 (released April 18, 2019). TDA will be updating *Administrator's Reference Manual (ARM)*, Section 15, *Meal Pricing*; however, in the interim CEs may use the following guidance for SY 2019-2020:

For School Year (SY) 2019-2020, USDA has provided a PLE exemption that is based on the CE's financial condition. CEs with a zero or positive fund balance as of January 31, 2019 have **two** options:

- Complete and apply the SY 2019-2020 PLE calculation to the CE's meal pricing structure. If a CE chooses this option, the CE will adjust meal prices as appropriate to the PLE calculation.
  - *Records to Retain: The CE must retain the completed PLE calculation tool and other documentation demonstrating how the CE determined the meal prices to be charged.*
- Choose not to complete and not to apply the SY 2019-2020 PLE calculation. If the CE chooses this option, the CE may increase meal prices, but is not required to do so.
  - *Records to Retain: The CE must retain financial documentation that demonstrates that the CE has reconciled all costs incurred and income received since the end of the most recent fiscal year and January 31, 2019 and determined that it has a zero or positive fund balance. If the CE chooses to increase meal prices, the CE needs to retain documentation demonstrating the amount of the price increase.*

### Special Guidance for Determining a Zero, Positive, or Negative Fund Balance

The status of the CE's funds as zero, positive, or negative for this flexibility is based on the CE's financial reconciliation of costs and income as of January 31, 2019.

***Did the nonprofit school food service account have a zero, positive, or negative fund balance after accounting for all income and all expenses from the time period between the end of the CE's most recent fiscal year and January 31, 2019?***

The following definitions will assist the CE in this determination:

- The *fund balance as of January 31, 2019* covers the period of time between the end of the CE's most recent fiscal year and January 31, 2019.
- *Costs incurred* includes the costs for products that were delivered and/or cost of services that occurred prior to February 1, 2019 which have been paid or will be paid after January 31, 2019.
- *Income received* includes reimbursement for claimed meals, a la carte sales, catering, and any other income to the School Nutrition Program for activities that occurred prior to February 1, 2019 for which payment has been received or payment will be received after January 31, 2019.

CEs with a negative fund balance as of January 31, 2019 do not have the option to be exempted from completing and applying the SY 2019-2020 PLE calculation to their meal pricing structure.

### Clarification of Administrative Review (AR) Site Selection

TDA uses the sites recorded in the Texas Unified Nutrition Programs System (TX-UNPS) to identify sites for AR review activities, i.e., if there are five sites recorded in TX-UNPS, but TEA lists four sites, TDA will use the five sites recorded in TX-UNPS for the AR process.

### Clarification on Defining a CE's Months of Operation

If a CE submits a claim for reimbursable meals or snacks served during a month, that month is classified as an

operational month. This designation applies whether a CE submits claims for reimbursable meals or snacks served on 20 days during a month or 2 days during a month.

## Texas Farm Fresh Initiative



### Registration is Now Open for the 2019 Farm Fresh Challenge!

**Eat Local. Teach Local. and Be Social.** this October with schools across the state! Have fun and earn recognition for your efforts to serve more local foods and teach students the importance of Texas agriculture.

### Pledge now

Participating schools will receive a toolkit of Farm Fresh materials, including a choice of buttons, stickers or static clings for the celebration in October. Register by **July 15th** to ensure you receive your Farm Fresh Fridays materials before September 1.

Learn more about the Farm Fresh Challenge and pledge participation [here](#).

Please reach out to TDA at [FarmFresh@TexasAgriculture.gov](mailto:FarmFresh@TexasAgriculture.gov) with any questions or for additional information.

### Last Chance! Help TDA Tell Your Story

#### Deadline to submit your request: 4/24/19

Attention all child nutrition directors participating in TDA's Farm Fresh Initiative — TDA has two unique opportunities for you to share your story!

#### Opportunity #1

Be a panelist in a session at the Business of Numbers and Nutrition conference about direct purchasing relationships between child nutrition directors and Texas farmers and ranchers. This panel will explore what makes a successful relationship work and discuss some of the barriers of getting started.

#### Opportunity #2

Share your story of success in a new Farm Fresh video series. TDA plans to create a new video to highlight successful purchasing relationships between farmers, ranchers, and school districts, to show others across the state how the Farm Fresh Initiative benefits the local economy and supports good nutrition.

To indicate your interest in one or both of these opportunities, please complete this [short interest survey](#).

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

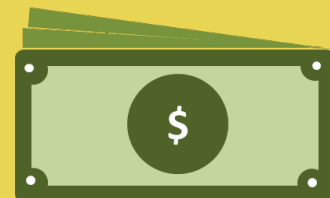
This new sletter provides a monthly update on farm to school and includes resources such as funding opportunities, a schedule of upcoming trainings and webinars, and more. Archive issues of the E-Harvest are available [here](#). **Subscribe today!**

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

## Financial Updates

### New Grant Opportunity!

The USDA has awarded \$3,632,279 in equipment grants to the Texas Department of Agriculture for the 2019 program year. 100% of grant funding will go to TDA's contracting entities (CEs) to expand or replace kitchen equipment that supports Food and Nutrition programs. Equipment grants will be awarded based on a scoring methodology approved by USDA which ranks grant applicants on several factors including the percentage of free and reduced price meals and whether a site received a prior year award. Active TDA contracting entities (CEs) enrolled in the School Nutrition Program (SNP) will be invited to apply for the grant which will open on [squaremeals.org](http://squaremeals.org) **May 1** and remain open through **May 31, 2019**. TDA expects awardees to be announced and funds to be available not later than **July 1, 2019**.



### State Matching Payments for Public/Charter Schools

2019 State Matching payments were processed in TX-UNPS on March 29, 2019 and April 15, 2019. Public/Charter schools that participated in the National School Lunch Program last year should receive the funds within 10 days. The March 29th reimbursement was calculated using a statewide rate of \$0.025556832912. The April 15th reimbursement was calculated using a statewide rate of \$0.000011613521 times the number of reimbursable school lunches reported on claims between September 2017 and August 2018. Upon receipt, these funds should be deposited into the school food service fund under General Revenue, Fund 240, and Revenue Code 5829. Distribution of these funds will be by electronic funds transfer in the same manner as the monthly reimbursement.

claims. Payment amounts may be viewed in TX-UNPS by going to the Claims menu and clicking Payment Summary.

[Previous Issue](#)



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