

REGULATION

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

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FREE AND REDUCED MEALS

R 8540 FREE AND REDUCED MEALS

In order to accomplish the purposes of the National School Lunch Act, the Child Nutrition Act of 1966, the regulations and instructions governing the National School Lunch Program, School Breakfast Program and the Special Milk Program, issued there under, the New Jersey State Department of Education, hereinafter referred to as the "Department" and Willingboro Township School District hereinafter referred to as the "Sponsor" contract and agree that the Department and Sponsor shall understand that the following terms shall be construed to mean:

A. Breakfast

A meal served to children during the morning hours, which meets the nutritional requirements specified in federal code.

B. Fiscal Year

A period of twelve calendar months beginning with October 1 of any calendar year and ending with September 30 of the following calendar year.

C. Free Meal

A meal for which neither the child nor any member of his/her family pays or is required to work.

D. Lunch

A meal which meets nutritional requirements specified in federal code.

E. Milk

Milk which meets state and local standards for fluid types of flavored or unflavored whole milk, unflavored low fat milk, skim milk or cultured buttermilk.

F. Nonpricing

A system which does not establish a separate charge for meals or milk served to children. This shall include any such program in which children are normally provided meals or milk in a school or child care institution financed by a tuition, boarding, camping or other fee, or by private donations or endorsements.



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G. Nonprofit Food or Milk Service

Food or milk service maintained by or on behalf of the school for the benefit of children, all of the income from which is used solely for the operation or improvement of such food or milk service.

H. Nonpublic School (Nonprofit)

An elementary or secondary school in the state, other than a public school, organized and operated not for profit, offering education for grades Kindergarten through twelve, or any combination thereof, wherein a child may legally fulfill compulsory school attendance requirements; or a public or nonprofit, private, licensed residential child care institution not limited to group homes, orphanages, and juvenile detention centers. All nonpublic schools and residential child care institutions must be tax exempt under section 502(c)(3) of the Internal Revenue Code of 1954.

I. Pricing

A system of collecting a separate charge for meals or milk served to children that is not included in any tuition or boarding fee.

J. Reduced Price Meals

A meal which meets all of the following criteria:

1. The price shall be less than the full price of the meal.
2. The maximum price shall be established by the United States Department of Agriculture.
3. Neither the child nor any member of his/her family shall be required to supply an equivalent in work.

K. Sponsor

The governing body which is responsible for the administration of one or more schools and which has the legal authority to operate a school food service program therein. The term "Sponsor" also includes a nonprofit agency to which



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such governing body has delegated authority for the operation of a food service program in a school.

L. Verification

Confirmation of income information provided on the application for free and reduced price meals. Households selected for verification must be given written notice.

THE DEPARTMENT SHALL:

To the extent of funds available, reimburse the Sponsor for the National School Lunch Program, School Breakfast Program, or Special Milk Program in the schools listed in Schedule A, hereto attached and made a part of, in any fiscal year during which this Agreement is in effect. The amount of reimbursement for each program on behalf of any school shall not exceed:

A. National School Lunch Program

The total amount equal to the number of lunches served to children multiplied by the rate of reimbursement assigned by the Department.

B. National School Breakfast Program

The total amount equal to the number of breakfasts served to children multiplied by the rate of reimbursement assigned by the Department.

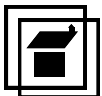
C. Special Milk Program

The amount equal to the number of half pints of fluid milk served to children multiplied by the rate of reimbursement assigned by the Department.

THAT THE SPONSOR SHALL:

A. National School Lunch Program

1. Abide by all state and federal regulations and instructions governing the operation of the National School Lunch Program.

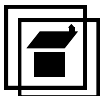


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2. Serve lunches which meet the nutritional requirements of the National School Lunch Program during periods designated by the school.
 3. Encourage maximum participation in the National School Lunch Program.
 4. Make maximum use of the reimbursement payments to reduce the price of meals to children as a means of encouraging participation.
 5. Plan for and prepare lunches on the basis of participation trends with the objective of providing one meal per child per day. In no event shall the Sponsor claim reimbursement for lunches served in excess of one reimbursable lunch per child per day.
 6. Make the National School Lunch Program available to all children enrolled.
 7. Promote activities to involve pupils and parent(s) or legal guardian(s) in the National School Lunch Program.
- B. School Breakfast Program
1. Abide by all state and federal regulations and instructions governing the operation of the School Breakfast Program.
 2. Serve breakfasts which meet the nutritional requirements for a school breakfast during morning periods designated by the school.
 3. Encourage maximum participation in the School Breakfast Program.
 4. Make maximum use of the reimbursement payments to reduce the price of meals to children as a means of encouraging participation.
 5. Plan for and prepare breakfasts on the basis of participation trends with the objective of providing one meal per child per day. In no event shall the Sponsor claim reimbursement for breakfasts served in excess of one reimbursable breakfast per child per day.
- C. Special Milk Program



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1. Operate the program only in a school that does not participate in the National School Lunch or School Breakfast Program.
2. Exception: Operate the program only for split-session Kindergarten children that do not have access to any school meals in a school participating in the National School Lunch or School Breakfast Program.
3. Make maximum use of the reimbursement payments to reduce the price of milk to children as a means of encouraging participation and consumption of fluid milk by children.
4. Purchase milk pursuant to New Jersey statutes.
5. Decide whether to provide free milk to eligible children in the schools or sites under its sponsorship. Schools which provide free milk must make it available to all eligible children at times when milk is available to non-needy children under the program. Schools which do not provide free milk must be designated on the Schedule A under Special Milk Option.

D. Donated Commodities

Accept and use, within the allocation period and in as large a quantity as can be efficiently utilized in the school food service program, such foods as may be offered as a donation by the United States Department of Agriculture.

E. Price of Food and Beverage Items

1. Price the school breakfast or lunch as a unit. Set the price of children's meals not to exceed the maximum prices established annually by the Department.
2. Set the price of all ala carte items, including milk sold to adults, to cover all costs. Price meals served to adults to exceed the price of meals served to children by an amount equal to or greater than the price established by the Department.

F. Competitive Food Service

1. Ensure that all income derived from the sale of food and beverage items within a school, including those items sold from vending machines,



accrues to the School Nutrition Programs' account or to a school approved, nonprofit organization, except that during hours when the School Nutrition Programs are in operation, all such income must accrue to the School Nutrition Programs' account.

2. Prohibit the sale of foods of minimal nutritional value, (carbonated beverages, water ices, chewing gum, certain candies: hard candies, jellies and gums, marshmallow candies, fondant, licorice, spun candy or candy coated popcorn) on the school property at any time before the end of the last lunch period in all schools which operate the National School Lunch Program, School Breakfast Program, or the Special Milk Program.
- G. Ala Carte Food Service
- Restrict extra food items offered during serving periods to those items recognized as making a significant contribution to the nutritional needs of children, or those items provided by the school as part of the lunch and/or breakfast. Restrict the number and type of such items offered in accordance with the "Nutritional Standards for School Nutrition Programs".
- H. Nonprofit Requirement
1. Operate a nonprofit school food service program or milk program. Use all income solely for program purposes; provided, however, that such income shall not be to purchase land or to acquire or construct buildings.
 2. Limit the net cash resources of the school food service program or the special milk program to no more than three month's average expenditures.
- I. Policy For Free and Reduced Price Meals or Free Milk
1. Adopt and submit, annually, a copy of the Policy for Free and Reduced Price Meals or Free Milk to the Bureau of Child Nutrition Programs.
 2. Follow the state guidelines in implementing said policy.
 3. Develop and utilize procedures for collecting children's payments which prevent the overt identification of those children eligible for free or reduced price meals or free milk.



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J. Verification

1. Verify a minimum of 3% or 3,000, whichever is less, of approved free and reduced price applications on file selected randomly; OR the lesser of 1% or 1,000 of total approved applications selected from non-food stamp households with incomes near the eligibility levels, plus the lesser of .5% or 500 of approved applications which substituted a food stamp/AFDC case number for income information. All verification activity must be completed by December 15 of each school year.
2. Maintain on file, for review, a description of the verification efforts including:
 - a. Summary of efforts including the techniques to be used.
 - b. Total number of applications on file as of October 31.
 - c. Percentage or number of applications verified.
3. Households selected for verification must be given written notice.

K. Reimbursement Claims

A meal served to children during the morning hours which meets the nutritional requirements specified in 7CFR 220.8.

1. Claim reimbursement only for meals or milk actually served to children that meet the nutritional standards outlined herein.
2. Submit claims for reimbursement within ten days following the calendar month of operation for which the claim is made. Federal regulations prohibit the payment of claims received after sixty days following the month of operation.
3. In no event shall the Sponsor claim reimbursement for free or reduced price meals served in excess of one reimbursable lunch and/or breakfast per child per day.



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4. The authorized representative that signs each reimbursement voucher shall be responsible for reviewing and analyzing meal counts to ensure the accuracy of the claim.
 5. The Sponsor acknowledges that failure to submit accurate claims will result in the recovery of an overclaim and may result in the withholding of payments, suspension or termination of the program as specified in 7 CFR Section 210.24.
 6. The Sponsor acknowledges that if failure to submit accurate claims reflects embezzlement, willful misapplication of funds, theft, or fraudulent activity the penalties specified in 7 CFR Section 210.25 shall apply.
- L. Records
1. Maintain full and accurate records pertaining to the school food service or milk program within the school or school district, and retain such records for a period of three years after the end of the fiscal year to which they pertain except if audit findings have not been resolved, the records shall be retained beyond the three year period as long as required for the resolution of the issues raised by the audit.
 2. Maintain the required statistical information for each school operation on a school-by-school basis.
 3. Make all accounts and records pertaining to the school food service program available, upon request, to the Department and the United States Department of Agriculture for review and/or audit at a reasonable time and place.
 4. Keep full and accurate records, by calendar month, of the meal or milk program as a basis for the claim for reimbursement and for audit review purposes including:
 - a. School Lunch Program
 - (1) Statistics

Daily number of lunches served to children eligible for free, reduced price or paid meal.



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(2) Program Income (Revenue)

From children's payments, from state and federal school lunch reimbursement, from food sales to adults, from all other sources, including loans to program, subsidies from the Sponsor, any interest accrued from food service interest bearing accounts, and any rebates.

(3) Programs Costs (Supported by invoices, receipts or other evidence of expenditure).

For food, labor and all other expenditures including repayment of loans to the program and fees paid to management companies.

(4) Dated menus of actual meals served.

b. School Breakfast Program

(1) Statistics

Daily number of breakfasts served to children eligible for free, reduced price or paid meal.

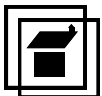
(2) Program Income (Revenue)

From children's payments, from federal reimbursement and from all other sources, including subsidies from the Sponsor, any interest accrued from food service interest bearing accounts, and any rebates.

(3) Programs Costs (Supported by invoices, receipts or other evidence of expenditure).

For food, labor and all other costs related to the breakfast program, including fees paid to management companies.

(4) Dated menus of actual meals served.



- (5) Documentation of program costs specifically for Severe Need Rates of Reimbursement (if applicable).

c. Special Milk

- (1) Statistics

- (a) Daily number of half pints served to children,
- (b) Daily number of half pints served free to needy children, if school provides free milk.

- (2) Program Income (Revenue)

From children's and adult's payments and federal reimbursement.

- (3) Programs Costs (Supported by invoices, receipts or other evidence of expenditure).

For milk and all other expenditures.

M. Accountability Requirements

1. Point of Service Counts

All claims for reimbursable meals or milk must be based on daily counts, taken at the "point of service," which identify the number of meals or milk served by reimbursement category. "Point of service" is defined as that point in the food service operation where a determination can accurately be made (at the time and place the meal or milk is served) that a reimbursable free, reduced price, or paid meal or milk has been served to an eligible child.

2. Local Level Requirement to Review Schools and Claims

- a. Every school year, each Sponsor with more than one school shall perform at least one on-site review of each school under its jurisdiction before February 1 of each school year. If this review discloses problems with a school's meal counting or claiming



procedure, the SFA shall: (1) ensure that the school develops and implements a corrective action plan; and (2) within forty-five calendar days of the review, conduct a follow-up on-site review to determine that the corrective action resolved the problem. Each on-site review shall ensure that the school's claim is based on the counting system authorized in the Policy for Free and Reduced Price Meals and the Agreements with the Department and that this system, as implemented, yields the actual number of reimbursable free, reduced price, and paid lunches served for each day of operation.

- b. Prior to submission of a monthly claim for reimbursement, each sponsor shall compare each school's daily claim against data which will assist in the identification and correction of the claims in excess of the number of reimbursable free, reduced price, and paid lunches actually served that day to children eligible for such lunches. Such data shall, at a minimum, include the number of children currently approved for free and reduced price lunches in that school, and, for every month except September, the average daily number of free, reduced price, and paid lunches served for the preceding month.
- c. Sponsors shall also compare claims against any other data available, such as the school's average daily attendance (ADA), enrollment, and an attendance factor. Sponsors shall maintain, on file, all of the above data used in the claims review process by school.
- d. Sponsors shall make this information available to the State agency upon request.

N. Audit Requirements

The Sponsor agrees to comply with the Single Audit Act of 1984 as specified in OMB Circular A-128, "Audits in State and Local Governments," or OMB Circular A-110, "Uniform Administrative Requirements for Grants and Other Agreements and Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," and New Jersey Grants Management Information System Manual.

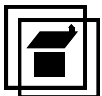


O. Facilities

1. Maintain, in the storage, preparation and service of food, proper sanitation and health practices that meet the standards of the current sanitation code established by the New Jersey State Department of Health and all applicable state and local health laws and regulations. Maintain facilities to safeguard against theft.
2. A current inspection of each food service site by the Board of Health is required. The certificate should be posted in a conspicuous place.

P. Anti-Discrimination

1. Make no discrimination because of race, color, creed, religion, national origin, ancestry, age, marital status, affectational or sexual orientation or sex, social or economic status, or disability against any individual participating in the nutritional program.
2. Assure the United States Department of Agriculture and the Department that it now complies with and shall in the future 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. 1981 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, 28CFR 50.3 and 42; and Food and Nutrition Services (FNS) directives and guidelines, to the effect that, no person shall, on the grounds of race, color, creed, religion, national origin, ancestry, age, marital status, affectational or sexual orientation or sex, social or economic status, 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 sponsor receives Federal financial assistance from FNS: and hereby gives assurance that it will immediately take measures necessary to effectuate this Agreement. By accepting this assurance, the Sponsor agrees to compile data, maintain records and submit reports, as required, to permit effective enforcement of the nondiscrimination laws and permit authorized USDA personnel, during normal working hours, 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, Food



and Nutrition Services, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Sponsor and its successors, transferees and assignees, as long as they receive assistance or retain possession of any assistance from the Department. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

3. Collect and maintain on file for three years the racial/ethnic breakdown of applicants for free and reduced price benefits on a school-by-school basis.
 4. In the operation of U.S.D.A. Child Feeding Programs, no child will be discriminated against because of race, color, creed, religion, national origin, ancestry, age, marital status, affectational or sexual orientation or sex, social or economic status, or disability. If you believe you have been discriminated against in any U.S.D.A. related activity, write immediately to the Secretary of Agriculture, Washington, D.C. 20250.
- Q. Nutritional Requirements
1. Serve meals which meet the nutritional requirements specified in the current regulations for the National School Lunch Program (7CFR 210), and/or School Breakfast Program (7CFR 220).
 2. Provide specific training for cashiers to ensure proper identification and accurate recording of reimbursable lunches and/or breakfasts. Issue the nutritional requirements for lunch and/or breakfast, in writing, to each cashier.
- R. Menus
1. Offer choices for lunches and breakfasts, in accordance with standards established by the Department.
 2. Display, for pupils information, the daily menu specifying the food items composing the lunch and/or breakfast.
 3. Keep on file dated menus for meals actually served with other records for review and/or audit purposes for a period of three years from the close of the fiscal year to which they pertain. If audit findings have not been



resolved, the records shall be retained beyond the three year period as long as required for the resolution of the issues raised by the audit.

- S. Management Company or Vendor
1. Remain responsible for compliance with all aspects of this Agreement if the Sponsor employs a food service management company or vendor:
 - a. The contract between the Sponsor and the management company must comply with the requirements specified in 7CFR 210.9, 7CFR 210.16 and all applicable New Jersey Statutes. The contract should also include pertinent parts of this Agreement. A copy of the contract between the Sponsor and the management company must be submitted with this Agreement.
 - b. The contract between the Sponsor and the vendor must comply with the requirements specified in 7CFR 210.16 and all applicable New Jersey Statutes. The contract should also include pertinent parts of this Agreement.
 2. Ensure that any federally donated commodities received by the Sponsor and made available to a food service management company, vendor or processor accrue only the benefit of the school food service program, and are utilized therein.
 3. Require the food service management company to make books and records of such company pertaining to the school food service program, available for a period of three years from the close of the fiscal year to which they pertain, for inspection and/or audit by representatives of the Department and the United States Department of Agriculture, or the General Accounting Office of the United States, at a reasonable time and place.
 4. All books and records pertaining to the school food service program shall remain the property of the school district.
 5. Establish an advisory board composed of parent(s) or legal guardian(s), teachers and pupils to assist in menu planning in schools which contract with a food service management company.



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T. Nonpublic Sponsors

Shall also agree to the general terms and conditions of the attached Contract: II, III, V, VI, VII, XI B and C, XIII C, XIV to the extent required by federal regulations, XVII A, B, C to the extent it is not inconsistent with terms of primary contract and D, XVIII, XIX and XX.

Issued: 10 September 2007

