



## ARLINGTON COUNTY, VIRGINIA

### County Board Agenda Item Meeting of September 25, 2010

**DATE:** September 3, 2010

**SUBJECT:** Reimbursement Award to the Department of Parks, Recreation and Cultural Resources (PRCR) Summer Camp Program from the United States Department of Agriculture (USDA) Summer Food Service Program.

#### **C. M. RECOMMENDATION:**

Authorize the County Manager to accept and appropriate, in FY 2011, \$34,000 in federal grant funds from the USDA (101.374900) to PRCR (101.85102) for reimbursement of costs incurred in providing nutritious meals for qualified summer camp participants.

Ratify the endorsement by PRCR's Recreation Supervisor of the Agreement between the County and USDA regarding the County's receipt of reimbursement monies from USDA.

**ISSUES:** No issues have been identified.

**SUMMARY:** This grant from the USDA will reimburse PRCR for its expenses incurred in providing free and reduced-cost meals to eligible children in six PRCR summer camp programs.

**BACKGROUND:** Prior to 2008, Arlington Public Schools (APS) and PRCR each received USDA funds to provide lunches in the County's summer programs for children. In 2008, the qualifications for USDA meals program eligibility changed, and APS was no longer eligible for reimbursement for its provision of lunches at summer programs. Therefore PRCR began providing lunches at summer programs, with USDA support.

**DISCUSSION:** Families of children that receive free or reduced-cost meals during the school year do not necessarily have the funds to provide meals during the summer months when school is closed. PRCR provides lunch to six program locations through USDA income-eligible programs.

This is the third year that PRCR provided USDA-supported meals in the County's summer programs. PRCR, as the sponsor, continues to be eligible for full reimbursement for lunches at summer camp programs based on geographical census information as outlined by USDA. PRCR has applied for reimbursement and the funds will come to the County, in reimbursement for

County Manager:

County Attorney:

Staff: Pam Everett, PRCR

42.

PRCR's expenditures from hiring a vendor to provide the meals at the County's summer programs for children. Without the USDA-supported meals program at the County's qualified locations, some children may have gone without a nutritious meal during the day.

As the attached letter from USDA indicates, approval for PRCR's summer 2010 participation in the reimbursement program was received after June 10, 2010, leaving PRCR unable to obtain the Board's approval prior to beginning to provide these lunches to children. PRCR applied to USDA for reimbursement in early September 2010, and this Report seeks the Board's authorization for the County Manager to receive the reimbursed monies from USDA and transfer them to PRCR to recoup its expenditures for summer 2010 meals. Also attached to this Report are the Agreement signed by PRCR's Recreation Supervisor regarding the County's participation in the program, the County's Sponsor Application from earlier this year, the County's Site Listing, and the Free Meals Policy Statement. The Board's ratification of the Agreement and the Recreation Supervisor's signature thereto is necessary to confirm the Recreation Supervisor's action.

**FISCAL IMPACT:** The USDA grant will provide \$34,000 in funds to PRCR for this project. No FY 2011 County tax support is required by the County's acceptance of this reimbursement.



United States  
Department of  
Agriculture

Food and Nutrition  
Service

Mid-Atlantic Region

300 Corporate Blvd  
Robbinsville, NJ  
08691-1598

June 10, 2010

Pamela J. Everett, Recreation Area Manager  
Fairlington Community Center  
Department of Parks, Recreation & Cultural Resources  
3308 South Stafford Street  
Arlington, Virginia 22206

Dear Ms. Everett:

We are pleased to advise you that your application for participation in the 2010 Virginia Summer Food Service Program (SFSP) has been approved. The Agreement Number **59676**, which appears on the program documents, should be referred to in all future correspondence and communications with this office.

We are providing the following items for your files, information and use:

1. One copy of the signed ***Agreement Between Sponsor and USDA***. **You are required to operate in accordance with the signed Agreement.** You should review the attached *Site Listing* to ensure that the data (lists all approved sites and their approved meals, meal service times, average daily participation and maximum daily participation (CAP)) conform to the information you reported in your *Site Information Sheets*.
2. One copy of the ***Sponsor Application***. This is a printout of your application as it has been updated for 2010 based on the information you submitted. You should review the updated *Application* to ensure that the information recorded on it is accurate.
3. The Child Nutrition Payment Center's website is open and ready to receive your ***Claims for Reimbursement*** again this summer. With this new Internet-based system, you will be able to enter *Claims for Reimbursement* electronically and view your payment data in our system. We think you will find the on-line entry of *Claims* is easy, efficient and it will further speed payment to your account. We will be sending you the instructions you will need to access the Internet based *Claim* system well before you will need to submit your first *Claim for Reimbursement*.
4. One copy of the signed ***Free Meal Policy Statement***.

With regard to your operation and administration of the SFSP, we remind you of the following:

- USDA/FNS may use the information provided in your sponsor application, including the Federal Employer Identification Numbers (FEIN), to collect and report on delinquent debt arising out of your relationship with the Federal Government; and may disclose this information to other Federal agencies, as well as private collection agencies, for purposes of claims collection actions including, but not limited to, administrative offset, salary offset, tax refund offset and referral to the Department of Justice for litigation.

The Food and Nutrition Service is an agency  
of the Department of Agriculture

An Equal Opportunity Provider and Employer

- You are required to operate in accordance with the signed Agreement. ***You must notify this office IN ADVANCE of any changes in program operations, such as additions of new feeding sites, additions of meals, changes in the times of meals, an increase in authorized daily participation levels.*** You may do this by telephone. The changes, if approved, would be made effective the date of your telephone call; however, you must confirm your call with a written request and you may not claim any additional meals until after you have received our written confirmation.
- You must submit a *Claim for Reimbursement* ***WITHIN 30 DAYS*** following the last day of the month covered by the *Claim*. For any *Claim* submitted after 30 days, we will require a Corrective Action Plan indicating how you will rectify this problem. Further, SFSP regulations state that "No payment shall be made for *Claims* submitted later than 60 days after the month unless an exception is granted by FNS."
- You must notify this office when you plan to take meals off site on day trips or field trips. You may notify either this office *or* the USDA Field Office nearest you, but you must do this **in advance** of the trip for our approval.
- Site personnel must be sure to supervise all children on the site while they are eating meals. Only meals actually *served* to children on site are eligible for reimbursement.
- When signing the *Sponsor Application* and *Agreement*, you certified that your organization will accept final financial and administrative responsibility for program operations at all your sites and that your organization will directly operate the program at each site. Direct operation means that you are responsible for (1) managing site staff, including hiring, conditions of employment and termination, and (2) managing program operations at sites during the period of program participation. The requirement of managing site staff does not prohibit the staffing of sites by paid or volunteer employees; however, site staff must be ultimately responsible to you.

You may contact our office by using a fax machine. The SFSP Unit has its own dedicated fax machine to which you can transmit materials electronically: (609) 259-**5128**. Any document sent to this office using a fax should be marked to the attention of the "Summer Food Service Program." Documents that require an original signature, such as the *Agreement Between Sponsor and USDA*, may not be submitted via fax.

We look forward to working with you on a successful Summer Food Service Program this summer. Should you have any further questions, please feel free to contact me or Joyce Rouba of our SFSP staff at (609) 259-5134 and -5136, respectively.

Sincerely,



ALAN R. CRANE  
State Coordinator  
Virginia Summer Food Service Program

Enclosures

2010

<b>U.S. Department of Agriculture Food &amp; Nutrition Service Mid-Atlantic Regional Office</b>	<b>Agreement Number</b>  59676
<b>AGREEMENT BETWEEN SPONSOR AND USDA</b> <b>VIRGINIA SUMMER FOOD SERVICE PROGRAM</b> Fiscal Year 2010	
<b>INSTRUCTIONS:</b> (1) An original and one copy must be signed and submitted with the Sponsor Application for Participation, to the Mid-Atlantic Regional Office. Original signatures are required on all copies of the Agreement (all sponsors) and on the following attachments (new sponsors only), which become part of this Agreement: Certification Regarding Drug-Free Workplace requirements (Form AD-1049); Certification Regarding Lobbying; and Disclosure of Lobbying Activities (Form SF-LLL). From the Sponsor's submission of Site Information Sheets, the Department will generate a summary listing of the approved food service sites, indicating for each, the site name; address; beginning and ending dates of operation; total number of operating days; types of meals to be served; serving times; estimates of average daily participation; and the maximum approved level of participation (CAP). One copy of the Agreement and an attached copy of 7 CFR Part 225, which becomes part of this Agreement, will be returned to the Sponsor.	<b>Name and mailing address of Sponsor</b>  Arlington County, VA Government Dept of Parks, Recreation and Cultural Resources (PRCR) Fairlington Community Center 3308 S. Stafford St. Arlington, VA 22206
<b>FEIN No.</b> 54-6001123	

In order to achieve the purpose of Section 13 of the National School Lunch Act (42 U.S.C. 1751), as amended, and the regulations governing the Summer Food Service Program (SFSP), the Mid-Atlantic Regional Office of the Food & Nutrition Service, U.S. Department of Agriculture and the sponsoring organization (hereinafter referred to as the **Department** and the **Sponsor**) whose name and address appear above, acting on behalf of each site listed, covenant and agree as follows:

**THE DEPARTMENT**

1. Agrees that, to the extent of funds available, it shall reimburse the Sponsor in connection with meals served to children at the approved sites listed during the period(s) stated. The amount of reimbursement for meals shall not exceed an amount equal to the number of meals, by types, served to children (in the case of camps, needy children) multiplied by the rates assigned by the Department.
2. Shall terminate the Sponsor's participation in the SFSP by written notice whenever it is determined by the Department that the Sponsor has failed to comply with the rules of the SFSP.
3. Shall inform the Sponsor of its right to request a review of decisions made by the Department that affect the participation of the Sponsor in the SFSP or the Sponsor's *Claim for Reimbursement*.

**THE SPONSOR** represents and warrants that it is a **nonprofit agency that is exempt from income tax** under the Internal Revenue Code, as amended, and is (a) the governing body with the financial and administrative responsibility for the sites listed, or (b) it is an agency to which the sites listed have delegated authority for the operation of their food service, and in order to qualify for reimbursement under this agreement in conducting the food service in the sites listed, it will:

1. Operate a **nonprofit food service** during any period from May through September for children on school vacation; or at any time of the year in the case of sponsors administering the Program under a continuous school calendar system.
2. **Serve meals which meet the minimum nutritional requirements** and provisions set forth in §225.16 during times designated as meal service periods by the Sponsor, or if a contracted vendor serves the meals, make certain that it fulfills the terms of this agreement, and serve the same meals to all children. When a school food service caters meals, a contract must be signed with the school food service that includes provision for daily adjustment of meal orders.

3. Serve meals to all children **without cost** to the children, except camps may charge for meals served to children who are not served meals under the SFSP.
4. Serve meals at **sites approved for participation** in the program and agree to **maintain children on-site during the food services**.
5. Issue a statement of **policy for serving free meals** at all sites under its jurisdiction in accordance with §225.6(c).
6. Notify the Department **IN ADVANCE** of any **changes in program operations**, such as additions of new feeding sites, additions of meals, changes in the times of meals, an increase in authorized daily participation levels.
7. Notify the Department when the planning to take meals off site on **day trips or field trips**.
8. **Train administrative and site personnel** in the requirements of the SFSP and will cover the subjects contained in the training outline provided in §225.19(1) and the *Administrative Guidance for Sponsors*.
9. **Claim reimbursement** only for the type or types of meals specified in the agreement and served without charge to children at approved sites during the approved meal service period, except that camps shall claim reimbursement only for the type or types of meals specified in the agreement and served without charge to children who meet the SFSP income standards. Report only the number of meals served to eligible children and that meet approved meal pattern requirements and report separately the number of meals served as firsts and as seconds for each type of meal approved.
10. **Submit Claims for Reimbursement** by the 30<sup>th</sup> day of the month following feeding operations based on accurate meal service records. For any Claim submitted after 30 days, a Corrective Action Plan will be submitted indicating how this problem will be rectified. Further, SFSP regulations state, "No payment shall be made for Claims submitted later than 60 days after the month unless an exception is granted by FNS."
11. Conform to all applicable State and local laws and regulations in the storage, preparation and service of food; maintain **proper sanitation and health standards**.
12. Accept and use, in quantities that may be efficiently utilized in the SFSP, such as **foods offered as a donation** by the Virginia Department of Agriculture & Consumer Services.
13. Maintain necessary **facilities for storing, preparing and serving food**; or utilize existing school food service facilities.
14. Maintain **full and accurate records** of the program including records of costs incurred in the administration and operation of the SFSP, income and reimbursement payments, and retain such records for a period of three years following the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved, in which case the records shall be retained until all issues raised by the audit or investigation have been resolved.
15. Follow federal regulations when meals are obtained from a commercial meal vendor. Follow **bidding procedures** required when the contract will involve \$100,000 (or lower if local procurement standards are lower) or school food service facilities are not used. In every case, procurement transactions must provide for maximum open and free competition consistent with the provisions of the Regulations. Also, permit the Department to have a representative present at all commercial meal vendor procurement bid openings if the Department expects the sponsor will receive more than \$100,000 in SFSP payments.
16. Provide **adequate supervisory and operational personnel for overall monitoring and management** of each food service operation, *visit* all food service sites once during their first week of operation, conduct a *comprehensive review* at all sites within their first four weeks of operation, promptly take action as necessary to correct deficiencies found at the time of the initial *visit* and *comprehensive review* and maintain a reasonable level of follow-up monitoring.
17. Upon request, **make all accounts and records pertaining to the SFSP available** to the Department or other authorized officials for audit or administrative review at a reasonable time and place.

18. Use the **standard form** of contract developed by the USDA **when contracting with commercial meal vendors.**
19. Agree to abide by all provisions outlined in the accompanying attachments including (1) *FNS Instruction 796-4, REV. 1, Financial Management - Summer Food Service Program for Children* and (2) the current *Administrative Guidance for Sponsors*.
20. "The Program applicant hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by the regulations of the Department of Agriculture (7 CFR Part 15), DOJ (28 CFR Parts 42 and 50) and FNS directives or regulations issued pursuant to that Act and the regulations, to the effect that, no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity for which the Program applicant received Federal financial assistance from USDA; and hereby gives assurance that it will immediately take any measures necessary to fulfill this agreement."

"This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants, and loans of Federal funds, reimbursable expenditures, grant, or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration that is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease, or furnishing of services to the recipient, or any improvements made with Federal financial assistance extended to the Program applicant by USDA. This includes any Federal agreement, arrangement, or other contract that has as one of its purposes the provision of cash assistance for the purchase of food, and cash assistance for purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this assurance."

"By accepting this assurance, the Program applicant agrees to compile data, maintain records, and submit reports as required, to permit effective enforcement of nondiscrimination laws and permit authorized USDA personnel during hours of program operation to review such records, books, and accounts as **needed** to ascertain compliance with the nondiscrimination laws. If there are any violations of this assurance, the Department of Agriculture, FNS, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Program applicant, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the Program applicant."

**THE DEPARTMENT AND SPONSOR MUTUALLY AGREE THAT:**

1. The Department shall promptly notify the Sponsor of any change in the minimum meal requirements or in the assigned rates of reimbursement.
2. This Agreement may be terminated upon ten (10) days written notice on the part of either party, hereto, and the Department may terminate this Agreement immediately after receipt of evidence that the terms and conditions of this Agreement and of the regulations governing the program have not been fully complied with by the Sponsor. Any termination of this Agreement by the Department shall be in accord with applicable laws and regulations. No termination or expiration of this Agreement, however, shall affect the obligations of the Sponsor to maintain and retain records and to make such records available for audit.
3. 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.

**CORRECTIVE ACTION, CLAIMS AND TERMINATION**

1. The Sponsor will take corrective action if the Department observes violations during the course of a site review.
2. The Department may disallow any portion of a *Claim for Reimbursement* and recover any payment to the Sponsor not properly payable under §225.10(c).

3. If the Department observes meal service violations during the conduct of a site review, the Department may disallow as meals served to children all of the meals observed to be in violation.
4. The Department may disallow children's meals which are in excess of a site's approved level.
5. The Department may immediately terminate the participation of the Sponsor's site if during a review it determines that the health or safety of the participating children is imminently threatened.
6. The Department may terminate this agreement if:
  - a. the Department determines the Sponsor to be seriously deficient;
  - b. if the Sponsor has failed to comply with the conditions of the SFSP; or
  - c. if the Sponsor fails to take action to correct program violations.

**REQUIREMENTS FOR MEALS:**

1. Sites participating in the SFSP shall be approved to serve one meal per day, unless facilities capable of holding hot or cold meals within the temperatures required by the State or local health regulations are available at each food service site or arrangements have been made for separate meal delivery to each site within one hour of the meal service.
2. Three hours shall elapse between the beginning of one meal service and the beginning of another including supplements, except that four hours shall elapse between the service of a lunch and a supper when a migrant or day camp site serves lunch and supper, with no afternoon snack between the two meals (unless sponsor has been approved by USDA for a meal service timeframe waiver).
3. Lunch service must be scheduled to begin no earlier than 11:00 am and no later than 2:00 pm.
4. No service institution that is a camp shall be approved for more than three meals per day. No service institution that is not a camp shall be approved for more than two meals per day.
5. Each meal shall contain, as a minimum, the indicated food components.
  - a. A **breakfast** shall contain:
    - (1) One-half pint of milk as a beverage.
    - (2) One-half cup of fruit or vegetable, or fruit juice.
    - (3) One slice of whole-grain or enriched bread, or three-fourths cup of whole-grain or enriched fortified cereal.
  - b. A **lunch or supper** shall contain:
    - (1) One-half pint of milk as a beverage.
    - (2) Two ounces (edible portion as served) of cooked lean meat, poultry, fish or cheese; or one egg; or one-half cup of cooked dry beans or peas; or four tablespoons of peanut butter; or an equivalent quantity of any combination of the above listed foods.
    - (3) A three-fourths cup serving consisting of two or more vegetables/fruits or both.
    - (4) One slice of whole-grain or enriched bread; or a serving of combread, biscuits, rolls, muffins, etc. Made of whole-grain or enriched meal or flour.
  - c. A **supplemental meal** (snack) shall contain two of the following (milk and juice only may not be served at the same supplemental meal):
    - (1) One-half pint of milk as a beverage.
    - (2) One ounce of meat or meat alternate.
    - (3) Six fluid ounces of full-strength fruit or vegetable juice, or three-fourths cup fruit or vegetable.
    - (4) One slice of whole-grain or enriched bread, or an equivalent quantity of combread, biscuits, rolls, muffins, etc. made of whole-grain or enriched meal or flour; or three-fourths cup or one ounce of whole-grain or enriched or fortified cereal or an equivalent quantity of any combination of those foods.

**NOTE:** The quantities of foods specified in this Agreement are the minimum amounts of food to serve 10-12 year-old boys and girls. Greater or lesser amounts of these foods may be served if participating children are older or younger according to SFSP meal pattern requirements.

**Certification Regarding Lobbying**

The undersigned certifies that no Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing a Member of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the masking of a Federal loan or modification of a Federal contract, grant, loan or cooperative agreement.

The language of this certification will be included in award documents for all covered subawards exceeding \$100,000 in Federal funds and all subrecipients shall certify accordingly. Sponsors receiving more than \$100,000 in federal funds must complete a lobbying activities disclosure form.

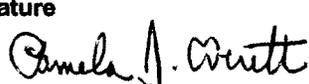
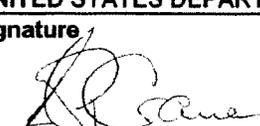
**RATES OF REIMBURSEMENT:** The Sponsor will be reimbursed, as stated below, for the meals approved in the *Summer Food Service Program Application for Sponsorship*.

The rates of reimbursement for the 2010 Summer Food Service Program are:

For meals served at <i>rural or self-preparation sites</i>	
Breakfast	\$1.8475
Lunch or Supper	\$3.2475
Supplement	\$0.7625

For meals served at <i>other types of sites</i>	
Breakfast	\$1.8125
Lunch or Supper	\$3.1950
Supplement	\$0.7450

<p>The sponsor certifies that the sites submitted on <i>Site Information Sheets</i> have been visited and that the information submitted on this agreement is true and correct and the sponsor is aware that deliberate misrepresentation or withholding of information may result in prosecution under applicable State and Federal statutes.</p>			
SIGNATURE ON BEHALF OF SPONSOR		UNITED STATES DEPARTMENT OF AGRICULTURE	
Signature 		Signature 	
Name and Title Pamela J. EVERETT Community Specialist	Date 4/23/10	Name and Title ALAYNE R. CRANE State Coordinator Summer Food Service Program	Date JUN 10 2010

**APPROVED SITES FOR THE SUMMER FOOD SERVICE PROGRAM**

Agreement Number:	59676
Region	02
FiscalYear	2010

#	Name and Address of Food Service Site	Dates of Operation	Total Operating Days	Meal Type	Meal Service Time	ADP	CAP
0002	Carlin Springs Elem. Sch.	7/12/2010 TO 8/12/2010	24	Breakfast	TO		
	5995 South 5th Road			AM Supplement	TO		
				Lunch	11:00 TO 11:30	75	100
	Arlington VA 22204			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						
0003	Carver Community Center	6/28/2010 TO 8/20/2010	39	Breakfast	TO		
	1415 South Queen St.			AM Supplement	TO		
				Lunch	11:45 TO 12:15	55	60
	Arlington VA 22204			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						
0004	Charles Drew Comm. Ctr.	6/28/2010 TO 8/20/2010	39	Breakfast	TO		
	3500 S.23 rd St.			AM Supplement	TO		
				Lunch	12:00 TO 12:30	40	45
	Arlington VA 22206			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						

#	Name and Address of Food Service Site	Dates of Operation	Total Operating Days	Meal Type	Meal Service Time	ADP	CAP
0005	Gunston Community Ctr.	7/6/2010 TO 8/20/2010	34	Breakfast	TO		
	2700 S. Lang St.			AM Supplement	TO		
				Lunch	12:00 TO 12:30	25	30
	Arlington VA 22206			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						
0006	Lubber Run Comm. Ctr.	6/28/2010 TO 8/20/2010	39	Breakfast	TO		
	300 N. Park Drive			AM Supplement	TO		
	703-228-4712			Lunch	12:15 TO 12:45	40	45
	Arlington VA 22203			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						
0007	Walter Reed Comm. Ctr.	6/28/2010 TO 8/20/2010	39	Breakfast	TO		
	2909 S. 16 th St.			AM Supplement	TO		
				Lunch	12:00 TO 12:30	40	45
	Arlington VA 22206			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						
0008	Woodbury Park	7/12/2010 TO 8/13/2010	25	Breakfast	TO		
	Woodbury Frederick Community Center			AM Supplement	TO		
	1109 N. Barton St.			Lunch	12:15 TO 12:45	45	60
	Arlington VA 22201			PM Supplement	TO		
	Arlington County			Supper	TO		
Site	Enrolled (closed) Site						

U.S Department of Agriculture  
Food and Nutrition Service  
Summer Food Service Program(SFSP)  
Sponsor Application

Form Approved OMB# 0584-0280

<b>General</b> (for FNS use ONLY)	
Fiscal Year	2010
Sponsor Number	59676
Region Number	02
StateName	VA
<input type="checkbox"/> Eligible for Commodities	
Site Classification	
<input checked="" type="checkbox"/> Self-Prep <input type="checkbox"/> Rural	

<b>1. Name and Mailing Address of Sponsor</b>	
Org Name 1	Arlington County Government
Org Name 2	Dept of Parks, Recreation & Cultural
Addr 1	Fairlington Community Center
Addr 2	3308 S. Stafford Street
Addr 3	
City	Arlington
State	VA Zip+4 22206

<b>2. Physical Address of Sponsor (ONLY if different from Mailing Address)</b>	
Addr 1	
Addr 2	
City	
State	Zip+4
EIN	546001123

<b>3. Name of Sponsor Contact Person</b>	
Name	Pamela J. Everett
Title	Recreation Area Manager
Tel	703-228-6589
Fax	703-228-6407
E-Mail	pevere@arlingtonva.us

<b>4. Banking &amp; Identifying Information for Electronic Funds Transfer</b>	
Bank Name	Wachovia Bank
Bank Address	214 North Hogan Street
City	Jacksonville
State	FL Zip+4 32202
Bank Account Name	Arlington County
Bank Account Number	2065203846004
Bank Routing Transfer Number	051400549

<b>5. Number of Days of SFSP Food Service. Please include July 4th if applicable.</b>			
Oct	Apr		
Nov	May		
Dec	Jun	3	
Jan	Jul	21	
Feb	Aug	15	
Mar	Sep		

<b>6. Begin End Dates of SFSP Food Service</b>	
Begin date	June 28
End Date	August 20

<b>7. Sponsor Type</b>
<input type="radio"/> Public or Non-Profit Private School Food Authority <input type="radio"/> Public or Non-Profit Private Residential Summer Camp <input checked="" type="radio"/> State, Local, Municipal, or County Government Entity <input type="radio"/> Colleges and Universities Participating in National Youth Sports Program <input type="radio"/> Other Private Nonprofit Organizations

<b>8. Describe the on-going year-round service your organization provides to the community that would be served by the SFSP.</b>
Summer programs is the only time; Arlington Co gov t uses SFSP.

<b>9. Was your organization ever terminated or determined to have been seriously deficient in its operation of the SFSP or any other Child Nutrition Program?</b>
<input checked="" type="radio"/> No <input type="radio"/> Yes

<b>10. Who prepares the meals?</b>
<input type="checkbox"/> Sponsor self-preparation <input type="checkbox"/> School sponsor/Continuation of school year contract with commercial meal vendor <input type="checkbox"/> Purchase of meals from a non-vended (self-prep) school food authority <input type="checkbox"/> Purchase of meals from a vended school food authority (school has contract with commercial meal vendor) <input checked="" type="checkbox"/> Contact with a public or commercial meal vendor <input type="checkbox"/> Contract with a university food service

Name and address of meal preparation facility, if not on-site self-prep. If more than one facility prepares meals, list the name and address of each preparation facility.

Vendon Prepared

11. For the geographic areas served by the sponsor organization, provide an estimated percentage of the racial/ethnic make-up of the population. Total must equal 100%.

African-American 9.1% White 50.8% Hispanic 21.1% ~~American-Indian~~ other 3.2% Asian/Pacific Islander 9.8%

12. Describe efforts to: (1) assure that minority populations have an equal opportunity to participate; and (2) contact minority and grassroots organizations about the opportunity to participate in the program.

All program in Arlington County are available to all residents. If income is a problem for a family, fee reductions are available to meet each family's needs. Outreach is conducted in all communities.

13. List the date the public release was/will be sent to the media:

Write the name(s) of the newspaper, TV station, radio station, etc. to which the public release was/will be sent.

A letter will go home to parents on the first day of the program.

14. SFSP Staff Training

Name of person conducting training for administrative personnel

Jeanne Harrison / Pam Everett / Kristen Mazon 6/23/10

Name of person conducting training for site personnel

15. Method of Corrective Action

Describe the method used to secure corrective action if problems are observed at a site, including plans and timeframes for follow up and an explanation of when a site would be closed.

USDA/KSFSP would be contacted immediately. Problems will be corrected within 48 hrs or sooner. Issues that cannot be resolved within 48 hrs will be relocated

16. PROGRAM BUDGET. List below your expected OPERATING and ADMINISTRATIVE costs for your SFSP.

OPERATIONAL AND ADMINISTRATIVE BUDGET

A. ESTIMATED OPERATING (Food Service) COSTS

Labor	\$ 4,500.
Food Costs	28,750.
Non-Food Supplies	300.
Utilities	
Kitchen or Truck Rental	1,000.
Equipment Rental	
Other (specify)	
<b>TOTAL</b>	<b>34,550.</b>

For FNS ONLY

Estimated Operational earnings; meals x rates

B. ESTIMATED ADMINISTRATIVE COSTS

Total Administrative Labor Salaries	2,000.		
Rent of Office Space			
Utilities			
Telephone	100.		
Office Supplies	100.		
Transportation (Admin and Monitors)	600.		
Other (specify)			
<b>Indirect Costs</b>	<b>RATE</b>	<b>%</b>	<b>TOTAL</b>
Approved max admin funding			2,300.
	<input type="checkbox"/>	meals x rates	
	<input type="checkbox"/>	sponsor budget	

17. Advance(s)

Are you requesting an OPERATING Advance of Funds?

Yes  No

Are you requesting an ADMINISTRATIVE Advance of Funds?

Yes  No

**CERTIFICATION STATEMENT**

*(Read carefully. You are agreeing to take important actions.)*

1. We will train our administrative and site personnel in the requirements of the Summer Food Service Program (SFSP). We will cover the subjects contained in the training outline provided in the Administration Guidance for Sponsors.
2. We will use the standard SFSP meal pattern, unless we have completed the Meal Pattern Exceptions attachment and have been approved to offer a different pattern by FNS.
3. If we are serving SFSP meals and other meals on the same serving line (e.g., Upward Bound Sponsors), I also certify that all SFSP meals are checked at the end of the serving line to ensure that participating children take complete meals.
4. We will conduct pre-operational and first week visits as well as fourth week reviews in accordance with regulatory requirements. Prompt corrective Action will be taken whenever necessary.
5. We will collect sites' meal service counts on at least a weekly basis. The meal service counts will be taken at the point of service.
6. We will have site participation records available for review at each meal service site throughout the summer.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this collection is 0584-0280. The time required to complete this information is 2.33 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. In accordance with the Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age or disability.

Signature	<i>Pamela J. Everett</i>	Print Name	Pamela J. Everett	Title	Community Specialist	Date	4/22/10
<b>For FNS use ONLY</b>							
Last Modified By		Last Modified Date		Assigned to			

**VIRGINIA SUMMER FOOD SERVICE PROGRAM**

**2010 AUDIT QUESTIONNAIRE**

This questionnaire should be completed by sponsors that operated a Summer Food Service Program during 2009.

NAME OF SPONSOR Arlington County Government  
ADDRESS 2100 Clarendon Blvd. suite 414  
PHONE 703-228-3319 Arlington, VA 22201

(Check appropriate box.)

GOVERNMENT       NON-GOVERNMENTAL

Did your agency expend \$500,000 or more in total federal funds from all sources during the fiscal year ending September 30, 2009?

YES, I expended \$500,000 or more in total federal funds.

NO, I am exempt from audit. (If you checked NO, please do not send audit.)

If "YES", please explain what arrangements have or will be made for an independent audit of the agency for the fiscal year ending 2009. If your agency has a 2009 audit report that is not on file at our office, please forward a copy or forward when obtained.

CD-ROM has FY 2009 County Audit  
(CD was sent w/ the application)

[Signature]  
Signature and Title of Person Completing Questionnaire

4-16-2010  
Date

01/2010

Management Specialist  
Arlington County



DEPARTMENT OF PARKS, RECREATION AND CULTURAL RESOURCES  
Office of the Director

2100 Clarendon Blvd., Suite 414 Arlington, VA 22201  
TEL 703.228.3323 FAX 703.228.3328 TTY 703.228.4743 [www.arlingtonva.us](http://www.arlingtonva.us)

The Department of Parks, Recreation and Cultural Resources (PCR)-Sports/Recreation Division, will be sponsoring a "Summer Food Service Program (SFSP). We will be providing shelf stable lunches to ~~4~~ 5 different program sites. Locker Mate will be the official vendor and will be providing and delivering the lunches. This special meal service programs is to provide lunch for children who normally receive free and reduced lunches during the school year.

I have attached a copy of the locations with addresses and times of meals for your review. Please contact me if you have any questions or concerns.

Thanks,

Pam Everett

  
Pamela J. Everett,

Area Service Supervisor

Dept of Parks, Recreation and Cultural Resources

3308 S. Stafford Street

Arlington, VA 22206

Phone: 703 228-6589

Fax: 703 228-6407

[pevere@arlingtonva.us](mailto:pevere@arlingtonva.us)



DEPARTMENT OF PARKS, RECREATION AND CULTURAL RESOURCES  
2100 Clarendon Blvd., Suite #414 Arlington, VA 22201

Summer 2010

Dear Parents,

The summer program your child is currently enrolled will be serving a cold lunch daily, at no cost, to each participant. This opportunity is part of the U.S. Department of Agriculture (USDA) and is administered by the Summer Food Service Program (SFSP). The purpose of this USDA program is to provide nutritious meals in areas of need, so that children can get the nutrition they need to learn, play, and grow, throughout the summer months when they are out of school.

The Sport-Recreation Division has become an official federal sponsor to provide SFSP. The meals have been purchased through Locker Mates and are shelf stable meals. Lunch will include: one serving of milk; 2 or more servings of vegetables and/or fruits; a serving of grain or bread; and a serving of meat or meat alternate. Pork will not be served in any of the meals.

You may choose for your child to eat the USDA lunch meal or bring your own lunch, including drink from home each day. A commitment will need to be made for the entire duration of the child's participation in the program rather than a day to day choice. Because ordering and delivery of meals must be accurate, we will require this decision to be made in advance. A copy of the types of meals being served is printed on the back of this letter.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Jeanne Harrison

USDA Program Supervisor

(703)228-6432

# Virginia Summer Food Service Program POLICY STATEMENT

2/2010

<b>Sponsor Organization Name:</b> Arlington County VA Government Dept of Parks, Recreation and Cultural Resources Fairlington Community Center (PRCR) 3308 S. Stafford St. Arlington, VA 22206	<b>Agreement Number:</b>
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[Sponsor Organization Name] Arlington County, VA Government, Dept of PRCR agrees to participate in the Virginia Summer Food Service Program (SFSP) and accepts responsibility for providing Program benefits to eligible children in the Program.

The applicant sponsor assures the U.S. Department of Agriculture, Food and Nutrition Service, Mid-Atlantic Regional Office, that:

1. All children are served the same meal.
2. There is no discrimination in the course of the food service.
  - a. In accordance with Federal law and U.S. Department of Agriculture (USDA) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.

3. Except for camps, the meals served are free at all sites.

All applicants that are camps that charge separately for meals also ensure the following:

1. The income eligibility standards conform to the Secretary's family size and income standards for reduced price school meals.
2. The method or methods used in accepting applications from families for Program meals ensure that households are permitted to apply on behalf of children who are members of households receiving food stamp, FDIPIR, or TANF benefits using the categorical eligibility procedures described in §225.15(f);
3. The method used by camps for collecting payments from children who pay the full price of the meal prevents the overt identification of children receiving a free meal;
4. The camp will establish a hearing procedure for families wishing to appeal a denial of an application for free meals. Such hearing procedures shall meet the requirements set forth in paragraph §225.15(c)(5);
5. If a family requests a hearing, the child shall continue to receive free meals until a decision is rendered; and
6. There will be no overt identification of free meal recipients and no discrimination against any child on the basis of race, color, national origin, sex, age, or disability.

<p style="text-align: center;"><u>Pamela J. Everett</u> Signature of Authorized Representative</p> <p style="text-align: center;"><u>4/23/10</u> Date of Signature</p>	<p style="text-align: center;"><u>Pamela J. Everett</u> Print/Type Name of Authorized Representative</p> <p style="text-align: center;"><u>Community Specialist</u> Title of Authorized Representative</p>
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# Virginia Summer Food Service Program POLICY STATEMENT

2/2010

<b>Sponsor Organization Name:</b> Arlington County VA Government Dept of Parks, Recreation and Cultural Resources (PRCR) Fairlington Community Center 3308 S. Stafford St Arlington, VA 22206	<b>Agreement Number:</b>  <div style="font-size: 1.5em; text-align: center;">59676</div>
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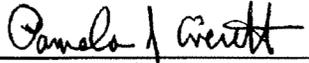
[Sponsor Organization Name] Arlington County VA Government, Dept of PRCR agrees to participate in the Virginia Summer Food Service Program (SFSP) and accepts responsibility for providing Program benefits to eligible children in the Program.

The applicant sponsor assures the U.S. Department of Agriculture, Food and Nutrition Service, Mid-Atlantic Regional Office, that:

1. All children are served the same meal.
2. There is no discrimination in the course of the food service.
  - a. In accordance with Federal law and U.S. Department of Agriculture (USDA) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.
3. Except for camps, the meals served are free at all sites.

All applicants that are camps that charge separately for meals also ensure the following:

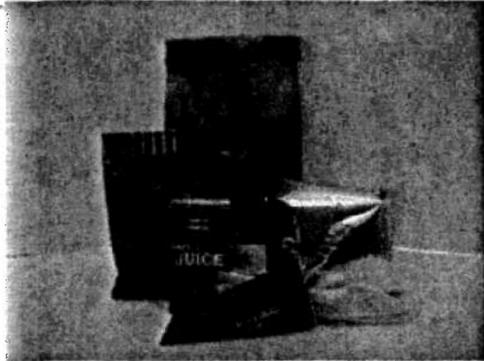
1. The income eligibility standards conform to the Secretary's family size and income standards for reduced price school meals.
2. The method or methods used in accepting applications from families for Program meals ensure that households are permitted to apply on behalf of children who are members of households receiving food stamp, FDPIR, or TANF benefits using the categorical eligibility procedures described in §225.15(f);
3. The method used by camps for collecting payments from children who pay the full price of the meal prevents the overt identification of children receiving a free meal;
4. The camp will establish a hearing procedure for families wishing to appeal a denial of an application for free meals. Such hearing procedures shall meet the requirements set forth in paragraph §225.15(c)(5);
5. If a family requests a hearing, the child shall continue to receive free meals until a decision is rendered; and
6. There will be no overt identification of free meal recipients and no discrimination against any child on the basis of race, color, national origin, sex, age, or disability.

<div style="text-align: center;">                   _____                  Signature of Authorized Representative             </div> <div style="text-align: center; margin-top: 20px;">                 4/23/10                  _____                  Date of Signature             </div>	<div style="text-align: center;">                 Pamela J. Everett                  _____                  Print/Type Name of Authorized Representative             </div> <div style="text-align: center; margin-top: 20px;">                 Community Specialist                  _____                  Title of Authorized Representative             </div>
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**ALAN R. CRANE**  
 State Coordinator  
 Summer Food Service Program

JUN 10 2010

## Meal Pattern



# Locker Mates

are your perfect solution for lunches, field trips, summer feeding programs, emergency meals and much more. These shelf stable meals are an innovative solution to providing quality nutrition, in a convenient, cost effective meal that kids truly love.

### Locker Mate Menu

- Meal 1** Peanut Butter (2), Grape Jelly, Graham Crackers, Animal Crackers, Peaches, 100% Apple Juice
- Meal 2** Chicken Sticks, Sunflower Kernels, Cheddar Crackers, Mixed Berry Applesauce, 100% Orange-Tangerine Juice
- Meal 3** Beef Sticks, Sunflower Kernels, Cheddar Crackers, Cinnamon Applesauce, 100% Orange-Tangerine Juice
- Meal 4** Turkey Sticks, Sunflower Kernels, Cheddar Crackers, Applesauce, 100% Tropical Fruit Punch Juice
- Meal 5** Tuna Salad, Wheat Twin Crackers, Applesauce, 100% Tropical Fruit Punch Juice
- Gluten Free Meal 6** Hummus Dip, White Cheddar Cheese Square, Sunflower Kernels, Nacho Strips, Mixed Berry Applesauce, 100% Orange-Tangerine Juice
- Gluten Free Meal 7** Queso Cheese Cup, Sunflower Kernels, Nacho Strips, Raisins, 100% Apple Juice
- Meal 8** Sun Butter, Trail Mix, Grape Jelly, Graham Crackers, Mixed Fruit Cup, 100% Apple Juice
- Meal 9\*** Turkey Stick, Queso Cheese Cup, Pretzels, Strawberry Applesauce, 100% Tropical Fruit Punch Juice
- Meal 10** White Cheddar Cheese (2), Sunflower Kernels, Wafer Crackers, Cinnamon Applesauce, 100% Tropical Fruit Punch Juice

\*menu subject to cost/ availability restrictions

\*\*We reserve the right to substitute components of equal or greater value due to item availability, without changing nutritional value of the meal.

- Increase funding and rapidly grow your program
- Fully customizable
- Don't have a kitchen? No Problem! Locker Mates can take care of all your meal requirements... Just add milk
- Have a kitchen? Locker Mates will save you time and money! We can provide you with up to a 2-week meal cycle
- Eliminate costly waste
- Alleviate unforeseen dilemmas affecting your meal counts
- May provide **100% reimbursable** breakfast, snack, lunch/dinner meals
- No need to **heat or refrigerate**
- Variable shelf life up to **6 months or longer**
- Spork kit included

## Nutritional Data



	Meat/Alt	Bread	Fruit	Size (g)	Kcal	Total Fat(g)	Sat. Fat (g)	Protein(g)	Carbs(g)	Vit. A (mg)	Vit. C (mg)	Sodium(mg)	Fiber (g)
<b>Meal 1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>352.49</b>	<b>705</b>	<b>29.5</b>	<b>5</b>	<b>17</b>	<b>96</b>	<b>0</b>	<b>78</b>	<b>725</b>	<b>6</b>
Peanut Butter (2)	2	n/a	n/a	56g	320	26	5	14	14	0	0	480	2
Graham Crackers, 3-ct.	n/a	1	n/a	21g	90	2	0	1	16	0	0	130	1
Animal Crackers	n/a	1	n/a	28g	110	1.5	0	2	23	0	0	95	1
Peaches	n/a	n/a	1	4oz	90	0	0	0	20	0	18	15	2
100% Apple Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
Grape Jelly	n/a	n/a	n/a	.5 oz	35	0	0	0	8	0	0	0	0
<b>Meal 2</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>313.85</b>	<b>430</b>	<b>14.5</b>	<b>2.5</b>	<b>15</b>	<b>58</b>	<b>112.14</b>	<b>78</b>	<b>565</b>	<b>7</b>
Chicken Sticks	1.6	n/a	n/a	1.6oz	70	2	0	10	2	0	22.68	292.79	0
Sunflower Kernels, .5 oz.	0.5	n/a	n/a	.5oz	90	8	1	3	2	0	0	110	1
Mixed Berry Applesauce	n/a	n/a	1	4oz	90.32	0	0	0	22.08	0	12.04	10.04	2.01
Cheddar Crackers	n/a	1	n/a	21g	100	3.5	0.5	2	14	100	0	140	0
100% Orange Tangerine Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
<b>Meal 3</b>	<b>2.1</b>	<b>1</b>	<b>2</b>	<b>313.85</b>	<b>430</b>	<b>14.5</b>	<b>2.5</b>	<b>15</b>	<b>58</b>	<b>112.14</b>	<b>78</b>	<b>565</b>	<b>7</b>
Beef Sticks	1.6	n/a	n/a	44	90	3	1	10	4	12.14	18	300	4
Sunflower Kernels, .5 oz.	0.5	n/a	n/a	14	90	8	1	3	2	0	0	110	1
Cinnamon Applesauce	n/a	n/a	1	113	90	0	0	0	23	0	0	10	2
Cheddar Crackers	n/a	1	n/a	21g	100	3.5	0.5	2	14	100	0	140	0
100% Orange Tangerine Juice	n/a	n/a	1	125	60	0	0	0	15	0	60	5	0
<b>Meal 4</b>	<b>1.6</b>	<b>n/a</b>	<b>n/a</b>	<b>1.6oz</b>	<b>70</b>	<b>2</b>	<b>0</b>	<b>10</b>	<b>2</b>	<b>13.26</b>	<b>24</b>	<b>300</b>	<b>0</b>
Turkey Sticks	1.6	n/a	n/a	1.6oz	70	2	0	10	2	13.26	24	300	0
Sunflower Kernels, .5 oz.	0.5	n/a	n/a	.5oz	90	8	1	3	2	0	0	110	1
Applesauce	n/a	n/a	1	4oz	90	0	0	0	22	0	0	10	2
Cheddar Crackers	n/a	1	n/a	21g	100	3.5	0.5	2	14	100	0	140	0
100% Trop. Fruit Punch Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
<b>Meal 5</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>352.03g</b>	<b>450</b>	<b>9.43</b>	<b>0.4</b>	<b>14.87</b>	<b>78.3</b>	<b>200</b>	<b>60</b>	<b>1045</b>	<b>5.87</b>
Tuna Salad	2	n/a	n/a	3.2oz	160	7	0.4	13	1.3	200	0	790	2
Applesauce	n/a	n/a	1	4oz	90	0	0	0	22	0	0	10	2
100% Trop. Fruit Punch Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
Wheat Twin Crackers	n/a	1	n/a	28g	140	2.43	0	1.87	40	0	0	240	1.87

\*May meet state and federal guidelines for reimbursability when milk is added

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[www.locker-mates.com](http://www.locker-mates.com)

## Nutritional Data



	Meal/Alt	Bread	Fruit	Sire (g)	Kcal	Total Fat(g)	Sat. Fat (g)	Protein(g)	Carbs(g)	Vit. A (mg)	Vit. C (mg)	Sodium(mg)	Fiber (g)
<b>Meal 6</b>	<b>1.5</b>	<b>1</b>	<b>2</b>	<b>247.18</b>	<b>575.32</b>	<b>24.76</b>	<b>7.9</b>	<b>14.01</b>	<b>70.27</b>	<b>0</b>	<b>70.58</b>	<b>224.05</b>	<b>4.74</b>
White Cheddar Cheese	1	n/a	n/a	42g	150	12	7.5	9	4.5	300	0	570	0
Hummus Dip	0.5	n/a	n/a	50g	63	3	0	6	3	0	1.2	120	1
Mixed Berry Applesauce	n/a	n/a	1	4oz	90.32	0	0	0	22.08	0	12.04	10.04	2.01
100% Orange Tangerine Juice	n/a	n/a	1	4.25	60	0	0	0	14.18	0	56.74	4.73	0
Sunflower Kernels, 1 oz.	1	n/a	n/a	28.4g	170	16.03	1.5	6.01	4.01	0	0.6	90.16	2
Nacho Strips	n/a	1	n/a	42g	195	9.75	1.4	2	27	0	0	0	3.75
<b>Meal 7</b>	<b>2.25</b>	<b>1</b>	<b>2</b>	<b>302.67g</b>	<b>725.31</b>	<b>43.78</b>	<b>14.9</b>	<b>21.01</b>	<b>72.01</b>	<b>750</b>	<b>60.6</b>	<b>1245.16</b>	<b>6.75</b>
Queso Cheese Cup	1.25	n/a	n/a	84g	210	18	12	12	3	750	0	1050	0
Sunflower Kernels, 1 oz.	1	n/a	n/a	28.4g	170.31	16.03	1.5	6.01	4.01	0	0.6	90.16	2
100% Apple Juice	0	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
Raisins	0	n/a	1	28.4	90	0	0	1	23	0	0	10	1
Nacho Strips	0	1	n/a	42g	195	9.75	1.4	2	27	0	0	90	3.75
<b>Meal 8</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>102.72g</b>	<b>219.77</b>	<b>16.03</b>	<b>1.5</b>	<b>6.01</b>	<b>4.01</b>	<b>0</b>	<b>0.6</b>	<b>90.16</b>	<b>2</b>
Sun Butter	1	n/a	n/a	32g	200	16	2	7	7	0	0	120	4
Trail Mix	1	n/a	n/a	30g	182	8.4	1.4	5.6	22.4	0	0	70	2.4
Graham Crackers, 3-ct.	n/a	1	n/a	21g	90	2	0	1	16	0	0	130	1
Mixed Fruit Cup	n/a	n/a	1	4oz	50	0	0	0	13	100	12	10	1
Grape Jelly	n/a	n/a	n/a	.5oz	35	0	0	0	8	0	0	0	0
100% Apple Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
<b>Meal 9</b>	<b>2.05</b>	<b>1</b>	<b>2</b>	<b>361.56</b>	<b>475.56</b>	<b>34</b>	<b>4</b>	<b>19</b>	<b>56.14</b>	<b>763.26</b>	<b>75.61</b>	<b>1520.07</b>	<b>2.01</b>
Turkey Stick	0.8	n/a	n/a	.8oz	35	1	0	5	1	13.26	12	150	0
Queso Cheese Cup	1.25	n/a	n/a	84g	210	18	4	12	3	750	0	1050	0
Pretzels	n/a	1	n/a	21g	90	15	0	2	17	0	0	300	0
Strawberry Applesauce	n/a	n/a	1	4oz	80.28	0	0	0	20.07	0	3.61	15.05	2.01
100% Trop. Fruit Punch Juice	n/a	n/a	1	4.25oz	60.28	0	0	0	15.07	0	60	5.02	0
<b>Meal 10</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>102.72g</b>	<b>219.77</b>	<b>16.03</b>	<b>1.5</b>	<b>6.01</b>	<b>4.01</b>	<b>0</b>	<b>0.6</b>	<b>90.16</b>	<b>2</b>
White Cheddar Cheese (2)	1	n/a	n/a	42g	150	12	7.5	9	4.5	300	0	570	0
Sunflower Kernels	1	n/a	n/a	1oz	170	16	1.5	6	4	0	0.6	90	2
Cinnamon Applesauce	n/a	n/a	1	4oz	90	0	0	0	23	0	0	10	2
Wafer Crackers	n/a	1	n/a	28g	140	5	0	2	18	0	0	210	0
100% Trop. Fruit Punch Juice	n/a	n/a	1	4.25oz	60.28	0	0	0	15.07	0	60.28	5.02	0

455 Post Road · Buchanan MI 49107

T:800.592.1173 F:269.697.0446

[www.locker-mates.com](http://www.locker-mates.com)

**LIMITED PRICE AGREEMENT**

ARLINGTON COUNTY, VIRGINIA

PRCR (DEPARTMENT/AGENCY NAME)  
2100 Clarendon Blvd (ADDRESS) #414  
Arl. VA. 22201

TO (Supplier Name/Address):

Royalle Dining Services, INC.  
PO Box 632  
Dunkirk, MD 20754

Date: 4/22/10

Arlington County desires to establish a Limited Price Agreement (LPA) with your firm for the provision of the commodities or services identified below. Purchases will be on an as-needed, pickup basis by the named County Agency above, subject to the "Terms and Conditions For Limited Price Agreements," attached. NO SINGLE TRANSACTION OVER \$5,000 IS AUTHORIZED UNDER THIS AGREEMENT.

GOODS OR SERVICES COVERED: Pre-packaged meals (shelf stable)

Insert, in the return form below, the discount or pricing formula applicable to the above goods or services and offered to the County agency identified above. Return this completed form to the County agency identified (Address at top of page). Pricing will remain in effect until modified in writing by the Seller. This is not an authorization to provide the commodity or service. A County blanket Purchase Order must be issued to your firm before any purchases may be made against this Limited Price Agreement.

Sincerely,

SUPPLIER: PLEASE COMPLETE THIS FORM AND RETURN TO THE COUNTY AGENCY INFORMATION AT THE ABOVE ADDRESS.

THE UNDERSIGNED ACCEPTS THE TERMS AND CONDITIONS ATTACHED AND OFFERS THE FOLLOWING DISCOUNT SCHEDULE FOR THE ABOVE GOODS OR SERVICES (INDICATE DISCOUNTS OFFERED TO COUNTY).

GOODS OR SERVICES: Shelf Stable Meals

DISCOUNT OR PRICING METHOD OFFERED:

SUPPLIER PAYMENT TERMS: NET THIRTY (30) DAYS

Royalle Dining Services  
SUPPLIER NAME

[Signature]  
AUTHORIZED SIGNATURE

4-22-10  
DATE

Leta Backus, President  
PRINTED NAME AND TITLE

410-257-0124  
ORDER TELEPHONE

**TERMS AND CONDITIONS FOR LIMITED PRICE AGREEMENTS (LPA)**

BLANKET PURCHASE ORDER REQUIREMENT

Purchases under this Limited Price Agreement (LPA) are authorized only if a County blanket Purchase Order is issued before any transaction is made. Suppliers providing goods or services without such authorization do so at their risk. The County will not be liable for payment of any purchases made by its employees without the appropriate purchase authorization.

AUTHORIZED PURCHASES

Authorized purchases are limited to goods or services covered by blanket Purchase Order issued by the County.

MAXIMUM VALUE PER TRANSACTION

NO SINGLE TRANSACTION OVER \$5,000 IS AUTHORIZED.

EMPLOYEE IDENTIFICATION

The County agency issuing the blanket Purchase Order will provide, upon request, a list of employees authorized to purchase goods or services against the blanket Purchase Order.

COUNTY EMPLOYEES

No employee of Arlington County, Virginia shall be admitted to any share or part of this Limited Price Agreement or to any benefit or discount offered to the County.

PAYMENT TERMS

Unless otherwise indicated by the Supplier, payment terms will be recorded as net thirty (30) days. The determining date for calculation of payment terms shall be the date a correct invoice or the entire order, whichever is later, is received by the County at the invoice address on the blanket Purchase Order. The number of the blanket Purchase Order shall appear on all invoices. Submit invoices in duplicate.

REVISIONS AND AMENDMENTS

The Supplier agrees that revisions to the discounts and pricing formula used in this Limited Price Agreement will be considered only upon written request of the Supplier.

This statement is printed in our Camp brochure

## REGISTERING FOR PRCR CAMPS

Register for Arlington County camps (highlighted with this symbol) online at [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr) starting March 3 at 8am or with the Arlington County Camp Registration Form on page 19. Mail-in and fax registration begins March 3 as well. Phone registration begins March 17; walk-in March 22. If a camp is not an Arlington County camp (does not have the by the (A) camp name), follow the directions in the camp listing under Registration. Arlington County cannot process registrations for camps that are not Arlington County camps.

How to register for Arlington County Tot Camps (page 5)

- Go to [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr) starting March 3 or complete and sign Arlington County Camp Registration Form (page 19) and fax, mail, call or walk in.
- Complete and sign Participant Information/Emergency Record found on web and page 20.
- Provide verifiable proof of child identity and age. For children not registered in an Arlington Public School, please provide a copy of any of the following: certified birth certificate, birth registration card or passport (valid or expired).
- Complete and sign Commonwealth of Virginia School Entrance Physical Examination and Immunization Certificate (also known as a School Health Form). Obtain a blank copy from the PRCR Registration Office, from your child's school or download at [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr). Please note, if the PRCR Registration Office has this form on file from the previous year, resubmission is not necessary.

How to register for Arlington County Camps

- Go to [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr) starting March 3 or complete and sign Arlington County Camp Registration Form (page 19) and fax, mail, call or walk in.
- Complete and sign Participant Information/Emergency Record found on web and page 20. ALL PAPERWORK AND DOCUMENTS MUST BE DELIVERED TO THE REGISTRATION OFFICE BEFORE APRIL 15. YOUR CHILD MAY BE UNENROLLED.

How and Where to Register  
Arlington County Camps are very popular. For the best chance of enrollment, register online beginning March 3 at 8am.

- Beginning March 3 at 8am, register online at [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr). For help with online processing, read Online Registration Tips for Success on this page. Have your Household ID number, camp code, session and credit card information readily available when you go online.
- Beginning March 3 at 8:00am, mailed or faxed Arlington County Camp Registration Forms (page 19) will be processed through a random draw. Forms can be mailed or faxed weekly, both front and back, but will be held until the March 8 random draw. Fax to 703-228-4747 or mail to Registration Office, 3700 S. Four Mile Drive, Arlington, VA 22208.
- Beginning March 17 at 8am, call the Registration Office at 703-228-4747 to register. Have your Household ID number, camp code, session and credit card information readily available.
- Beginning March 22 drop off your Arlington County Camp Registration Form (page 19) from 9:00am to 5:00pm at the Registration Office, 3700 S. Four Mile Drive. If you drop off your registration form before March 22, it will be held and processed by random draw beginning at 8:00am on March 22.

In accordance with Federal Law and US Department of Agriculture notices, these benefits are prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

## Registration Fees

Don't get it offi Camps is quickly and the sooner you register the more likely you will get the spot you want. Registrations will be processed in chronological first and second choices. If an opening is not available, you can request a spot on a wait list. Print online registration confirmation using Adobe Acrobat 5.0. Interactive enrollment confirmation will be mailed upon processing if paperwork is still owed. Please do not telephone for registration confirmations or changes prior to April 15. For more information refer to Registration Changes and Refunds below. All required documents must be received no later than June 9 or campers may be unenrolled and their spots given to the Wait List. Registrations will be accepted up to one week prior to camp start date if space is available. For late registration, all documents must be delivered to the Registration Office no later than one week prior to the start of the camp session.

## Campers with Disabilities

Parents and guardians must request accommodations in the Therapeutic Recreation Office (703-228-4748) at least two weeks in advance of the program session if a child requires frequent reminders to participate, follow directions or stay with the group; requires assistance with dressing, feeding or talking; or has difficulty managing anger. Please note this on the Camp Participant Information/Emergency Record form. This additional information is required in order to provide accommodations as that every participant will be successful in the chosen program. There is no additional fee for this service.

## Non-County Residents Fees and Registrations Date

Arlington County Camps usually fill to capacity each year. Residents should register early to ensure spots. Non-resident registration for Arlington County camps begins March 28. Non-residents pay 50% more than the fee listed in the catalog.

## How to Pay

- All fees for Arlington County camps must be paid in full by June 9. Households with an overdue balance must pay off their previous balance before registering a child for camp.
- Fee reductions are available for qualifying residents. Arlington County doesn't want fees to be a barrier for a fun and safe summer. Call 703-228-4747 for more information or go to [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr) to request fee reduction.
- Checks and money orders may be used with mail and walk in registration. Checks are payable to Treasurer, Arlington County.

On-line registration requires full payment by credit card at the time of registration. Fax, mail, call and walk in registrations can pay in two installments. At least 25% is due at the time of registration. The remaining payment is due by June 9.

- The following credit cards can be used for every form of registration: American Express, Visa, MasterCard or Discover.

## Discounts for Families

Families with more than one child in an Arlington County camp are eligible for a Family Discount. To receive a Family Discount, register your children, and then contact the Registration Office after April 15 to receive the discount.

## Financial Assistance

Fee reductions for camps are available on a sliding scale based on household income and size. Anyone who is an active financial assistance client of Arlington County's Department of Human Services or APS (not reduced lunch program), as well as others who are below the threshold of the currently published HUD's Section 8 income limits, is eligible for a reduced camp fee. Annual income verification is required. For application qualifications, guidelines and procedures, please contact the registration office at 703-228-4747 or go to a customer service desk at one of these locations: Registration Office 3700 South Four Mile Run Dr., Thomas Jefferson Community Center (3801 S. 2nd St.), or Barrcraft Sports & Fitness Center (4200 S. Four Mile Run Dr.)

## Registration Changes

Any Arlington County camp registration changes (such as cancellations, transfers or refunds) must be made through the PRCR Registration Office after April 15. Do not walk until camp begins or ask camp or recreation center staff to process camp changes. Only confirmed, written changes through the PRCR Registration Office are honored. Keep your confirmation number for reference when asking about any changes, transfers, refunds or talking questions. Without a confirmation number, registrants are held responsible for payment.

## Refunds

Notify the Registration Office of any changes or cancellations as soon as possible after April 15 to ensure a Wait Listed child can join the program. Requests for refunds or changes for Arlington County camps must be received by the Registration Office no later than June 9 on the date listed below to ensure a spot for a Wait Listed child. All refunds are subject to a \$15.00 administrative charge per camp session. No refunds will be issued if you cancel after these dates:

- Session 1: Monday, June 21
- Session 2: Monday, June 29
- Session 3: Monday, July 6
- Session 4: Monday, July 12
- Session 5: Monday, July 19
- Session 6: Monday, July 26
- Session 7: Monday, August 2
- Session 8: Monday, August 9
- Session 9: Monday, August 16
- Session 10: Monday, August 23

## Online Registration Tips for Success

Did You Know? The first day of camp registration is the busiest day online. Make your online registration a success by preparing BEFORE the registration period begins.

### SET UP YOUR ACCOUNT before March 3, 2010

If this is the first time you will be registering for a camp or class, before March 3 go to [www.arlingtonva.us/prcr](http://www.arlingtonva.us/prcr), click on Register for classes and camps, then click on Register! In the middle of the page that opens you'll see a link that states "Forgot your User Name or Password? Need to Create an Account? Click here for help." Click there. You will be taken to a new webpage. Click on the link under "Need an Account." Enter the required information and click "Submit" to create an account with us.

If you have taken a class or camp with Arlington County Parks, Recreation and Cultural Resources before, but have not registered online go to the Registration web page, click on the "Forgot your User Name or Password? Need to Create an Account? Click here for help." link, and under the section titled "Have an account?" fill in your Household ID Number and the e-mail address you provided when registering. Call 703-228-4747 to get your household number or faxed e-mail address if you aren't sure.

- If the online data matches your responses, your account information will be emailed to you and you can go online to verify it.

If the online data doesn't match your responses, you will be prompted to register for a new account. If you don't have an e-mail address on file with us or do not know your Household ID Number, contact the Registration Office at 703-228-4747 or registration@arlingtonva.us.

### REVIEW YOUR ACCOUNT before March 3, 2010

Check the information we have about your account when to be sure we have your household listed correctly and all family members are listed. If you have forgotten your username or password, go to the Registration site on the web and follow the prompts to retrieve your username or reset your password online. You can also receive assistance from the Registration Office 703-228-4747 and at registration@arlingtonva.us, M-F 9am - 5pm.

### Be Prepared When You Sign In to Register on or after March 3

You will need through the online registration process if you have the information you need at your fingertips when registering online.

- Know your username and password.
- Know the camps, camp codes and sessions you want. Have second-choice options ready in case you are waitlisted for your first choice.
- After you login, use the menus to select Search -> Activity -> Search by Number. Enter the 6-digit camp code into the field labeled Activity Number and click Search. All sessions of the camp will be listed with the sleeping cart to the left of the desired camp session. If the camp offers extended hours, you will be asked if you'd like to sign up for them.

- Have your credit card information handy. Arlington County accepts Visa, MasterCard, Discover and American Express.

If you have questions about the online registration process, contact the Registration Office (703-228-4747, registration@arlingtonva.us) before March 3 for the fastest service. If you have trouble registering online, contact the Registration Office for assistance.



## Kitchen Operations vs. Locker Mates Menu Cycle\*

\*Based on 1,000 meals a day and a 40-day Summer service

Food cost (45%)‡ w/ milk*	= \$1.30	Average Locker Mates Cost	= \$2.00**
\$1.30 x 1,000	= \$1,300	\$2.00** x 1,000	= \$2,000
Labor cost (46%)‡	= \$1.32	\$.30* milk x 1,000	= \$300
\$1.32 x 1,000	= \$1,320	Food Service Employees	= \$0.00
Daily cleaning and disposal	= \$100	Daily cleaning and disposal	= \$0.00
<b>Daily Grand Total</b>	<b>= \$2,720</b>	<b>Daily Grand Total</b>	<b>= \$2,300</b>

**Difference between Kitchen Operation and Locker Mates = \$420**

**In just 40 days with Locker Mates, your program may save \$16,800!**

The 2010 federal reimbursement rate is **\$3.195†** per meal. Factoring in an average Locker Mates cost of \$2.00, and an average milk\* cost of \$.30, you will receive **\$.895** per meal back in federal reimbursement. In **40** days, feeding **1,000** children, your program may actually show a net gain of

$$40 \times 1,000 \times \$.895 = \$35,800$$

**Locker Mates may actually turn your feeding program into a profit center!**

\*Milk costs are based on local averages. Your cost may be different.

\*\*\$2.00 does not represent a bulk cost. Your cost could be significantly lower. Contact a sales person for details.

† Reimbursement information can be seen at <http://www.fns.usda.gov/cnd/Governance/notices/naps/nsl09-10fr.pdf>

‡Average cost information taken from the School Lunch and Breakfast Cost Study II (SLBCS-II) conducted for the Food and Nutrition Service under the U.S. Department of Agriculture in 2008 <http://www.fns.usda.gov/ORA/menu/Published/CNP/FILES/MealCostStudy.pdf>

## Nutritional Data

<b>Jockey Mates</b>	<b>Meat/Alt.</b>	<b>Bread</b>	<b>Fruit</b>	<b>Size (g/oz)</b>	<b>Kcal</b>	<b>Total Fat(g)</b>	<b>Sat. Fat (g)</b>	<b>Protein(g)</b>	<b>Carbs(g)</b>	<b>Vit.A (mg)</b>	<b>Vit. C (mg)</b>	<b>Sodium(mg)</b>	<b>Fiber (g)</b>
<b>Meal 6</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>347.19g</b>	<b>593.32</b>	<b>34.78</b>	<b>6.65</b>	<b>18.51</b>	<b>58.34</b>	<b>150</b>	<b>13.84</b>	<b>505.2</b>	<b>8.76</b>
Hummus Dip	0.5	n/a	n/a	50g	63	3	0	6	3	0	1.2	120	1
Sunflower Kernels, 1oz	1	n/a	n/a	1oz	170	16.03	1.5	6.01	4.01	0	0.6	90.16	2
White Cheddar Cheese Square	0.5	n/a	n/a	21g	75	6	3.75	4.5	2.25	150	0	285	0
Mixed Berry Appiesauce	n/a	n/a	1	4oz	90.32	0	0	0	22.08	0	12.04	10.04	2.01
Nacho Strips	n/a	1	n/a	42g	195	9.75	1.4	2	27	0	0	0	3.75
100% Orange-Tangerine Juice	n/a	n/a	1	4.23oz	60	0	0	0	14.18	0	56.74	4.73	0
<b>Meal 7</b>	<b>2.25</b>	<b>1</b>	<b>1</b>	<b>302.67g</b>	<b>665.31</b>	<b>43.78</b>	<b>14.9</b>	<b>21.01</b>	<b>57.01</b>	<b>750</b>	<b>0.6</b>	<b>1240.16</b>	<b>6.75</b>
Queso Cheese Cup	1.25	n/a	n/a	84g	210	18	12	12	3	750	0	1050	0
Sunflower Kernels, 1oz	1	n/a	n/a	1oz	170.31	16.03	1.5	6.01	4.01	0	0.6	90.16	2
Raisins	0	n/a	1	28.4g	90	0	0	1	23	0	0	10	1
Nacho Strips	0	1	n/a	42g	195	9.75	1.4	2	27	0	0	90	3.75
100% Apple Juice	0	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
<b>Meal 8</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>330.49g</b>	<b>617</b>	<b>26.4</b>	<b>3.4</b>	<b>13.6</b>	<b>81.4</b>	<b>100</b>	<b>72</b>	<b>335</b>	<b>8.4</b>
Sun Butter	1	n/a	n/a	32g	200	16	2	7	7	0	0	120	4
Trail Mix	1	n/a	n/a	30g	182	8.4	1.4	5.6	22.4	0	0	70	2.4
Graham Crackers, 3-ct.	n/a	1	n/a	21g	90	2	0	1	16	0	0	130	1
Mixed Fruit Cup	n/a	n/a	1	4oz	50	0	0	0	13	100	12	10	1
Grape Jelly	n/a	n/a	n/a	.5oz	35	0	0	0	8	0	0	0	0
100% Apple Juice	n/a	n/a	1	4.23oz	60	0	0	0	15	0	60	5	0
<b>Meal 9</b>	<b>2.05</b>	<b>1</b>	<b>2</b>	<b>361.56g</b>	<b>475.56</b>	<b>34</b>	<b>4</b>	<b>19</b>	<b>56.14</b>	<b>763.26</b>	<b>75.61</b>	<b>1520.07</b>	<b>2.01</b>
Turkey Stick	0.8	n/a	n/a	.8oz	35	1	0	5	1	13.26	12	150	0
Queso Cheese Cup	1.25	n/a	n/a	84g	210	18	4	12	3	750	0	1050	0
Pretzels	n/a	1	n/a	21g	90	15	0	2	17	0	0	300	0
Strawberry Appiesauce	n/a	n/a	1	4oz	80.28	0	0	0	20.07	0	3.61	15.05	2.01
100% Trop. Fruit Punch Juice	n/a	n/a	1	4.23oz	60.28	0	0	0	15.07	0	60	5.02	0
<b>Meal 10</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>332.23g</b>	<b>610.28</b>	<b>33</b>	<b>9</b>	<b>17</b>	<b>64.57</b>	<b>300</b>	<b>60.88</b>	<b>885.02</b>	<b>4</b>
White Cheddar Cheese (2)	1	n/a	n/a	42g	150	12	7.5	9	4.5	300	0	570	0
Sunflower Kernels, 1oz	1	n/a	n/a	1oz	170	16	1.5	6	4	0	0.6	90	2
Cinnamon Appiesauce	n/a	n/a	1	4oz	90	0	0	0	23	0	0	10	2
Wafer Crackers	n/a	1	n/a	28g	140	5	0	2	18	0	0	210	0
100% Tropical Fruit Punch Juice	n/a	n/a	1	4.23oz	60.28	0	0	0	15.07	0	60.28	5.02	0



## Kitchen Operations vs. Locker Mates Menu Cycle

Based on 1,000 meals a day and a 40-day Summer service

Food cost (46%)‡ w/milk*	= \$1.32	Average Locker Mates Cost**	= \$2.00
\$1.32 x 1,000	= \$1,320.00	\$2.00** x 1,000	= \$2,000.00
Labor cost (45%)‡	= \$1.30	\$.30* milk x 1,000	= \$300.00
\$1.30 x 1,000	= \$1,300.00	Food Service Employee°	= \$50.00
Daily cleaning/other supplies (9%)‡	= \$257.00	Daily cleaning/other supplies°	= \$50.00
Daily Grand Total	= \$2,877.00	Daily Grand Total	= \$2,400.00

**Difference between Kitchen Operations and Locker Mates = \$477.00**

**With Locker Mates, in 40 days your program could save \$19,080.00!**

The 2010 SFSP federal reimbursement rate is \$3.2475† per meal.

Factoring an average Locker Mates cost of \$2.00, an average milk\* cost of \$.30 and labor/cleaning cost of \$.10, you may receive \$.8475 per meal back in federal reimbursement.

In 40 days, feeding 1,000 children, your program could show a net gain of

$$40 \times 1,000 \times \$0.8475 = \$33,900.00$$

**Locker Mates may actually turn your feeding program into a profit center!**

\* Milk costs are based on local averages; your cost may be different.

\*\* \$2.00 does not represent a bulk cost; your cost could be significantly lower. Contact a sales person for details.

° Based on one employee working for four hours to distribute meals and one employee to clean up, at \$12.50/ hour (wage based on national average).

† Reimbursement information can be reviewed at [http://www.fns.usda.gov/cnd/summer/ReimbursementRates/2010\\_rates.pdf](http://www.fns.usda.gov/cnd/summer/ReimbursementRates/2010_rates.pdf)

‡ Average percentages/costs (direct and indirect) derived from the School Lunch and Breakfast Cost Study II (SLBCS-II) conducted for the Food and Nutrition Service under the U.S. Department of Agriculture in 2008 <http://www.fns.usda.gov/ORA/menu/Published/CNP/FILES/MealCostStudy.pdf>

ACTION BY: Regional Offices  
State Agencies

INFORMATION FOR: Accounting Division  
Child Nutrition Division

Financial Management - Summer Food Service Program for Children

I PURPOSE

This Instruction establishes standards, principles, and guidelines to assist SA's and FNSRO's in the development and maintenance of financial management systems, including accounting information systems which are to be maintained by sponsors, thereby assuring that:

A All costs claimed in the program are necessary and reasonable.

B Program funds are expended efficiently, economically, and in accordance with applicable laws and regulations.

Funding for the SFSP is provided to assist States in initiating and maintaining nonprofit food service programs for children during the summer months and all other approved times. The food service provided under the SFSP is similar to that provided under the National School Lunch and School Breakfast Programs and is intended primarily to serve children from needy areas when, area schools are closed for vacation.

II AUTHORITY

The SFSP is authorized by section 13 of the National School Lunch Act, as amended. Program regulations issued by the Department are found in 7 CFR 225.

Principles for determining applicable costs and factors affecting allowability of costs for management of grant programs are as provided for in 7 CFR 3015, Uniform Federal Assistance Regulations, and a number of OMB Circulars governing cost principles (A-87 and A-122), financial management requirements (A-102 and A-110) and audits (A-125 and A-133).

DISTRIBUTION: FM, SNP, F1, A, E	MANUAL MAINTENANCE INSTRUCTIONS: See Change Transmittal Sheet for manual maintenance instructions.	RESPONSIBLE FOR PREPARATION AND MAINTENANCE: CND-1	Page 1 5-21-92
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### III ABBREVIATIONS

AICPA---American Institute of Certified Public Accountants  
CFR - Code of Federal Regulations  
FNS - Food and Nutrition Service  
FNSRO -- Food and Nutrition Service Regional Office  
MAP - Management and Administration Plan  
OMB - office of Management and Budget  
ROAP - Regional office Administered Programs  
SA's - State Agencies  
SFSP - Summer Food Service Program  
USDA - United States Department of Agriculture

### IV FORM

FNS-418, Report of the Summer Food Service Program for Children

### V SCOPE

The material presented in this Instruction applies to all SA's responsible for administering the program and to FNSRO's, where applicable, and to program sponsors. SA Summer Administrative Funds are not covered by this Instruction.

### VI DEFINITIONS.

Terms used in this Instruction are those defined in 7 CFR 225 and 7 CFR 3015, Appendix A - Definitions. Other definitions of importance are as follows:

A Financial-management is that aspect of management which is directed to the effective control over, and accountability for, all funds, property, and other assets to assure that they are safeguarded and used efficiently to fulfill authorized purposes. Financial management includes such activities as budgeting, accounting, costing standards, management of revenues, management of property, procurement standards, and fiscal audits. Records of these activities must be supported by source documents to accurately and completely disclose the sources and applications of funds.

B Inventory adjustment is a form of voucher or record which briefly explains errors recorded in a previously reported inventory, or loss of goods resulting from theft, fire, water damage, refrigeration breakdown, or contamination. The record should be prepared by the person responsible for safekeeping of the goods being reported. The closing inventory should be adjusted for the previous reporting period, and should reflect action by a

designated reviewing authority. When approved to relieve all persons from responsibility to repay costs of a loss, the value of an inventory adjustment can be included in the cost of food used.

C Net costs are total program costs (administrative and operating) less any applicable credits (e.g., refunds, rebates, etc.).

#### VII RESPONSIBILITIES

SA's shall establish a financial management system and may appoint a coordinator responsible for the implementation of the system. The system shall include provisions for necessary support services including budgeting, accounting, procurement, payroll, data processing, audit, etc., that meet the standards set forth in section VIII, below, and applicable Federal regulations. Program sponsors shall comply with the financial management system established by the SA.

Additionally, the SA shall be responsible for disbursing SFSP funds to sponsors in a timely and accurate manner.

#### VIII FINANCIAL MANAGEMENT STANDARDS

A At a minimum, SA and sponsor financial management systems shall provide:

- 1 Accounting records which are supported by source documents.
- 2 Records which show the source and application of funds and contain information pertaining to reimbursement funds (e.g., authorization, obligations, unobligated balances, assets, liabilities, and outlays) and income.
- 3 Accurate, current, and complete disclosure of the financial transactions of the program.
- 4 Effective control over, and accountability for, all funds, property, and other program assets to assure that they are safeguarded and used solely for authorized purposes.
- 5 Comparison of actual outlays against budgeted amounts.
- 6 Organization-wide audits to determine, at a minimum, the fiscal integrity of financial transactions and reports, and compliance with laws, regulations, and administrative requirements.

7 A systematic method to assure timely and appropriate resolution of all audit findings and recommendations (including organization-wide).

B Additionally, SA financial management systems shall provide:

1 Assurance that the final monthly Form FNS-418 is submitted to FNSRO's within 90 days after the close of the applicable report month.

2 Assurance that final valid claims from sponsors are submitted within 60 days following the applicable claim month, and any adjustments to final claims are processed in accordance with the established FNS exception request approval procedures. (Note: Sponsors which operate less than 10 days in the final month of operation must submit a combined claim for the final month and the immediate preceding month within 60 days from the last day of operation.)

3 A system which ensures that any adjustments to a final Form FNS-418 is submitted prior to the SFSP grant closeout dates established by FNS.

C SA's shall also comply with the applicable program regulations and any other reporting policies established by FNS to implement legislative provisions.

#### IX BASIC GUIDELINES FOR DETERMINING ALLOWABILITY OF COSTS

A Factors Affecting Allowability of Costs. To be allowable under the SFSP, costs must meet the following general criteria:

1 Be necessary and reasonable for proper and efficient administration of the program and chargeable within the guidelines of this Instruction;

2 Be authorized and not prohibited under State or local laws or regulations;

3 Conform to any limitations or exclusions set forth in this Instruction, Federal laws, or the governing limitations as to types or amounts of cost items;

4 Be consistent with the requirements of 7 CFR 3015.190, Subpart T--Cost Principles;

5 Not be chargeable to, or included as a cost to, any other federally financed program in either the current or prior period;

6 Be net of all applicable credits; and

7 Be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances.

B Direct Allocation of Costs. Many nonprofit sponsors typically separate their SFSP costs into two categories--operating or administrative. To the maximum extent practical, they identify each expense as either an operating or administrative cost. Costs which benefit both the operation and administration of the SFSP may be prorated between these two categories on a consistent and rational basis. For costs which benefit both the SFSP and other activities of the sponsor, such as occupancy and telephone services, these costs may be prorated as direct costs, using any appropriate base approved through the SA's financial management system and subject to review by FNS.

Public institutions should follow their existing guidelines for allocating costs.

#### X SELECTED ITEMS OF COST

This section lists allowable operating costs, administrative costs, and those costs which are unallowable. (Note: The listing is not intended to identify all items of cost.)

Costs can be allocated as either direct or indirect. Because of the diverse characteristics and accounting practices of nonprofit organizations, it is not possible to specify the categories of costs which may be classified as direct or indirect in all situations. In general, however, direct costs are those that can be identified specifically with an organization's SFSP operation, and are assignable entirely to the SFSP. Typical direct costs chargeable to the program are compensation of employees for the time and efforts devoted specifically to the execution of the program; the cost of materials acquired, consumed, or expended specifically for the SFSP; equipment and other approved capital expenditures; and other items of expense incurred specifically to carry out the program.

Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified or assignable

wholly to the SFSP. Typical examples of indirect costs may include depreciation and use allowances on buildings and equipment, the costs of operating and maintaining facilities, and general administrative expenses of the organization.

A Operating Costs. Operating costs are expenses incurred in operating a food service under the SFSP. Payments to a sponsor for operating costs shall equal the lesser of the actual operating costs incurred by the sponsor, or the sum of the amounts derived by multiplying the number of meals, by type, actually served to eligible children by the current reimbursement rates. SA's must ensure that second meals claimed for reimbursement are limited to the 2 percent tolerance established in Part 225.15(b) of the SFSP

\* Regulations. Operating costs shall include allowable direct and  
\* indirect cost expenditures. All costs must be documented.

1 Compensation for Program Labor. Operating costs for program labor involve labor performed to accomplish the following tasks:

- a Preparation, delivery, and service of program meals and cleanup;
- b Supervision of children during the meal service; and
- c Onsite preparation of records required for the program.

Labor operating costs are allowable when the amounts claimed are based upon hourly rates that are reasonable for the services provided and documented by payroll records. Hourly rates will be considered reasonable to the extent that they are consistent with rates paid for similar work in the area in which the sponsor is located.

The cost of program labor may include the documented amounts of wages and fringe benefits, including Social Security withholding tax and retirement benefits paid or incurred during the reporting period.

The costs associated with personnel who work only a portion of their time for the SFSP must be prorated based on the hours worked for the program. In order to establish the portion of costs which may be claimed as program labor, a daily log or other valid record must document the amount of time spent by each person on SFSP food service duties. The log or statistical data will supplement existing payroll documentation.

Donated-labor (e.g., volunteers, or labor funded through other Federal, State, or local government programs) shall not be claimed as a cost.

When provided for by SA policy, and at the discretion of the sponsor, adults who perform labor necessary for program operations may be served meals at no charge. The cost of these meals may be included as reported operating costs. However, these meals may not be counted toward the sponsor's meal count on the claim form.

2 Costs of Obtaining Food. Expenditures related to obtaining agricultural commodities and other foods used for consumption by children in the SFSP are costs of obtaining food. Incoming transportation charges and costs of processing, distributing, storing, and handling of purchased and donated food are allowable costs. Reductions to the cost of food used include meal or meal components returned to food service management companies, allowances on vendor's invoices for unacceptable food, cash discounts, trade discounts, rebates, and the value of inventory on hand at the time of operations closeout.

a The inventory value of purchased foods should be established by a physical count of food stocks on hand in storage, for all food types at all locations, and should be determined at the beginning and end of each year's SFSP operations.

The SA shall prescribe or approve an inventory valuation method for identifying item value (i.e., first-in/first-out, averaging, etc.). Whichever method is used, item values must be established net of trade discounts, returns, and other credits to purchase cost(s). Inventory adjustments must be made when reductions of food in stock result from fire, water damage, spoilage, or other than normal usage that results in stock reduction. Minor reductions need not be recorded as an inventory adjustment. The SA should establish amounts at which reductions become major. Reductions in stock should be reviewed on a case-by-case basis. Actual losses which could have been covered by insurance are unallowable. In calculating the dollar value of the inventory, use the original price of each item (can, pound, etc.), less any credits. When computing the cost of food used, those costs associated with distribution, storage, and handling

of food may be summarized and added to the purchase price of the food only if the costs were not included in the original purchase of the items.

b The formula used by sponsors to calculate the cost of food used shall be specified in SA policy. The formula may be stated as follows:

Calculated Cost of Food = Beginning Inventory  
plus (+) Receipts of Purchased Food plus  
(+) Other Costs of Food minus (-) Credits to  
Costs of Food minus (-) Inventory Adjustments  
minus (-) Ending Inventory.

Sponsors must, at a minimum, take a single food inventory at the beginning and at the conclusion of the program to determine the cost of food used. Sponsors who pay for food as they use it and, therefore, maintain no inventory of food may report food costs on a cash basis, if approved by the SA.

c Sponsors are required to report results of a physical count (inventory) of food on hand at the close of their program operations in terms of dollar value. The value assigned to this ending inventory must be the same method used by the sponsor during the operation of its program.

d In the case of unitized, prepackaged meals delivered by a food service management company under contract, the amount reported as "food used" must be based upon delivery receipts itemized to show the number of meals included in each delivery. For the cost of meals delivered to be allowable, each site supervisor must verify the adequacy and number of meals delivered and sign the delivery notice. Costs claimed for meals delivered by the food service management company are limited to the number of meals properly ordered by the sponsor, or the number of eligible program meals actually served, whichever is less. Sponsors may be permitted to claim the costs of meals properly ordered, but not served to eligible children or program adults, as well as disallowed meals, if approved by the SA. Returns, discounts, rebates, and other credits must be taken into account along with delivery notices to determine the cost of food used.

e Records maintained in support of the cost of purchased food used shall include as a minimum:

- (1) Receiving reports prepared at sites or wherever food is received from suppliers and signed by receiving personnel.
- (2) Purchase invoices received from food suppliers.
- (3) Records reflecting costs of processing, distributing, transporting, storing, and handling of purchased food when such costs are invoiced separately from the original purchase invoice(s).
- (4) Records of returns, allowances, cash discounts taken, and other credits when they are not reflected on purchase invoices.
- (5) Canceled checks or other forms of receipts for payment.
- (6) Inventory records that show the kinds of food items on hand at the end of a period, the quantity of each item, the dollar value assigned to each food item, and the total value of the inventory.
- (7) Records of major inventory adjustments, as defined by the SA, showing the same kinds of information as inventory records.
- (8) Sponsors which contract with schools or food service management companies to provide all meals, including supplements, must maintain billings by site from the school or company, less returns, allowances, discounts, and rebates for the program meals delivered.

3 Commodity Assistance. Summer program sponsors eligible to receive USDA commodities include self-preparation sponsors, sponsors which have entered into an agreement with a school or school district for the preparation of meals, and school food authorities which have competitively procured program meals from the same food service management company from which they

competitively procured meals for the National School Lunch Program during the last period in which school was in session. SA's should notify sponsors of the availability and the price of commodities when approving sponsor applications for participation. The notice of availability and unit price should be an attachment to the agreement between an SA and sponsor. Issue or draw procedures and delivery schedules for commodities should be established at the same time.

The costs of processing USDA donated commodities should be controlled by the SA. These costs may be borne by the SA and added to the unit price or value of the commodity to the sponsor, or passed down as a specifically identified charge to the sponsor to be added to the cost of food used. Other costs of distributing, transporting, storing, and handling donated commodities are proper charges to the cost of food used. Sponsors may receive and pass on donated commodities to schools when such schools prepare meals on-site. SA policy should provide that:

- a Prices charged by a school to such a sponsor will be reduced by the value of donated commodities received.
- b The donated commodity value credited to the sponsor shall reflect all costs of obtaining food (processing, transporting, etc.) borne by the SA and sponsor.

When USDA donated commodities have been received by a sponsor, the sponsor must maintain records documenting the unit price or value of all USDA donated commodities. When costs of obtaining USDA donated commodities are charged to or are borne by the sponsor, records must reflect these costs.

At the time of program closeout, SA's shall provide for adequate controls over USDA donated commodities to assure that the commodities are not abandoned or used unlawfully. Guidelines for the disposition of donated commodities are prescribed by 7 CFR Part 250, Donation of Foods for Use in the United States, Its Territories and Possesions and Areas Under Its Jurisdiction (Food Distribution Regulations).

4 Facilities Service Costs. These are the costs of services other than labor that are necessary to operate the SFSP. SA policy shall restrict facilities' service costs eligible for Federal payments to the following:

a The cost incurred by the sponsor for rental of food service preparation facilities and food service equipment.

(1) Facilities are considered to be buildings or parts of buildings, but not land, used for the preparation of food. Rental of dining space which is not part of a school food service facility or a larger facility used for food preparation is not an allowable cost. When sponsors utilize school food service facilities for program food service operations, charges billed to the sponsor for the opening, closing, and use of the school facilities, including the use of space for dining only, are allowable operating costs. All rental agreements must be in writing and show responsibilities of all parties involved.

(2) Food service equipment is equipment (other than land or buildings) designed for the receipt, preparation, refrigeration, storage, cleanup, service, and transportation of food.

(3) Rental agreements may not include an option for the sponsor to purchase at a later date, or rental fees for equipment, or facilities which exceed the rental fees of comparable equipment, or facilities in the same locality.

b Costs of repair to equipment, when the need for the repair is attributable to the program, are allowable costs. Costs of such repairs, when not wholly assignable to the SFSP, should be prorated to fairly distribute costs among different cost objectives based on their distribution of use. Repairs may only constitute normal maintenance for the equipment and shall not include purchases that rebuild or appreciably prolong the life expectancy of the equipment.

c Maintenance costs of keeping rented facilities in a clean and efficient operating condition are allowable costs only to the extent that those costs are not already reflected in rental fees. Improvements to facilities are not allowable costs when those improvements are of a permanent nature or when the benefits derived from those improvements exceed the duration of program operations.

d Utility costs incurred in the operation of the facility or equipment utilized for program operations are allowable costs to the extent that those expenses are not already reflected in rental fees, and to the extent that those expenses are related to program food service operations.

5 Nonfood Supplies. The documented costs for nonfood supplies purchased solely for program needs are allowable. Nonfood supplies include paper napkins, straws, dishwashing compounds, and equipment items of minor dollar value (as determined by the SA). The cost of nonfood supplies is determined by the dollar value of a beginning inventory, plus the dollar value of the supplies purchased during the period of SFSP operations, less the dollar value of the ending inventory. An inventory of nonfood supplies must be conducted at the beginning and ending of SFSP operations. Sponsors may claim the actual costs of supplies purchased during a claim month, with the amount claimed during the final month of operation adjusted for the costs of any unused supplies for the entire period of SFSP operations.

6 Costs for Transporting Children. Rural sponsors may claim the cost of transporting children to a central feeding location within rural areas as an operating cost, but not as an administrative cost. Costs incurred to administer the program, such as mileage to monitor sponsor feeding sites, may not be claimed as operating costs, but may be claimed as administrative costs if allowed for in a sponsor's administrative budget. Rural, as defined by SFSP regulations, means ". . . (a) any area in a county which is not a part of a Metropolitan Statistical Area or (b) any 'pocket' within a Metropolitan Statistical Area which, at the option of the State agency and with FNSRO concurrence, is determined to be geographically isolated from urban areas."

7 Costs for Transporting Food to Children. Costs directly associated with transporting food to children are allowable. For example, the cost involved with picking up prepared lunches at a central kitchen location and distributing them to various feeding sites would be an allowable cost.

8 Depreciation of Nonexpendable Equipment.

a General. Depreciation is the expense associated with the loss in value of program equipment. This loss in value may be claimed as an allowable operating cost. Donated equipment may not be included. All depreciation claimed for Federal reimbursement must be documented. Records in memorandum form are acceptable to document depreciation. All records for the full depreciation period must be retained during the life of the equipment and for 3 years after the end of the Federal fiscal year during which an equipment item is fully depreciated. Records must be retained beyond this period if audit findings have not been resolved.

b Acquisition Cost. Depreciation is based on acquisition cost. Where actual cost records have not been maintained, a reasonable estimate of the original acquisition cost may be used in the computation.

c Computing Depreciation. Any generally accepted method of computing depreciation may be used. However, the method of computing depreciation must be consistently applied for all like assets for all affected federally-sponsored programs, and should be consistent with the method normally allowed by the SA for nonfederally-sponsored activities. The depreciation method must result in equitable charges considering the use of assets and the benefits to the program.

d Fully Depreciated Equipment. No depreciation may be allowed on any assets considered fully depreciated.

B Allowable Administrative Costs. Allowable administrative costs are costs incurred by a sponsor related to planning, organizing, and managing a food service under the program, and excluding interest costs and operating costs. Administrative costs may include allowable direct and indirect costs. If the sponsor has an approved indirect cost rate, the rate must be applied to the base which is common to the functions benefiting from the indirect costs. For example, if the approved base is direct salaries, then only those salaries of individuals that can be specifically

identified with SFSP activities can be used as the base in the calculation of the indirect costs.

The use of indirect cost rates-are-allowable to the extent that:

- 1 The sponsor has a current indirect cost proposal and/or allocation plan which has been submitted to the Federal cognizant agency or its authorized representative for approval. The proposal/plan must be available for review by the Federal cognizant agency, FNS, or the SA;
- 2 Such costs have been included in the approved budget either by estimated dollar value or reference to the approved rate;
- 3 Indirect costs are computed using the approved rate times the appropriate base; and
- 4 Adequate documentation is maintained.

If any of the above four conditions are found absent in the course of processing a sponsor's claim, or through audit or administrative review, the SA shall disallow the sponsor's claim for indirect costs.

C Claim Restrictions. Any portion of administrative costs not recovered by a sponsor from Federal payments shall not be claimed as an operating cost. These costs must be included in the sponsor's administrative budget and approved by the SA. Sponsors shall document all administrative costs claimed.

D Unallowable Costs. Unallowable costs are costs for which SFSP funds may not be disbursed. They include the following:

- 1 Bad debts, which are any losses arising from uncollectable accounts and other claims and related costs.
- 2 Repayment of overclaims and other Federal debts.
- 3 Contributions to a contingency reserve or any similar provision for unforeseen events.
- 4 Contributions and donations including USDA donated commodities and other donated food, labor, and supplies.
- 5 Entertainment, i.e., cost of amusements, social activities, and incidental related costs such as meals, beverages, lodging, rentals, transportation, gratuities, etc.

6 Fines or penalties resulting from violations of, or failure to comply with Federal, State, or local laws and regulations.

7 Interest on borrowings (however represented), bond discounts, costs of financing and refinancing operations, and legal and professional fees paid in connection therewith. Interest which is included in the rental cost of space is allowable, however, as provided for in Attachment B to OMB Circular A-87.

8 Salary and other expenses of the Governor, and State and local legislators. Travel expenses of these individuals in special situations may be allowable. Contact the FNSRO for additional information.

9 Costs resulting from an underrecovery of costs under other grant agreements.

E Additional SFSP Unallowable costs. FNS has determined other costs for which SFSP funds may not be disbursed. These costs include the following:

1 Administrative costs not included in the sponsor's budget as finally approved.

2 Direct capital expenditures for:

a Acquisition of land or any interest in land;

b Acquisition or construction of buildings or facilities, or the alteration of existing buildings or facilities;

c Nonexpendable equipment of any kind;

d Repairs which materially increase the value or useful life of buildings, facilities, or nonexpendable equipment; and;

e Other capital assets including vehicles.

3 Fund raising, i.e., financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions.

4 Rental or leasing costs for buildings, facilities, or equipment if the rental agreement includes option-to-purchase, or for periods beyond the closeout date for program operation.

5 Costs for meals, in excess of the number of meals eligible for reimbursement (plus legitimate program adult meals), unless specifically approved by the SA.

6 Any other costs incurred which program officials determine to be in violation of applicable laws or regulations.

\* XI REDUCTIONS TO PROGRAM COSTS

\* A Applicable Credits. Applicable credits are receipts or transactions which reduce expenses. Examples of credit transactions are purchase discounts, rebates or allowances, recoveries or indemnities on losses, sales of scrap or incidental services receipts, and adjustments of overpayments or erroneous charges. Sponsors shall allocate credits, as necessary, and apply the appropriate amounts to their program administrative and operating expenses to reduce program costs. Costs claimed for reimbursement must be reported net of applicable credits.

\* B Funds Accruing to the Program. Funds that accrue to the program must be deducted from total program costs. For purposes of the SFSP, funds accruing to the program include program income and other cash resources that must be used for SFSP purposes.

\* 1 Program income means gross income earned by the sponsor from operating the SFSP. Payments received from food sales to adults when the cost of the adult meals is not deducted from total operating costs is the most common type of program income.

\* Program income does not include interest earned on reimbursement payments by any sponsor (SA or ROAP); loans to the program; cash donations which are made specifically for the support of the food service operation or administration; financial assistance from other sources, such as Federal, State, and local government grants; and interest earned on advances by sponsors. However, when ROAP sponsors earn more than \$100 in interest on advances, the amount in excess of \$100 must be returned to FNS.

\* 2 Other Cash Resources include cash donations that are specifically identified for use in the sponsor's SFSP; the first \$100 in interest earned on advances by ROAP sponsors; and any other Federal, State, or local funds specifically provided to the sponsor's SFSP operation.

\* SA's may determine whether net costs must be reported (total program costs minus funds accruing to the program) or whether funds accruing to the program must be reported and deducted by the SA from the sponsor's total reported program costs.

XII FUNDS MANAGEMENT

A Payments to SA's. FNS will make payments to each SA from funds appropriated by Congress and as apportioned by OMB to FNS. Depending on the availability of funds, at least 65 percent of program-payment funds and 80 percent of State administrative funds will be available to the SA upon approval of the MAP. Remaining program payment funds will be available to be used for valid claims for reimbursement, as long as those claims are submitted to the SA within 60 days after the end of the claim period.

B Payments and Disbursement to Sponsors. Funds will be disbursed by SA's only to sponsors who have a current agreement for operation of a food service to provide meals to children under the SFSP.

1 Design of Disbursement System. Disbursements will be made in accordance with the agreement and SFSP Regulations for the purpose of assisting sponsors in financing only the cost of providing meals to children, including necessary food service labor, under the program. Funds are also made available to cover sponsors' costs in administering the SFSP. SA disbursement and reporting systems shall be designed to:

- a Receive and process sponsor reports of performance (meals served);
- b Receive, process, and reconcile sponsor reports of net cost for operating a food service to provide meals to children;
- c Disburse funds to assure timely receipt of advances by sponsors; and
- d Collect and produce, on a timely basis, such reports and other data as required by FNS to administer the SFSP in an economical and efficient manner.

2 Types of Disbursement. As provided for in the SFSP Regulations, FNS provides the following funding sources to allow SA's to make advances of cash to meet sponsor needs:

- a Advances for Startup Costs. Up to 20 percent of the sponsor's approved administrative budget may be made available to sponsors at the discretion of the SA under Section 225.9(a) of the SFSP Regulations to defray preprogram administrative expenses. Such advances shall be deducted from the

sponsor's first advance payment for administrative costs or, if the sponsor does not receive advance payments, from the first administrative reimbursement.

b Advances for Operating Costs. No later than June 1, July 15, and August 15, the sponsor, upon written request received at least 30 days prior to these dates, shall receive advances for operating costs in accordance with Section 225.9(c)(1) of the SFSP Regulations. Requests received less than 30 days prior to these dates shall be acted upon within 30 days of receipt.

c Advances for Administrative Costs. No later than June 1 and July 15, the sponsor, upon written request received at least 30 days prior to these dates, shall receive advances for administrative costs in accordance with Section 225.9(c)(2) of the SFSP Regulations. Requests received less than 30 days prior to these dates shall be acted upon within 30 days of receipt.

3 Payments. Sufficient cost and participation data must be maintained to justify claims made and reimbursement received. SA's may consider claims for reimbursement not properly payable if a sponsor's records do not justify all costs and meals claimed. Data collected for the disbursement system shall separately identify total food service cost and the portion of total cost which represents sponsor administrative costs.

a Operating Costs. Final payments to sponsors will be the lesser of net costs incurred or the current rate of reimbursement times the number of eligible meals served to children.

(1) Allowable operating costs may include costs incurred for:

(a) Eligible meals served to eligible children.

(b) Meals served to adults performing meal service labor. (Note, however, that only meals served to eligible children may be claimed for reimbursement--the total

number of which may not exceed a sponsor's approved meal service level.)

(c) Meals served to other' adults if payment received from sales is included as program income.

(2) Unallowable operating costs include costs incurred for:

(a) Meals served in excess of approved meal service level.

(b) Second meals served in excess of the 2 percent tolerance level established by Section 225.15(b)(4) of the SFSP Regulations.

(c) Excess meals, unless the costs of such meals have been specifically approved for claiming by the SA.

(d) Spoiled or damaged meals.

(e) Meals served to nonprogram adults unless payments received from food sales are included as program income, when the payments are at least equal to the cost of the meals. If payments are not equal to the cost of the meals, then costs of nonprogram adult meals are unallowable' unless specifically approved by the SA.

(f) Meals served in violation of program regulations (e.g., meals served outside approved serving time, consumed off-site, served at an unapproved site, or served without all required components or quantities of components.)

b Meals Claimed.

(1) Allowable meals may include:

(a) Eligible meals served to eligible children.

(b) Meals used for quality testing by SA's, auditors, or health authorities and found to meet meal pattern requirements.

(2) Unallowable meals include.

(a) Meals in excess of approved meal service level.

(b) Second meals served in excess of tolerance level established by Section 225.15(b)(4) of the SFSP Regulations.

(c) Meals served to adults.

(d) Meal violations (see subparagraphs a (2) (c), (d), and (f), above).

c Administrative Costs. Sponsor administrative payments shall equal the lesser of actual costs incurred, approved budget amount negotiated with the SA, or applicable administrative reimbursement rates times the number of eligible meals served to children.

C Interest. As required by OMB Circular A-110, all private nonprofit sponsors in States directly administered by FNS (i.e., ROAP States) shall maintain advances of SFSP funds in interest-bearing accounts. The interest earned on SFSP funds in such accounts must be returned to FNS, except that interest amounts up to \$100 per year may be retained by the sponsor for administrative expense. Sponsors operating in State administered programs are exempt from this requirement and may retain any interest earned.

### XIII CAMPS

Camps include residential summer camps which offer a regularly scheduled food service as part of an organized program for enrolled children. A camp may serve up to four meals each day. A camp may not participate in the SFSP and the Special Milk Program simultaneously, but a camp may enter into a separate agreement with an SA to operate a Special Milk Program at some other facility.

Sponsors of camps shall be reimbursed only for those meals served to children eligible for free and reduced price meals. The sponsor shall maintain all documentation required for program reimbursement, including family size and income documentation for each child for whom meal reimbursements are claimed.

Camp sponsors must allocate operating costs to distribute those costs between meals served to program participants (children eligible for free and reduced price meals and program adults) and meals served-to-others; One way to distribute those costs is to calculate the percentage of program participants and to use that percentage as the basis for allocating operating costs. For example:

$$\frac{\text{Number of Program Participants}}{\text{Total Number Served}} = \text{Percentage Factor}$$

The camp may apply this percentage factor to the associated operating costs for each session to determine eligible operating costs. The factor is not applied to program administrative costs. Publication FNS-206, SFSP Sponsor's Handbook, provides a step-by-step worksheet for this allocation method.

The SA must approve the allocation formula for each camp sponsor. Since different camps will operate under different circumstances (e.g., length of program, number and size of each session, etc.), the camps will have different allocation plans.

#### XIV PROCUREMENT STANDARDS AND PRACTICES

The procurement provisions set forth in Section 225.17 of the SFSP Regulations, 7 CFR Part 3015, Subpart S, and Attachment O to OMB Circular A-102 or OMB Circular A-110, as applicable, shall be used. These provisions are designed to ensure that materials and services are obtained using program-funds in an efficient and economical manner and in compliance with provisions of applicable Federal law and Executive orders.

A Contracts With Food Service Management Companies. Any sponsor may contract with a food service management company for the preparation of unitized meals (with or without milk or juice). A sponsor may also employ a food service management company to operate its entire food service; however, a sponsor may not delegate administrative or managerial responsibility, by contract or otherwise, for the functions specified in Section 225.15. In addition to the above-mentioned portions of the SFSP Regulations and OMB Circulars, Sections 225.6(h) and 225.15(g) of the SFSP Regulations include provisions applying specifically to food service management company procurements.

B General Guidelines. The SA agreement with a sponsor shall require that the sponsor conduct procurements in accordance with applicable State and local laws and regulations, and the

standards set forth in the SFSP Regulations and OMB Circulars A-102 and A-110. The SA shall make information on the appropriate Circular available to sponsors.

All procurement transactions shall be conducted in a manner that provides maximum open and free competition consistent with the provisions of the appropriate regulation or circular. Procurement procedures shall not restrict or eliminate competition.

Each SA shall develop a standard form of contract for use by sponsors for all food service management company procurements. The standard contract developed by the SA must comply with the provisions set forth in Section 225.6(h) of the SFSP Regulations. Sponsors which are public entities, sponsors with exclusive year-round contracts with a food service management company, and sponsors whose food service management company contract(s) do not exceed \$10,000 in aggregate value may use their existing or usual form of contract, provided that such form of contract has been submitted to, and approved by, the SA.

Solicitations of offers, whether by competitive sealed bids or competitive negotiation, shall incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. In addition, solicitations must clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals. Awards of contracts shall be made only to responsible offerors that possess the potential ability to perform successfully under the terms and conditions of the solicitation. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Bids or proposals exceeding \$100,000 must be accompanied by a bid bond and must be submitted by the sponsor to the SA for approval before acceptance. Funding for such a contract may be approved when sufficient documentation is provided to demonstrate that the bid or proposal has been properly solicited and that the contract will be awarded in accordance with applicable laws and regulations. Bid bonds shall be in an amount ranging from 5 to 10 percent of the contract's value, as required by the sponsor.

Whenever a food service management company contracts for food services valued over \$100,000 for the aggregate of all SFSP contracts taken with the sponsor by the food service management company or its subsidiaries, the food service management company shall obtain a performance bond and furnish a copy of it to the

sponsor within 10 days of awarding the contract. The performance bond shall be in an amount ranging from a minimum of 10 percent to a maximum of 25 percent of the total value of the contracts. The percentage level shall be determined by the SA. Food service management companies shall obtain bid bonds and performance bonds only from surety companies listed in the current Department of the Treasury Circular 570. A copy of the Circular may be obtained from FNSRO's.

XV AUDITS

Audit reports shall give the auditor's opinion concerning the degree of correspondence between the sponsor's accounting records (i.e., participation, cost, and revenue records and reports) and generally accepted accounting principles. SA policies regarding sponsor audits shall be consistent with regulatory requirements. Audits of funds received under the SFSP should be conducted in accordance with OMB Circulars A-128 (public entities) or A-133 (private entities and institutions of higher education), as applicable.

Additional information can be obtained from the AICPA Nonprofit Organizations Subcommittee. This subcommittee has prepared a guide which establishes the standards for independent auditors who examine and report on the financial condition of nonprofit organizations. This guide is available for purchase from AICPA, 1211 Avenue of the Americas, New York, New York 10036.

XVI IMPLEMENTATION REQUIRED

By April 15 of each year, the SA shall have completed any necessary changes to its financial management system and have published material covering allowable costs, funds management, program income, reports requirements, procurement standards, and other provisions of this Instruction for issuance to applicant sponsors.

XVII OFFICE OF MANAGEMENT AND BUDGET APPROVAL

The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1980.



**ROBERT E. WASHINGTON**  
Deputy Administrator  
for Special Nutrition Programs