

Gravenstein Union School District

Board Policy

Food Service Operations/Cafeteria Fund

BP 3551

Business and Noninstructional Operations

Note: The following policy may be revised to reflect district practice. Pursuant to U.S. Department of Agriculture (USDA) Memorandum SP 46-2016, districts participating in the National School Lunch and/or Breakfast program (42 USC 1751-1769j, 1773) are mandated to adopt policy addressing delinquent meal charges; see the section "Meal Sales" below and the accompanying administrative regulation.

Note: Pursuant to 7 CFR 210.9, 210.14, and 220.7, districts participating in the National School Lunch and/or Breakfast program must maintain a nonprofit school food service program. Revenues received through the program may be used for the operation or improvement of the food service program, but not to construct buildings. Revenues also may not be used to purchase land or buildings, unless otherwise approved by the USDA. Authorized expenditures are defined in the California Department of Education's (CDE) California School Accounting Manual.

The Governing Board intends that school food services shall be a self-supporting, nonprofit program. To ensure program quality and increase cost effectiveness, the Superintendent or designee shall centralize and direct the purchasing of foods and supplies, the planning of menus, and the auditing of all food service accounts for the district.

(cf. 3100 - Budget)

(cf. 3300 - Expenditures and Purchases)

(cf. 3311 - Bids)

(cf. 3550 - Food Service/Child Nutrition Program)

(cf. 3552 - Summer Meal Program)

(cf. 5030 - Student Wellness)

Note: Pursuant to 42 USC 1776, the USDA has established minimum professional standards for food service personnel. With approval from the CDE, more flexible standards may be used in districts with average daily attendance of less than 500 or in districts of any size when hiring a new acting food services director. For more information about professional standards for food service directors, see CDE's Nutrition Services Division Management Bulletin SNP-17-2016.

The Superintendent or designee shall ensure that all food service personnel possess the required qualifications and receive ongoing professional development related to the effective management and implementation of the district's food service program in accordance with law.

(cf. 4231 - Staff Development)

(cf. 4331 - Staff Development)

Note: The following paragraph is for use by districts participating in the National School Lunch and/or Breakfast Program. Pursuant to 42 USC 1776, such districts must ensure that food service personnel and other appropriate personnel who conduct or oversee administrative procedures receive training on administrative practices (i.e., training in application, certification, verification, meal counting, and meal claiming procedures) at least once each year. In addition, all food service personnel are required to receive annual training that (1) is designed to improve the accuracy of approvals for free and reduced-price meals and the identification of reimbursable meals at the point of service and (2) includes modules on nutrition, health and food safety standards and methodologies, and any other appropriate topics as determined by the U.S. Secretary of Agriculture. The CDE provides online training that meets these requirements; see the CDE's web site.

At least once each year, food service administrators, other appropriate personnel who conduct or oversee administrative procedures, and other food service personnel shall receive training provided by the California Department of Education (CDE). (42 USC 1776)

Meal Sales

Note: The following section may be revised by districts that have one or more high-poverty schools that operate under the federal universal meal service provision (42 USC 1759a), which provides breakfast and/or lunch free of charge to all students at the school. For further information, see BP/AR 3553 - Free and Reduced Price Meals.

Meals may be sold to students, district employees, Board members, and employees or members of the fund or association maintaining the cafeteria. (Education Code 38082)

Note: Pursuant to Education Code 38082, the Governing Board may adopt a resolution to authorize serving meals to additional persons other than those listed above. CDE's Nutrition Services Division Management Bulletin No. 00-111 states that the Board's policy or resolution must specify the means for serving those persons and indicates that using funds from the National School Lunch or Breakfast Program to serve any nonstudent would be contrary to program goals. The following optional paragraph is for districts that have adopted such a resolution and should be revised to reflect district practice.

In addition, meals may be sold to nonstudents, including parents/guardians, volunteers, students' siblings, or other individuals, who are on campus for a legitimate purpose. Any meals served to nonstudents shall not be subsidized by federal or state reimbursements, food service revenues, or U.S. Department of Agriculture (USDA) foods.

Note: Pursuant to Education Code 38084, the district may determine meal prices consistent with the goal of paying the costs of maintaining the cafeterias (exclusive of the costs of housing and equipping cafeterias, or other costs determined by Board resolution, pursuant to Education Code 38100).

***Note: Students who meet federal eligibility criteria for the reduced-price meal program

cannot be charged more than the amounts listed in 42 USC 1758 and 1773; see AR 3553 - Free and Reduced Price Meals. For information about setting prices for full-price meals, see 42 USC 1760 and CDE's Nutrition Services Division Management Bulletin USDA-SNP-16-2012.***

Meal prices, as recommended by the Superintendent or designee and approved by the Board, shall be based on the costs of providing food services and consistent with Education Code 38084 and 42 USC 1760.

Note: Pursuant to USDA Memorandum SP 46-2016, districts participating in the National School Lunch and/or Breakfast program are mandated to have a written and clearly communicated meal charge policy which includes, but is not limited to, policy on the collection of delinquent meal charge debt. See the accompanying administrative regulation for additional language fulfilling this mandate. Pursuant to Education Code 49557.5, as added by SB 250 (Ch. 726, Statutes of 2017), districts must make the meal charge policy public.

The Superintendent or designee shall establish strategies and procedures for the collection of meal payments, including delinquent meal payments. Such procedures shall conform with 2 CFR 200.426 and any applicable CDE guidance. The Superintendent or designee shall clearly communicate these procedures to students and parents/guardians, and shall make this policy and the accompanying administrative regulation available to the public.

Note: Pursuant to CDE's Nutrition Services Division Management Bulletin SNP-03-2017, the district's unpaid meals policy must ensure that students with unrecovered or delinquent debt are not overtly identified. In addition, Education Code 49557.5, as added by SB 250 (Ch. 726, Statutes of 2017), requires any district that participates in the National School Lunch and/or Breakfast Program to ensure that students with unpaid meal fees are not shamed or treated differently than other students.

The Superintendent or designee shall ensure that a student whose parent/guardian has unpaid school meal fees is not overtly identified, shamed, treated differently, or served a meal that differs from the meal served to other students. (Education Code 49557.5)

Note: Education Code 49557 requires the Board to approve a plan that ensures students eligible to receive free or reduced-price meals are not treated differently from other students, including, but not limited to, assurance that eligible students will not be overtly identified by the use of special tokens, tickets, or any other means. For additional language addressing this requirement, see BP/AR 3553 - Free and Reduced Price Meals.

Students who are enrolled in the free or reduced-price meal program shall receive meals free of charge or at a reduced price in accordance with law, Board policy, and administrative regulation. Such students shall not be overtly identified or treated differently from other students.

(cf. 0410 - Nondiscrimination in District Programs and Activities)
(cf. 3553 - Free and Reduced Price Meals)

Cafeteria Fund

Note: Pursuant to Education Code 38090, money received for the sale of food or for any services performed by the cafeterias may be paid into the county treasury to the credit of a "cafeteria fund" for the district.

The Superintendent or designee shall establish a cafeteria fund independent of the district's general fund.

Note: Education Code 38103 allows the Board, at its discretion and with the approval of the County Superintendent of Schools who is responsible for a countywide payroll/retirement system under Education Code 42646, to have wages, salaries, and benefits of food service employees paid either from the district's general fund (Option 1 below) or from the district's cafeteria fund (Option 2).

OPTION 1: The wages, salaries, and benefits of food service employees shall be paid from the district's general fund. At any time, the Board may order reimbursement from the district's cafeteria fund for these payments in amounts prescribed by the Board and not exceeding the costs actually incurred. (Education Code 38103)

OPTION 2: The wages, salaries, and benefits of food service employees shall be paid from the cafeteria fund. (Education Code 38103)

GUSD selected Option 2

Note: The following optional paragraph may be revised to reflect district practice. 2 CFR Part 200, Appendix VII and USDA guidance, Indirect Costs: Guidance for State Agencies and School Food Authorities, provide information regarding allowable indirect costs that may be charged to the nonprofit school food service account. Also see the accompanying administrative regulation.

The Superintendent or designee shall ensure that state and federal funds provided through school meal programs are allocated only for purposes related to the operation or improvement of food services and reasonable and necessary indirect program costs as allowed by law.

(cf. 3230 - Federal Grant Funds)

(cf. 3400 - Management of District Assets/Accounts)

(cf. 3460 - Financial Reports and Accountability)

Contracts with Outside Services

Note: The following section is optional. Pursuant to Education Code 45103.5, the district is authorized to contract for consulting services related to food service management. 42 USC 1758, 7 CFR 210.16, and Education Code 45103.5 authorize a district, under specified conditions and with approval of the CDE, to contract with a food service management company to manage its food service operation in one or more of its schools. See the accompanying administrative regulation for related requirements.

With Board approval, the district may enter into a contract for food service consulting services or management services in one or more district schools. (Education Code 45103.5; 42 USC 1758; 7 CFR 210.16)

(cf. 3312 - Contracts)

(cf. 3600 - Consultants)

Procurement of Foods, Equipment and Supplies

Note: The following two paragraphs reflect requirements for districts participating in the National School Lunch and/or Breakfast Program. Pursuant to 7 CFR 210.21, districts are required to comply with all requirements for purchasing commercial food products served in the school meal programs, including those outlined in the Buy American provision. This provision indicates that a district participating in the National School Lunch and/or Breakfast Program or any entity purchasing food on its behalf must, to the maximum extent practicable, purchase domestically grown and processed foods, as defined. According to USDA Memorandum SP-24-2016, a domestic commodity or product is deemed to be "substantially using" domestic agricultural commodities when over 51 percent of the final processed product consists of agricultural commodities produced in the United States.

Note: Limited exceptions to the Buy American requirement are described in USDA Memorandum SP 38-2017. If the district is using one of these exceptions, it must maintain documentation justifying the exception(s).

Note: Pursuant to Education Code 49563, as added by SB 730 (Ch. 571, Statutes of 2017), the CDE is required to make resources, requirements, and best practices related to the Buy American provision available on its web site and to provide districts with related USDA guidance or regulations as updates are issued.

To the maximum extent practicable, foods purchased for use in school meals by the district or by any entity purchasing food on its behalf shall be domestic commodities or products. Domestic commodity or product means an agricultural commodity that is produced in the United States and a food product that is processed in the United States substantially using agricultural commodities that are produced in the United States. (42 USC 1760; 7 CFR 210.21)

A nondomestic food product may be purchased for use in the district's food service program only as a last resort when the product is not produced or manufactured in the United States in sufficient and reasonable quantities of a satisfactory quality, or when competitive bids reveal the costs of a United States product are significantly higher than the nondomestic product. In such cases, the Superintendent or designee shall retain documentation justifying the use of the exception.

***Note: Pursuant to Food and Agriculture Code 58595, as added by AB 822 (Ch. 785, Statutes of 2017), a district that solicits bids for the purchase of an agricultural product must give preference for California-grown agricultural products, with certain conditions, as provided

below.***

Furthermore, the district shall accept a bid or price for an agricultural product grown in California before accepting a bid or price for an agricultural product grown outside the state, if the quality of the California-grown product is comparable and the bid or price does not exceed the lowest bid or price of a product produced outside the state. (Food and Agriculture Code 58595)

Note: Pursuant to Public Contract Code 20111, as amended by SB 544 (Ch. 395, Statutes of 2017), districts participating in a federally funded child nutrition program, such as the National School Lunch and/or Breakfast Program, must comply with the federal procurement standards of 2 CFR 200.318-200.326 in regard to bid solicitations and awards. Also see BP/AR 3230 - Federal Grant Funds. Districts that do not participate in such a program may revise the following paragraph.

Bid solicitations and awards for purchases of equipment, materials, or supplies in support of the district's child nutrition program, or for contracts awarded pursuant to Public Contract Code 2000, shall be consistent with the federal procurement standards in 2 CFR 200.318-200.326. Awards shall be let to the most responsive and responsible party. Price shall be the primary consideration, but not the only determining factor, in making such an award. (Public Contract Code 20111)

Program Monitoring and Evaluation

The Superintendent or designee shall present to the Board, at least annually, financial reports regarding revenues and expenditures related to the food service program.

Note: The following paragraph is for use by districts that have one or more schools participating in the National School Lunch Program, School Breakfast Program, Seamless Summer Feeding Option, and/or other federal meal program. The state monitoring process (the Administrative Review) includes a review of district compliance with requirements for federal meal programs, including a review of resource management in the food service program as provided in the following paragraph. Each district is reviewed at least once every three years. See the CDE's nutrition services web site for a current list of documents that may be requested for the review.

Note: During the Administrative Review, CDE will review district policies on charge accounts, alternate meals, unpaid meal charges, and guidelines for continually notifying parents/guardians of these policies.

The Superintendent or designee shall provide all necessary documentation required for the Administrative Review conducted by the CDE to ensure compliance of the district's food service program with federal requirements related to maintenance of the nonprofit school food service account, meal charges, paid lunch equity, revenue from nonprogram goods, indirect costs, and USDA foods.

(cf. 3555 - Nutrition Program Compliance)

Legal Reference:

EDUCATION CODE

38080-38086 Cafeteria, establishment and use
38090-38095 Cafeterias, funds and accounts
38100-38103 Cafeterias, allocation of charges
42646 Alternate payroll procedure
45103.5 Contracts for management consulting services; restrictions
49490-49493 School breakfast and lunch programs
49500-49505 School meals
49554 Contract for services
49550-49564.5 Meals for needy students
49580-49581 Food recovery program

FOOD AND AGRICULTURE CODE

58595 Preference for California-grown agricultural products

HEALTH AND SAFETY CODE

113700-114437 California Retail Food Code

PUBLIC CONTRACT CODE

2000-2002 Responsive bidders

20111 Contracts

CODE OF REGULATIONS, TITLE 5

15550-15565 School lunch and breakfast programs

UNITED STATES CODE, TITLE 42

1751-1769j School lunch programs

1771-1791 Child nutrition, including:

1773 School breakfast program

CODE OF FEDERAL REGULATIONS, TITLE 2

200.56 Indirect costs, definition

200.318-200.326 Procurement standards

200.400-200.475 Cost principles

200 Appendix VII Indirect cost proposals

CODE OF FEDERAL REGULATIONS, TITLE 7

210.1-210.31 National School Lunch Program

220.1-220.21 National School Breakfast Program

250.1-250.70 USDA foods

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

California School Accounting Manual

Food Distribution Program Administrative Manual

Storage and Inventory Management of U.S. Department of Agriculture Foods, NSD

Management Bulletin, FDP-01-2018, January 2018

Unpaid Meal Charges: Local Meal Charge Policies, Clarification on Collection of Delinquent

Meal Payments, and Excess Student Account Balances, NSD Management Bulletin, SNP-03-2017, April 2017

Clarification for the Use of Alternate Meals in the National School Lunch and School Breakfast Programs, Bad Debt Policies, and the Handling of Unpaid Meal Charges, NSD Management Bulletin, USDA-SNP-06-2015, May 2015

Cafeteria Funds--Allowable Uses, NSD Management Bulletin, NSD-SNP-07-2013, May 2013
Paid Lunch Equity Requirement, NSD Management Bulletin, USDA-SNP-16-2012, October 2012

Adult and Sibling Meals in the National School Lunch and School Breakfast Programs, NSD Management Bulletin 00-111, July 2000

U.S. DEPARTMENT OF AGRICULTURE PUBLICATIONS

FAQs About School Meals

Unpaid Meal Charges: Guidance and Q&A, SP 23-2017, March 2017

Indirect Costs: Guidance for State Agencies and School Food Authorities SP 60-2016, September 2016

Overcoming the Unpaid Meal Challenge: Proven Strategies from Our Nation's Schools, September 2016

Unpaid Meal Charges: Local Meal Charge Policies, SP 46-2016, July 2016

Compliance with and Enforcement of the Buy American Provision in the National School Lunch Program, SP 24-2016, February 2016

Discretionary Elimination of Reduced Price Charges in the School Meal Programs, SP 17-2014, January 2014

WEB SITES

California Department of Education, Nutrition Services Division: <http://www.cde.ca.gov/ls/nu>

California School Nutrition Association: <http://www.calsna.org>

U.S. Department of Agriculture, Food and Nutrition Service: <http://www.fns.usda.gov/cnd>

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GRAVENSTEIN UNION SCHOOL DISTRICT
Sebastopol, CA