

Permanent Agreement and Free/Reduced Price Policy Statement

School Meals Programs: National School Lunch Program (CFDA #10.555), School Breakfast Program (CFDA #10.553), Special Milk Program (CFDA #10.556), Afterschool Snack Program (CFDA #10.555)

I. Permanent Agreement

Each School Food Authority (SFA) approved to participate in the program shall enter into a written permanent agreement with the Nebraska Department of Education (NDE). The SFA and participating schools/institutions under its jurisdiction shall comply with all provisions of 7 CFR parts 210, 215, 220 and 245.

This agreement shall provide that each SFA shall, with respect to participating schools/Institutions under its jurisdiction:

1. Maintain a nonprofit school food service and observe the limitations on the use of nonprofit school food service revenues set forth in Section 210.14(a) and the limitations on any competitive school food service as set forth in Section 210.11(b).
2. Limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved in accordance with Section 210.14(b). Public SFAs will report net cash resources as part of the Annual Financial Report submitted to NDE. Non-public SFAs will submit the Annual Financial Statement via the web-based reporting system by July 15 each year.
3. Maintain a financial management system as prescribed under Section 210.14(c).
4. Comply with the requirements of USDA regulations regarding financial management (7 CFR part 3015).
5. Price and serve the lunch, breakfast and/or snack as a unit.
6. Serve meals free or at a reduced price to all children who are determined by the SFA to be eligible for such meals under 7 CFR part 245.
7. Claim reimbursement at the assigned rates only for reimbursable free, reduced price and paid meals served to eligible children in accordance with 7 CFR part 210. Agree that the SFA official signing the claim shall be responsible for reviewing and analyzing meal counts to ensure accuracy as specified in Section 210.8 governing claims for reimbursement. Acknowledge that failure to submit accurate claims will result in the recovery of an over claim and may result in the withholding of payments, suspension or termination of the program as specified in Section 210.24. Acknowledge that if failure to submit accurate claims reflects embezzlement, willful misapplication of funds, theft, or fraudulent activity, the penalties specified in Section 210.26 shall apply.
8. Count the number of free, reduced price and paid reimbursable meals served to eligible children at the Point of Service at the end of the serving line, or through another counting system if approved by the State agency on an annual basis. Claim reimbursement for no more than one lunch, one breakfast and one afterschool snack per child per day. The Special Milk Program allows multiple milk servings to be claimed per child.
9. Submit Claims for Reimbursement in accordance with Section 210.8. Claims are to be submitted electronically via the web-based reporting system.

10. Comply with the requirements of USDA's regulations regarding nondiscrimination (7 CFR parts 15, 15a, 15b).
11. Make no discrimination against any child because of his or her eligibility for free or reduced price meals in accordance with the approved Free and Reduced Price Policy Statement.
12. Enter into an agreement to receive donated foods as required by 7 CFR part 250.
13. Maintain proper sanitation and health standards in the storage, preparation and service of food and conform to all applicable State and local laws and regulations.

In Section 111 of the Child Nutrition and WIC Reauthorization Act, (P.L. 108-265) SFAs are to be inspected twice a year. These are to be performed by a State or local agency responsible for safety inspections. Each feeding site must post, in a publicly visible location, a report on the most recent food safety inspection, and provide a copy of the food safety inspection to a member of the public upon request. Health inspectors will follow Hazard Analysis and Critical Control Point (HACCP) guidelines during their review process.

During the preparation and service of meals, all SFAs must implement a food safety program based on HACCP principles and conform to guidance issued by USDA. As a result, 1) Temperature Logs must be completed on potentially hazardous foods and kept on file for a minimum of one year, and 2) a written HACCP Plan, specific to the SFA, must be developed with copies available at each feeding site.

14. Accept and use, in as large quantities as may be efficiently utilized in its nonprofit school food service, such foods as may be offered as a donation by USDA.
15. Maintain necessary facilities for storing, preparing and serving food.
16. Upon request, make all accounts and records pertaining to its school food service available to the State agency and to FNS, for audit or review, at a reasonable time and place. Such records shall be retained for a period of 3 years after the date of the final Claim for Reimbursement for the fiscal year to which they pertain, except that if audit findings have not been resolved, the records shall be retained beyond the 3-year period as long as required for resolution of the issues raised by the audit.
17. Maintain confidential files of currently approved and denied free and reduced price meal applications, respectively, and the names of children approved for free meals based on documentation certifying that the child is a member of the household approved to receive benefits under the Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program for Households on Indian Reservations (FDPIR) or Temporary Assistance for Needy Families (TANF), migrant, homeless, runaway, income-eligible Head Start, pre-K Even Start, and residential children. If the applications and/or documentation are maintained at the SFA level, they shall be readily retrievable by feeding site.
18. Retain the individual free and reduced price meal applications submitted by families and lists of categorically eligible children for a period of 3 years after the end of the fiscal year to which they pertain.
19. Any school shall be eligible for the Special Milk Program upon request provided it does not participate in the school lunch or breakfast program; except that schools with such meal service may receive the Special Milk Program upon request only for those children attending split-session kindergarten or pre-kindergarten programs who do not have access to meal service.

20. Afterschool snack requirements. Those school food authorities with eligible schools (as defined in Section 210.10(n)(1)) that elect to serve snacks during afterschool care programs, shall agree to:
- (a) Serve snacks that meet the minimum requirements prescribed in Section 210.10(n)(2);
 - (b) Menus and Production Records must be maintained daily to document compliance with snack meal pattern requirements;
 - (c) Price the snack as a unit;
 - (d) Serve snacks at no charge to all children in attendance at area-eligible sites. A site qualifies as area-eligible if the site is either a school which has at least 50 percent or more of its enrollment eligible for free or reduced price meals, or is a site which is located within the attendance area of a school that qualifies;
 - (e) Serve snacks free or at a reduced price to all children who are determined by the SFA to be eligible for free or reduced price school meals under 7 CFR part 245;
 - (f) If charging for snacks, the charge for a reduced price snack shall not exceed \$0.15;
 - (g) Claim reimbursement at the assigned rates only for snacks served in accordance with the agreement;
 - (h) Claim for reimbursement only those afterschool snacks served on school days. Snacks served on weekends, holidays or vacation periods may not be claimed;
 - (i) For afterschool care programs in Residential Child Care Institutions (RCCIs), only those children who are enrolled and attending school may have their snacks claimed for reimbursement;
 - (j) Review each afterschool snack program two times a year; the first review shall be made during the first four weeks that the school is in operation each school year, except that an afterschool snack program operating year round shall be reviewed during the first four weeks of its initial year of operation, once more during its first year of operation, and twice each school year thereafter; and
 - (k) Serve and claim snacks solely as part of an afterschool care program that provides regularly scheduled education or enrichment activities in an organized, structured and supervised environment.
 - (l) Keep a roster list, sign-in sheet or other means to determine that children are present on a given day;
 - (m) Count and record the number of snacks served each day, at the time they are served, by correct claiming category;
 - (n) Serve snacks only to students who are 18 years or under or a student of any age who is disabled. If a student's 19th birthday occurs during the school year, snacks may be claimed for that student for the remainder of the school year.
21. Prohibit service of foods of minimal nutritional value (FMNV) during a meal service period in areas where reimbursable meals are served and/or eaten. FMNV cannot be given away or sold in the food service area. FMNV costs cannot be charged to the nonprofit food service account. NDE will disallow all meals served by a school on any day that a violation of the FMNV regulations is observed.

22. Prohibit the sale of any foods in competition with the National School Lunch and School Breakfast Programs anywhere on school/institution premises during the period beginning one half hour prior to the serving period for breakfast and/or lunch and lasting until one half hour after the serving of breakfast and/or lunch.
23. Agrees to arrange to have an organization-wide audit conducted in accordance with the provisions of 7 CFR part 3015, if \$500,000 or more is expended from all Federal sources.
24. Charge adults, at a minimum, an amount equal to the total reimbursement received for a free lunch under Section 4 and 11 of the National School Lunch Act plus the per-meal value of donated foods. For breakfast, adults should be charged the rate established for free breakfasts under Section 4 of the Child Nutrition Act. No reimbursement or donated food is provided for adult meals.
25. Purchase in as large of quantities as can be efficiently utilized in its non-profit food service program the foods designated as plentiful by the United States Department of Agriculture and to purchase food of domestic origin to the extent practicable. As defined in the legislation, a domestic food commodity is an agricultural commodity (for example, red meat, chicken, fruit, vegetable or grain) that is produced in the United States. A domestic food product is processed in the United States substantially using domestic agricultural commodities. Substantially means that over 51 percent of the processed food comes from American produced products.
26. The SFA hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.); all provisions required by the implementing regulations of the Department of Agriculture; Department of Justice Enforcement Guidelines, 28 CFR Part SO.3 and 42; and FNS directives and guidelines, to the effect that, no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied benefits of, or otherwise be subject to discrimination under any program or activity for which the SFA receives Federal financial assistance from the U.S. Department of Agriculture (USDA); and hereby gives assurance that it will immediately take measures necessary to effectuate this agreement.

By accepting this assurance, the SFA 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 USDA shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the SFA, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA.
27. In Section 204 of the Child Nutrition and WIC Reauthorization Act (P.L. 108-265) each local education agency (LEA) participating in a program authorized by the Richard B. Russell National School Lunch Act or the Child Nutrition Act of 1966 is required to establish a local Wellness Policy for schools under the Local Education Agency.
28. Serve lunches, during the lunch period, which meet the minimum requirements prescribed in Section 210.10; and/or serve breakfasts during the breakfast period, which meet the minimum requirements prescribed in Section 220.8; and/or serve afterschool snacks, which meet the minimum requirements prescribed in Section 210.10; Schools may choose A) Enhanced Food-Based Menu Planning, B) Traditional Food-Based Menu Planning, C) Nutrient Standard Menu Planning (NSMP) or D) Assisted Nutrient Standard Menu Planning (Assisted NSMP).

For purposes of the meal patterns, a week equals five days. For weeks with a greater or lesser number of days, the servings per week must be prorated.

A) Enhanced Food-Based Lunch Pattern

Minimum Quantities

Food Component	Required K-6	Required 7-12	Optional K-3
Fluid Milk	½ pint	½ pint	½ pint
Meat or Meat Alternate	10 oz. per week Minimum of 1 oz. per day	10 oz. per week Minimum of 1 oz. per day	7.5 oz. per week Minimum of 1 oz. per day
Meat, poultry, fish (cooked)	1 ounce	1 ounce	1 ounce
Cheese	1 ounce	1 ounce	1 ounce
Alternate protein products	1 ounce	1 ounce	1 ounce
Egg (large)	½	½	½
Cooked dry beans/peas	¼ cup	¼ cup	¼ cup
Yogurt (commercially prepared)	4 ounces-½ cup	4 ounces-½ cup	4 ounces-½ cup
Peanut butter or other nut/seed butters	2 Tbsp.	2 Tbsp.	2 Tbsp.
Peanuts, soy nuts, tree nuts, seeds may be used to meet 50% of the meal requirement.	1 ounce	1 ounce	1 ounce
Vegetables/Fruits (2 or more servings of different vegetables or fruits or both)	¾ cup plus extra ½ cup over a week	1 cup	¾ cup
Grains/Breads (enriched or whole grain) A serving equals 1 slice of bread or equivalent as listed on the Grains/Breads List (FNS Instruction 783-1, Rev. 2); up to one serving per day may be a dessert item.	12 servings per week Minimum of 1 per day	15 servings per week Minimum of 1 per day	10 servings per week Minimum 1 per day

All Food-Based meals must meet minimum nutrient levels for specific grade levels according to 7 CFR 210.10. Lunches are to meet the minimum nutrient levels averaged over a week of 3 to 7 days.

Schools choosing to implement Enhanced Food-Based Menu Planning must complete the Production Records specified by Nutrition Services of NDE. Yearly approval from NDE must be secured prior to use of SFA-designed production records. Production records must be maintained daily and will be reviewed by NDE staff. If production records do not document the meal pattern, reimbursement will be denied by NDE. Schools choosing to implement Enhanced Food-Based Menu Planning must also have standardized recipes, nutrition fact information and Child Nutrition (CN) labels on file for review by NDE.

Nutrition Services of NDE must perform a nutrient analysis of menus served under the Food-Based Menu Planning Option once every five years. Failure by a SFA to provide complete production records, standardized recipes, nutrition fact information and CN labels upon request will result in nonpayment of claims.

Under Offer Versus Serve, senior high students shall be permitted to decline up to two of the five required food components. At the discretion of the SFA, students below the senior high level may be permitted to decline one or two of the required five food components. The price of a reimbursable lunch shall not be affected if a student declines food components or accepts smaller portions.

B) Traditional Food-Based Lunch Pattern

Minimum Quantities

Food Component	Required K-3	Required 4-12
Fluid Milk	½ pint	½ pint
Meat or Meat Alternate	7.5 oz. per week	10 oz. per week
	Minimum of	Minimum of
	1 oz. per day	1 oz. per day
Meat, poultry, fish (cooked)	1 ounce	1 ounce
Cheese	1 ounce	1 ounce
Alternate protein products	1 ounce	1 ounce
Egg (large)	½	½
Cooked dry beans or peas	¼ cup	¼ cup
Yogurt (commercially prepared)	4 ounces-½ cup	4 ounces-½ cup
Peanut butter or other nut/seed butters	2 tablespoons	2 tablespoons
Peanuts, soy nuts, tree nuts, seeds may be used to meet 50% of the meal requirement.	1 ounce	1 ounce
Vegetables/Fruits (2 or more servings of different vegetables or fruits or both)	1/2 cup	3/4 cup
Grains/Breads (enriched or whole grain) A serving equals 1 slice bread or equivalent as listed on the Grains/Breads List (FNS Instruction 783-1, Rev. 2)	8 servings per week Minimum of 1 per day	8 servings per week Minimum of 1 per day

Schools choosing to implement Traditional Food-Based Menu Planning must complete the Production Records specified by Nutrition Services of NDE. Yearly approval from NDE must be secured prior to use of SFA-designed production records. Production records must be maintained daily and will be reviewed by NDE staff. If production records do not document the meal pattern, reimbursement will be denied by NDE. Schools choosing to implement Traditional Food-Based Menu Planning must also have standardized recipes, nutrition fact information and Child Nutrition (CN) labels on file for review by NDE.

Nutrition Services of NDE must perform a nutrient analysis of menus served under the Food-Based Menu Planning Option once every five years. Failure by a SFA to provide complete production records, standardized recipes, nutrition fact information and CN labels upon request will result in nonpayment of claims.

Under Offer Versus Serve, senior high students shall be permitted to decline up to two of the five required food components. At the discretion of the SFA, students below the senior high level may be permitted to decline one or two of the required five food components. The price of a reimbursable lunch shall not be affected if a student declines food components or accepts smaller portions.

C) Nutrient Standard Menu Planning (NSMP) for Lunch

Schools may use NSMP as a way to develop menus based on the analysis of nutrients in the menu items and foods offered over a week to determine if specific levels of a set of key nutrients and calories are met. Schools shall offer meals to children based on required grade groups, required age groups or customized age groups.

SFAs planning to implement NSMP must contact the State agency and receive approval prior to implementation.

A reimbursable lunch shall include a minimum of three menu items; one item shall be an entrée, one item shall be a side dish, and one shall be fluid milk as a beverage. All menu items or foods offered as part of the reimbursable meal may be considered as contributing toward meeting the nutrition standards in paragraphs (b) and (c) of 7 CFR 210.10.

SFAs choosing to implement NSMP shall conduct a nutrient analysis on all menu items or foods offered as part of the reimbursable meal prior to service. Nutrient analysis shall be performed by software approved by USDA. The nutrient analysis, menus, production records, standardized recipes and nutrition fact information must be provided to NDE upon request. The nutrient analysis must meet all nutrient standards in order to use this menu planning option.

Under Offer Versus Serve, senior high students must select at least two menu items and may decline a maximum of two menu items. One menu item selected must be an entree. At the discretion of the SFA, students below the senior high level may also participate in Offer Versus Serve. The price of a reimbursable lunch shall not be affected if a student declines a menu item or requests smaller portions.

D) Assisted Nutrient Standard Menu Planning (Assisted NSMP) for Lunch

SFAs without the capability to conduct Nutrient Standard Menu Planning may choose an alternative that uses menu cycles developed by other sources. SFAs planning to implement Assisted NSMP must contact the State agency and receive approval prior to implementation.

Assisted NSMP shall establish menu cycles that have been developed in accordance with 7 CFR 210.10 as well as local food preferences and the local food service operation. These menu cycles shall incorporate the nutrition standards in 7 CFR 210.10 and the appropriate nutrient and calorie levels. In addition to the menu cycle, standardized recipes, food product specifications and preparation techniques shall also be developed and provided by the entity furnishing the Assisted NSMP to ensure that the menu components and foods offered conform to the nutrient analysis determinations of the menu cycle.

At the inception of any use of Assisted NSMP, the State agency shall approve the initial menu cycle, recipes and other specifications to determine that all required elements for correct nutrient analysis are incorporated.

After initial service of the menu cycle under Assisted NSMP, the nutrient analysis shall be reassessed and appropriate adjustments made to ensure that all nutrient standards have been met in accordance with 7 CFR 210.10.

Under Assisted NSMP, the SFA retains final responsibility for ensuring that all nutrition standards and appropriate calories levels are met. The nutrient analysis, menus, production records, standardized recipes and nutrition fact information must be provided to NDE upon request.

A) Enhanced Food-Based Breakfast Pattern

Minimum Quantities

Food Component	Required K-12	Optional 7-12
Fluid Milk , as a beverage, on cereal or both	½ pint	½ pint
Full Strength Juice, Fruit or Vegetable	½ cup	½ cup

Two of the following components (one of each or two of the same component)

Grains/Breads

Bread, muffin, biscuit, etc.	1 serving	1 serving
Cereal	3/4 cup or 1 ounce	3/4 cup or 1 ounce
See Grains/Breads List (FNS Instruction 783-1, Rev. 2)		Plus an additional serving of grain/bread

Meat or Meat Alternate

Meat, poultry, fish (cooked)	1 ounce	1 ounce
Cheese	1 ounce	1 ounce
Alternate protein products	1 ounce	1 ounce
Egg (large)	1/2	1/2
Yogurt (commercially prepared)	4 ounces-1/2 cup	4 ounces-1/2 cup
Cooked dry beans/peas	1/4 cup	1/4 cup
Peanut butter or other nut/seed butters	2 Tbsp.	2 Tbsp.
Peanuts, soy nuts, tree nuts, seeds	1 ounce	1 ounce

Nutrition Services of NDE may perform a nutrient analysis of the breakfast menus served under the Enhanced Food-Based Menu Planning. Production records must be maintained daily and will be reviewed by NDE Staff. If the production records do not document the meal pattern, reimbursement may be denied by NDE. Failure by a SFA to provide complete production records, standardized recipes, nutrition fact information and CN labels upon request may result in nonpayment of claims.

Under Offer Versus Serve, a student may decline one component. The declined food may be any one of the four components offered to the student. A student's decision to accept all four food components or to decline one of the four food components shall not affect the charge for breakfast.

B) Traditional Food-Based Breakfast Pattern

Minimum Quantities

Food Component

Required K-12

Fluid Milk as a beverage, on cereal or both 1/2 pint

Full Strength Juice, Fruit and/or Vegetable 1/2 cup

Two of the following components (one of each or two of the same component):

Grains/Breads

Bread, muffin, biscuit, etc.	1 serving
Cereal	3/4 cup or 1 ounce
See Grains/Breads List (FNS Instruction 783-1, Rev. 2)	

Meat/Meat Alternate

Meat, poultry, fish (cooked)	1 ounce
Cheese	1 ounce
Alternate protein products	1 ounce
Egg, large	1/2
Peanut Butter or other nut/seed butter	2 Tbsp.
Cooked dry beans or peas	1/4 cup
Yogurt (commercially prepared)	4 ounces-1/2 cup
Peanuts, soy nuts, tree nuts, seeds	1 ounce

Nutrition Services of NDE may perform a nutrient analysis of the breakfast menus served under the Traditional Food-Based Menu Planning. Production records must be maintained daily and will be reviewed by NDE Staff. If the production records do not document the meal pattern, reimbursement may be denied by NDE. Failure by a SFA to provide complete production records, standardized recipes, nutrition fact information and CN labels upon request may result in nonpayment of claims.

Under Offer Versus Serve, a student may decline one component. The declined food may be any one of the four components offered to the student. A student's decision to accept all four food components or to decline one of the four food components shall not affect the charge for breakfast.

C) Nutrient Standard Menu Planning (NSMP) for Breakfast

A reimbursable breakfast shall include a minimum of three menu items; one of which shall be fluid milk served as a beverage or on cereal or both and two side dishes. All menu items or foods offered as part of the reimbursable meal may be considered as contributing toward meeting the nutrition standards in paragraphs (a), (b) and (e) of 7 CFR 220.8.

Under Offer Versus Serve, senior high students must select at least two menu items and may decline a maximum of one menu item. At the discretion of the SFA, students below the senior high level may also participate in Offer Versus Serve. The price of a reimbursable breakfast shall not be affected if a student declines a menu item or requests smaller portions.

SFAs choosing to implement NSMP shall conduct a nutrient analysis on all menu items or foods offered as part of the reimbursable meal. Nutrient analysis shall be performed by software approved by USDA. The nutrient analysis, menus, production records, standardized recipes and nutrition fact information must be provided to NDE upon request. The nutrient analysis must meet all nutrient standards in order to use this menu planning option.

D) Assisted Nutrient Standard Menu Planning (Assisted NSMP) for Breakfast

SFAs without the capability to conduct Nutrient Standard Menu Planning, may choose an alternative that uses menu cycles developed by other sources. Assisted NSMP shall establish menu cycles that have been developed in accordance with 7 CFR 220.8 as well as local food preferences and the local food service operation. These menu cycles shall incorporate the nutrition standards in 7 CFR 220.8 and the appropriate nutrient and calorie levels. In addition to the menu cycle, recipes, food product specification and preparation techniques shall also be developed and provided by the entity furnishing the Assisted NSMP to ensure that the menu components and foods offered conform to the nutrient analysis determinations of the menu cycle.

At the inception of any use of Assisted NSMP, the State agency shall approve the initial menu cycle, standardized recipes and other specifications to determine that all required elements for correct nutrient analysis are incorporated.

After initial service of the menu cycle under Assisted NSMP, the nutrient analysis shall be reassessed and appropriate adjustments made to ensure that all nutrient standards have been met in accordance with 7 CFR 210.10. Under Assisted NSMP, the SFA retains final responsibility for ensuring that all nutrition standards and appropriate calories levels are met. The nutrient analysis, menus, standardized recipes and nutrition fact information must be provided to NDE upon request.

Afterschool Snack Program

Minimum Quantities

An afterschool snack must consist of two of the four food components. The food components are Meat/Meat Alternate, Vegetables/Fruits, Grain/Breads and Milk.

Food Component	Required K-12
Meat or Meat Alternate	
Meat, poultry, fish (cooked)	1 ounce
Cheese	1 ounce
Alternate protein products	1 ounce
Egg (large)	½
Cooked dry beans or peas	¼ cup
Yogurt (commercially prepared)	4 ounces-1/2 cup
Peanut butter or other nut/seed butters	2 tablespoons
Peanuts, soy nuts, tree nuts	1 ounce
Full Strength Juice, Fruit and/or Vegetable	3/4 cup
Grains/Breads (enriched or whole grain) Serving equals 1 slice bread or equivalent as listed on the Grains/Breads List (FNS Instruction 783-1, Rev. 2)	1 serving
Fluid Milk	½ pint

The Nebraska Department of Education agrees that:

1. To the extent of funds available, NDE shall reimburse the SFA for meals served in accordance with the provisions of the National School Lunch Act Programs in the schools with valid Site Applications, in any fiscal year during which this agreement is in effect, provided, however, that such services are of the type(s) defined or described elsewhere in this section and in federal program regulations, guidelines, and policies, and that these services are rendered consistent with requirements of this section and existing regulations.
2. The amount of Federal reimbursement for lunches, breakfasts and snacks served to eligible free, reduced and paid student meals shall not exceed an amount equal to the number of meals served to enrolled students multiplied respectively by the rates of reimbursement. Feeding sites that served 40% or more free/reduced student lunches in the second preceding school year may apply for Severe Need breakfast funding. Application for Severe Need breakfast funding is made on the Site Application.
3. Public SFAs receive an additional \$0.05 in State reimbursement for breakfast. When issued, SFAs receive the state reimbursement as a single payment and it reflects the total number of student breakfasts served the second previous school year.

II. Free and Reduced Price Policy Statement

1. The Board of Education/Governing Body of the above named institution/system has agreed to participate in one or more of the following programs:
 - a. National School Lunch Program
 - b. School Breakfast Program
 - c. Special Milk Program
 - d. Afterschool Snack Program

Said Board of Education/Governing Body accepts the responsibility for the one or more programs they will participate in, and for providing free and reduced price meals to eligible children attending the site under its authority and named in NDE 01-014 and NDE 01-022.

The Board of Education/Governing Body further assures NDE that the system will uniformly implement this part of the Application to determine children's eligibility for free and reduced price meals in the program in which the schools participate.

2. In fulfilling its responsibilities the SFA:
 - a. Agrees to serve free meals to children from families whose income is at or below the free scale or children who receive SNAP, TANF or FDPIR, or qualify as migrant, homeless, runaway, income-eligible Head Start, pre-K Even Start or institutionalized students and to serve meals at a reduced price to children from households whose income is at or below the reduced price scale of the Agriculture Secretary's Income Eligibility Guidelines for the current school year.
 - b. Agrees to set reduced price charges for lunch and breakfast at or below the maximum reduced price allowed by regulations (\$0.40 – lunch, \$0.30 – breakfast) and below the full price of the lunch or breakfast.
 - c. Agrees that there will be no physical segregation of, nor any other discrimination against, any child because of his/her inability to pay the full price of the meal. The names of the children eligible to receive free or reduced price meals shall not be published, posted, or announced in any manner, and there shall be no overt identification of any such children by use of special tokens, tickets or any other means. Further assurance is given that children eligible for free or reduced price meals shall not be required to:
 - (1) Work for their meals.
 - (2) Use a separate lunchroom.
 - (3) Go through a separate serving line.
 - (4) Enter the lunchroom through a separate entrance.
 - (5) Eat meals at a different time.
 - (6) Eat a meal different from the one sold to children paying the full price.
 - d. Agrees to establish and use a fair hearing procedure under which: (1) a family can appeal a decision made by the SFA with respect to the family's free and reduced price meal application; and (2) the SFA can challenge the continued eligibility of any child approved for free or reduced price meals. During the appeal and hearing, the child who was determined to be eligible based on the face of the application submitted will continue to receive free or reduced price meals. Prior to initiating the hearing procedure, the SFA official, the parent(s) or guardian may request a conference to provide an opportunity for the parent(s)/guardian and SFA official(s) to discuss the situation, present information, obtain an explanation of data submitted in the application and the decisions rendered. Such a conference shall not in any way prejudice nor diminish the right to a fair hearing.

The hearing procedure shall provide the following for both the family and the SFA:

- (1) A publicly announced, simple method for making an oral or written request for a hearing.
- (2) An opportunity to be assisted or represented by an attorney or other person.
- (3) An opportunity to examine, prior to and during the hearing, the documents and records presented to support the decision under appeal.
- (4) Reasonable promptness and convenience in scheduling a hearing, and adequate notice as to its time and place.
- (5) An opportunity to present oral or documentary evidence and arguments supporting a position without undue interference.
- (6) An opportunity to question or refute any testimony or other evidence and to confront and cross-examine any adverse witness(es).
- (7) That the hearing be conducted by an official who did not participate in the decision under appeal or any previous conference to make that decision.

- (8) That the decision of the hearing official be based on the oral and documentary evidence presented at the hearing and entered into the hearing record.
 - (9) That the parties concerned and any designated representative thereof be notified in writing of the decision.
 - (10) That for each hearing a written record be prepared, including the decision of the hearing official and the reasons thereof, and a copy of the notification to the parties concerned of the hearing official's decision.
 - (11) That such written record must be retained for a period of 3 years after the close of the school year to which they pertain. These records must be made available for examination by the parties concerned or their designees at any reasonable time and place during such period.
 - (12) When an application is rejected, parents or guardians will be informed of the reason for denial and the hearing procedure. The designated hearing official and the individual designated to review applications and make determinations of eligibility are named in NDE 01-014 (Program Application). These officials will use the criteria outlined in this Free and Reduced Price Policy Statement to determine which individual children are eligible for free and reduced price meals. The Board of Education/Governing Body assures the State that the person named as a hearing official was not involved in the original eligibility determination.
- e. The Board of Education/Governing Body agrees to develop and distribute to each child's parent(s) or guardian a letter as outlined in the sample provided by the State. In addition, an application for free and reduced price meals shall be distributed with the parent letter no more than four weeks before the start of school or whenever there is a change in eligibility guidelines with an explanation that households with incomes at or below the reduced price guidelines may be eligible for either free or reduced price meals.

Interested parents or guardians are responsible for filling out the application and returning it to the institution for review. Such applications and documentation of determinations made will be maintained for a period of 3 years following the end of the school year to which they pertain.

Applications must be accepted at any time during the year. Parents or guardians enrolling a child in an institution for the first time shall be supplied with appropriate meal application materials regardless of the time of year the child is registered. If a child transfers to another SFA, his/her eligibility for free or reduced price meals transfers as long as the receiving SFA obtains a copy of the child's meal application or other approved documentation from the previous SFA. Applications are valid for the school year. Households are not required to report changes.

Parents or guardians will be promptly notified of the acceptance or denial of their application(s). Benefits are to be issued within ten operating days of receipt of qualifying applications.

It is recognized that in certain cases foster children and Wards of the State/Court may be eligible for free meals. If a household has foster children/Ward of the State/Court living with them and wishes to apply for such meals for these children, the household must complete a separate application for each such child.

When an application is rejected, parents or guardians will be provided written notification which shall include: (1) the reasons for the denial of benefits, e.g., income in excess of allowable limits or incomplete application; (2) notification of the right to appeal; (3) instructions on how to appeal; and (4) a statement reminding parents that they may reapply for free and reduced price benefits at any time during the school year. The reasons for ineligibility shall be properly documented and retained on file at the SFA level.

All public and non-public SFAs, regardless of enrollment, are required to conduct direct certification. The SFA must maintain a list of names of children approved for free meals based on documentation certifying that the child is included in a household approved to receive benefits as a result of electronic direct certification.

The SFA agrees to the following procedures for those children qualifying for SNAP and/or TANF who receive a direct certification letter from NDE:

- (1) The original direct certification letter must be signed by an adult household member and furnished to the school. If the family has children enrolled in another district, the institution may make a copy and the original letter returned to the family. The family may then use the letter for another district.
 - (2) Families may add names of school-age children in their household who are not listed in the letter.
 - (3) The Determining Official must sign and date the letter.
 - (4) A Notice of Approval Letter (Attachment D) must be sent to each family that submits a direct certification letter or whose children are included on the direct certification list.
 - (5) The direct certification letters are not to be included in the group of applications from which the verification sample is selected.
- g. The Board of Education/Governing Body agrees to implement a Collection Procedure that will ensure that no child is overtly identified as receiving free or reduced price meals.
- h. All attachments to this agreement must be used as printed, unless prior approval for changes is obtained in writing from NDE prior to use.
- i. The Board of Education/Governing Body agrees to participate in the Verification of Applications for Free and Reduced Price Meals as required by Federal Regulations. The direct certification letters are not considered applications for purposes of verification. The following records will be maintained: (RCCI's are exempt unless day students are enrolled in the institutions).

Required data elements that must be collected and submitted to NDE by November 15 each year via the web-based Verification Summary:

1. The total number of schools and total enrollment for all NSLP schools;
2. The number of schools which are operating under Provision 2/3 in a non-base year, and the total enrollment in these schools;
3. The number of children who receive free meals but are not subject to verification, including children approved by direct certification, migrant, homeless, runaway, income-eligible Head Start, pre-K Even Start, and residential children;
4. The number of children approved for free meal benefits based on a food stamp/TANF/FDPIR case number submitted on an application (categorically eligible), and the number of these applications;
5. The number of children approved for free meal benefits based on income/household size information submitted on an application (income eligible), and the number of these applications;
6. The number of children approved for reduced price meal benefits and the number of reduced-price eligible applications;
7. The method of verification sample selection: Standard – Error Prone, Alternate-Random, Alternate-Focused, or No Verification Required (applicable to some RCCIs);
8. A summary of the results of the verification process for all applications selected for verification, including the number of students whose eligibility for benefits did not change, the number of students whose eligibility did change based on the household response to verification, the number of students whose household did not respond to verification, and the number of applications in each of these categories;
9. The number of students found ineligible as a result of verification that were reinstated for free or reduced price meal benefits, as of February 15 of each year.

In addition, §245.6a(c) requires SFAs to retain copies of the information reported and all supporting documents.

All verified applications must be readily retrievable and include all documents submitted by the household for the purpose of confirming eligibility, reproductions of those documents, or annotations

made by the determining official which indicate which documents were submitted by the household and the date of submission. All relevant correspondence between the households selected for verification and the SFA must be retained.

Each SFA shall amend its permanent free and reduced price policy statement to reflect substantive changes. Any amendment to a policy shall be provided by the State agency prior to implementation.

NDE will provide an annual news release to all newspapers in the state announcing the availability of free and reduced price meals in Nebraska schools.

The following list of attachments are adopted with and considered a part of this Permanent Agreement and Policy Statement and any subsequent Amendments. These forms are available on Nutrition Services web site at <http://www.education.ne.gov/ns>

Attachment A.	Income Eligibility Guidelines
Attachment B.	Letter to Households
Attachment B-1	Letter to Household for <u>Milk Only Schools</u>
Attachment C.	Application for Free and Reduced Price Meals
Attachment C-1	Application for Free Milk for <u>Milk Only Schools</u>
Attachment D.	Notice of Approval/Denial Letter
Attachment D-1	Notice of Approval/Denial Letter for <u>Milk Only Schools</u>
Attachment D-2	Notice of Approval Letter for Direct Match Only
Attachment D-3	Notice of Change in Benefits Letter
Attachment E.	Computing Income for Self-Employed Persons
Attachment F.	Verification Selection Letter and Enclosures
Attachment G.	Verification Results Letter
Attachment H.	Verification Procedures Questionnaire
Attachment H-1	Civil Rights Summary
Attachment H-2	Verification Tracker
Attachment I.	On-Site Review Summary
Attachment J.	Edit Check Worksheet
Attachment J-R.	Edit Check Worksheet for <u>RCCIs only</u>
Attachment K.	Food-Based Production Records (6 pages)
Attachment K-R.	Production Record for <u>RCCIs only</u>
Attachment L.	Sharing Information Waiver – Optional
Attachment L-1	Sharing Information with Medicaid/SCHIP - Optional

III. Definitions

Afterschool care program means a program providing organized child care services to enrolled school-age children afterschool hours for the purpose of care and supervision of children. Those programs shall be distinct from any extracurricular programs organized primarily for scholastic, cultural or athletic purposes.

Breakfast means a meal which meets the nutritional requirements set out in Section 220.8, and which is served to a child in the morning hours. The meal shall be served at or close to the beginning of the child's day at school.

Child means (a) a student of high school grade or under as determined by the State educational agency, who is enrolled in an educational unit of high school grade or under as described in paragraphs (a) and (b) of the definition of "School," including students who are mentally or physically disabled as defined by the State and who are participating in a school program established for the mentally or physically disabled; or (b) a person under 21 chronological years of age who is enrolled in an institution or center as described in paragraphs (c) and (d) of the definition of "School;" or (c) for purposes of reimbursement for snacks served in afterschool care programs, an individual enrolled in an afterschool care program operated by an eligible school who is 18 years of age or under. A child may turn 19 during the school year and remain eligible for afterschool snacks until the end of the school year.

Days mean calendar days unless otherwise specified.

Documentation means:

1. The completion of a free and reduced price school meal or free milk application that includes:
 - a. For households applying on the basis of income and household size, names of all household members; income and frequency of pay received by each household member, identified by source of the income (such as earnings, wages, welfare, pensions, support payments, unemployment compensation, social security and other cash income); the signature of an adult household member; and the social security number of the adult household member who signs the application or an indication that he/she does not possess a social security number; or
 - b. For a child who is a member of a SNAP, FDPIR or TANF household: the child's name and household's Master Case Number and the name and signature of an adult household member; and
2. In lieu of completion of the free and reduced price application, information obtained from the State or local agency responsible for the SNAP, FDPIR or TANF programs which includes the name of the child; a statement certifying that the child is a member of a currently certified SNAP, FDPIR or TANF household; information in sufficient detail to match the child attending school in the SFA with the name of the child certified as a member of a SNAP, FDPIR or TANF household; the signature or a copy of the signature of the individual authorized to provide the certification on behalf of the SNAP, FDPIR or TANF office, as appropriate; and the date. When the signature is impractical to obtain, such as in a computer match, other arrangements may be made to ensure that a responsible official can attest to the data.

Donated Foods means food commodities donated by USDA for use in nonprofit lunch programs.

Family means a group of related or unrelated individuals, who are not residents of an institution or boarding house, but who are living as one economic unit.

FDPIR means the Food Distribution Program for households on Indian Reservations operated under part 253 of this title.

Food Service Area means any area on school premises where program meals are both served and eaten as well as any areas in which program meals are either served or eaten.

Supplemental Nutrition Assistance Program (SNAP) Household means any individual or group of individuals that is currently certified to receive assistance as a household under SNAP.

Foods of Minimal Nutritional Value (FMNV) means foods that cannot be sold or served in the food service area during times meals are served. The categories are identified in Appendix B of 7 CFR 210.

Free Meal means a meal for which neither the child nor any member of his family pays or is required to work in the school or in the school's food service.

Free Milk means milk served under the regulations governing the Special Milk Program and for which neither the child nor any member of his family pays or is required to work in the school.

FNS means the Food and Nutrition Service, United States Department of Agriculture.

Income Eligibility Guidelines means the family-size income levels prescribed annually by the Secretary of Agriculture for use by States in establishing eligibility for free and reduced price meals and for free milk.

Meal means a breakfast, lunch or snack that meets the applicable requirements prescribed in 7 CFR Sections 210.10 and 220.8.

Milk means pasteurized fluid types of unflavored or flavored whole milk, lowfat milk, skim milk, or cultured buttermilk which meet State and local standards for such milk except that, in the meal pattern for infants (0 to 1 year of age) milk means unflavored types of whole fluid milk. All milk should contain vitamins A and D at levels specified by the Food and Drug Administration and consistent with State and local standards for such milk.

Local Educational Agency (LEA) means the entity responsible for application, certification, and verification activities for the NSLP, SBP and SMP.

Lunch means a meal service that meets the applicable nutrition standards and portion sizes in Section 210.10 for lunches.

National School Lunch Program means the program under which participating schools operate a nonprofit lunch program in accordance with this part. General and special cash assistance and donated food assistance are made available to schools in accordance with this part.

Net Cash Resources means all monies, as determined in accordance with the State Agency's established accounting system that are available to or have accrued to a SFA's nonprofit school food service at any given time, less cash payable. Such monies may include, but are not limited to, cash on hand, cash receivable, earnings on investments, cash on deposit and the value of stocks, bonds or other negotiable securities.

Nonprofit, when applied to schools or institutions eligible for the program, means exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954, as amended.

Nonprofit School Food Service means all food service operations conducted by the SFA principally for the benefit of school children, all of the revenue from which is used solely for the operation or improvement of such food services.

Paid Meal means a meal served to children who are either not eligible for or elect not to receive the free or reduced price benefits offered under 7 CFR part 245. USDA subsidizes each paid lunch with both general cash assistance and donated foods. Although a paid student pays for a large portion of his or her lunch, the USDA subsidy accounts for a portion of the cost of that lunch.

Point of Service means that point in the food service operation where a determination can accurately be made that a reimbursable free, reduced price or paid lunch has been served to an eligible child. The point of service is at the end of the serving line after students have had access to all meal items unless an alternate counting method is approved by NDE.

Program means the National School Lunch Program and the USDA Foods program.

Reduced Price Meal means a meal which meets all of the following criteria: (1) The price shall be less than the full price of the meal; (2) the price shall not exceed \$0.40 for a lunch and \$0.30 for a breakfast; and (3) neither the child nor any member of his family shall be required to supply an equivalent value in work for the school or the school's food service.

Reimbursement means Federal and State cash assistance including advances paid or payable to participating schools for lunches meeting the requirements of Section 210.10 and served to eligible children.

Revenue, when applied to nonprofit school food service, means all monies received by or accruing to the nonprofit school food service in accordance with the State agency's established accounting system including, but not limited to, children's payments, earnings on investments, other local revenues, State revenues, and Federal cash reimbursements.

School means:

1. An educational unit of high school grade or under, recognized as part of the educational system in the State and operating under public or nonprofit private ownership in a single building or complex of buildings;
2. any public or nonprofit private classes of preprimary grades when they are conducted in the aforementioned schools; or
3. any public or nonprofit private residential child care institution, or distinct part of such institution, which operates principally for the care of children, and, if private, is licensed to provide residential child care services under the appropriate licensing code by the State or a subordinate level of government, except for residential summer camps which participate in the Summer Food Service Program, Job Corps centers funded by the Department of Labor, and private foster homes. The term "Residential Child Care Institutions" includes, but is not limited to: homes for the mentally, emotionally or physically impaired, and unmarried mothers and their infants; group homes; halfway houses; orphanages; temporary shelters for abused children and for runaway children; long-term care facilities for chronically ill children; and juvenile detention centers. A long-term care facility is a hospital, skilled nursing facility, intermediate care facility, or distinct part thereof, which is intended for the care of children confined for 30 days or more.

School Food Authority (SFA) means the governing body that is responsible for the administration of one or more schools; and has the legal authority to operate the Program therein or be otherwise approved by FNS to operate the Program.

School Year means a period of 12 calendar months beginning July 1 of any year and ending June 30 of the following year.

Snack means a meal served in an afterschool care program that meets the meal pattern found in Section 210.10(n).

State Agency means the Nebraska Department of Education-Nutrition Services.

Student with Disabilities means any child who has a physical or mental impairment as defined in Section 15b.3 of USDA's nondiscrimination regulations (7 CFR part 15b).

TANF means the State funded program under part A of Title IV of the Social Security Act that the Secretary of Agriculture determines complies with standards established by the Secretary of Agriculture that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995. This program is commonly referred to as Temporary Assistance for Needy Families, although States may refer to the program by another name.

Verification means confirmation of eligibility for free or reduced price meal benefits under the National School Lunch Program or School Breakfast Program. Verification shall include confirmation of income eligibility and, at State or local discretion, may also include confirmation of any other information required in the application that is defined as documentation in Section 245.2(a-4).

IV. Permanent Agreement - Certification and Signatures

The Superintendent or Administrator must sign this permanent agreement. The permanent agreement will remain in effect until amended by either the State Agency or the SFA. The SFA agrees to all terms contained in this document. The Superintendent or Administrator must complete items 1-6 below.

NDE requires assurance that the SFA's Authorized Representative has permission of the SFA to enter into this agreement. The person who signs as the Board President provides this assurance. One of the following officials must complete items 7-10 below:

- For Schools: Board of Education President
- For Non Profit Institutions: Board President

1. Printed Name of Superintendent or Administrator	2. Signature of Superintendent or Administrator
3. Title	4. School or Institution Name
5. Agreement Number (6-digit county-district #)	6. Date Signed
7. Printed Name of Board President	8. Signature of Board President
9. Title	10. Date Signed

NDE Approval

Nutrition Services Administrator	Date Signed
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The signatures above must be in ink.

Return page 18 by mail to:
 (Faxes will not be accepted.)

Nutrition Services
 Nebraska Department of Education
 P.O. Box 94987
 Lincoln, NE 68509-4987