

SUBJECT: Summer Food Service Program—North Carolina Waiver Request

TO: Lanna Kirk
Director
Special Nutrition Programs
Southeast Region

We are writing in response to the February 23, 2012, request submitted on behalf of the North Carolina Department of Health and Human Services (DHHS) to waive specific Summer Food Service Program (SFSP) regulatory requirements for School Food Authority (SFA) sponsors and sites applying for participation in the SFSP.

DHHS has developed a targeted expansion program designed to expand SFSP participation in 13 of their 117 school districts; these are the school districts with the lowest participation rates in the summer nutrition programs. DHHS has requested a waiver of several SFSP administrative duties for the State agency and school food authorities (SFAs) operating as SFSP sponsors in these 13 school districts. Based on the significant needs of the local communities and USDA's interest in expanding access to the SFSP and easing administrative burden for sponsors, we are partially approving the waiver of some requirements, as described below, for the summer of 2012 in North Carolina.

Additionally, the Food and Nutrition Service's Southeast Regional Office has agreed to work with DHHS to monitor the implementation of these waivers to determine whether they are successful in expanding participation in the SFSP while maintaining the integrity of the Program.

(1) New SFA Application—Requested alternate method to demonstrate financial and administrative capability

7 C.F.R. §225.14(c)(1) requires new SFSP sponsors to demonstrate financial and administrative capability for Program operations. DHHS's request to waive this requirement for the subject SFAs is approved for summer 2012. Instead, DHHS may rely on information provided by the North Carolina Department of Public Instruction (DPI) that the SFAs are in good standing to demonstrate the financial and administrative capability of the SFA.

(2) New SFSP SFA Application—Requested waiver to provide an administrative budget

7 C.F.R. §225.6(c)(2)(ii)(B) requires SFSP sponsors to submit for State agency review and approval a complete administrative and operating budget. DHHS is authorized to waive this requirement for summer 2012 for public schools or private nonprofit schools that participated in the Seamless Summer Option (SSO), National

School Lunch Program (NSLP), and/or School Breakfast Program (SBP) during the previous year.

(3) Monitoring Required of SFAs—Requested waiver of first week site visits for SFAs that operated successfully under SSO, NSLP/SBP, or SFSP

7 C.F.R. §225.15(d)(2) requires sponsors to visit each of their sites at least once during the first week of operation under the Program. This requirement is currently waived for returning sites that operated successfully during the previous summer under SFSP (SFSP Memorandum 12-2011, *Waiver of Site Monitoring Requirements in the Summer Food Service Program*, April 5, 2011). For summer 2012, the waiver is expanded to provide DHHS the authority to waive the first week site visit requirement for SFA sites that operated the NSLP, SBP, or SSO during the previous school year or summer and that were reviewed during the previous 12 months under the NSLP and had no significant deficiencies. The SFA sponsors affected by the waiver will ensure that each site is monitored as otherwise required under §225.15(d)(3) during the period of operation.

(4) Monitoring Required of State Agencies—Requested waiver for preapproval visits of sponsors and sites

7 C.F.R. §225.7(d) requires the State agency to conduct pre-approval visits of sponsors and sites to assess the applicant sponsor's or site's potential for successful Program operations and to verify information provided in the application. The regulation also gives State agencies authority to waive the preapproval visit for sponsors that are SFAs and that were reviewed during the previous 12 months under the NSLP and had no significant deficiencies. Therefore, no additional waiver is required regarding pre-approval visits.

(5) Monitoring Required of State Agencies—Requested waiver for DHHS to review every new sponsor during the first year of operation

7 C.F.R. §225.7(d)(2)(ii)(A) requires the State agency to review every new sponsor during the first year of operation. DHHS is the State agency in North Carolina responsible for monitoring SFSP participants. However, DHHS is permitted to delegate SFSP monitoring duties to DPI. DPI must monitor each new SFA sponsor during the first year of operation and adhere to the specific monitoring requirements of the SFSP.

(6) Monitoring Required of State Agencies—Requested waiver for DHHS to review the number of sponsors whose program reimbursements, in the aggregate, accounted for at least one-half of the total program meal reimbursements in the State in the prior year and review each sponsor at least once every three years.

7 C.F.R. §225.7(d)(1) and 225.7(d)(2)(ii)(A), (B), and (D) require annually, a review of a number of sponsors whose program reimbursements, in the aggregate, accounted for at least one-half of the total program meal reimbursements in the State in the prior year and review each sponsor at least once every three years. Reviews conducted by DPI for Edgecombe and Johnston school districts during summer 2012 may count towards meeting the State's review requirements.

Because this waiver approval is valid for summer 2012 only, the request that additional reviews conducted during the following years meet CRE requirements rather than SFSP requirements is denied at this time.

If you have questions, please contact our office.

Cynthia Long
Director
Child Nutrition Division

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