



Feeding Bodies. Fueling Minds.™

July 13, 2018

Mr. Michael Poe  
Office of Budget and Program Analysis  
U.S. Department of Agriculture  
Jamie L. Whitten Building, Room 101–A  
1400 Independence Ave. SW  
Washington, DC 20250

Dear Mr. Poe:

The School Nutrition Association (SNA) appreciates this opportunity to provide comments on the Federal Register Notice of July 17, 2017, *Identifying Regulatory Reform Initiatives*. Over the last year, SNA has reached out to our members through a web-based survey and working groups to review and consolidate recommendations for the Department. The following comments reflect the input of SNA members from across the country and reflect their recommendations for improving the effectiveness and efficiency of program operations and administration while maintaining program integrity.

#### **WHOLE GRAINS**

Both the Department and Congress have supported providing flexibility in the implementation of the whole grain requirement [7 CFR 210.10(c)(2)(iv)]. SNA members greatly appreciate the Department's extension of the whole grain waiver as part of the interim final rule on school meal flexibilities. However, the temporary waiver process is inconsistent across the states. Some states do not readily offer the waiver to struggling schools, and others have made the application process so cumbersome that it severely limits the availability of this much-needed regulatory relief. The Senate FY19 Agriculture Appropriations Bill report language acknowledges this problem and encourages FNS to simplify the process to apply for a whole grain waiver, making the process faster and more user-friendly. **SNA members urge the Department to issue final regulations incorporating whole grain flexibility without an annual waiver process.** Implementation can be evaluated during administrative reviews conducted by state agencies.

#### **PAID LUNCH EQUITY**

Congress has also acknowledged challenges under the Paid Lunch Equity requirement [Public Law 111-296 and 7 CFR 210.14 (e)] and provided an exemption for districts that have a positive or zero fund balance. Just recently, section 776 of the Consolidated Appropriations Act, 2018 (Public Law 115-141) included language on the Paid Lunch Equity requirement. **The House FY19 Agriculture Appropriations Bill contains language addressing this issue as well, and we would appreciate USDA's support for this language.** We remain concerned with the burden Paid Lunch Equity places on school districts and reiterate our comments provided in the attached September 17, 2017 letter.

#### **STREAMLINING RECORDKEEPING AND REPORTING**

In our previous comment letters submitted on September 17, 2017 and November 14, 2017 (also attached), we addressed several areas in need of streamlining, especially the complex, dense and redundant reporting and recordkeeping procedures. Three additional areas where relief could be provided include: addressing the idiosyncrasies of the food safety inspection [7 CFR 210.13 (b)] process, procurement and the annual program application process.

Due to workload, many local level health departments have been unable to accommodate requests from School Food Authorities (SFAs) to inspect school facilities twice a year. Some of the impacted SFAs have been cited on program reviews for non-compliance, even though SFAs have no jurisdiction for enforcement over the local health department. **Some states agencies have accepted as compliance a letter to the health department from the SFA requesting the inspections. SNA urges the Department to provide this relief to SFAs nationwide.**

Micro-purchase and procurement practice policy guidance is another topic identified by membership as being difficult to get consistent and accurate information. The issuance of Part 200—Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR 200) regulations has made changes and adjustments that have resulted in more confusion and less clarity on procurement requirements. **USDA should issue clear guidance with consistent interpretation that addresses the school nutrition environment, including the Buy American [7 CFR 210.21(d) and 220.16 (d)] provisions.**

The annual program application process [7 CFR 210.9 (a)] is another area that should be streamlined. **We suggest convening a task force of program directors and state directors to review the data collected and determine critical data fields needed as part of an annual program application.** One umbrella application for SFAs operating multiple child nutrition programs would also be efficient.

#### **EQUIPMENT GRANTS**

USDA Equipment Grants have upgraded many school foodservice preparation and cafeteria service areas in schools where 50 percent or more of the enrolled students are eligible for free or reduced-price meals. These grants have supported improved meal quality and efficiency of preparation as well as allayed food safety concerns through modern equipment. Not all SFAs have had the opportunity to make these improvements. **As the National School Lunch Program serves all children, we encourage USDA to allow all SFAs to access these equipment grants by changing the eligibility requirement to focus on SFAs with a critical need for equipment rather than the economic make-up of the student population.**

#### **UNPAID MEAL DEBT**

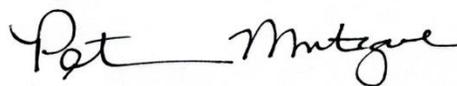
SNA members appreciate the Department's robust efforts to provide SFAs with guidance and best practice resources to assist with the required development of unpaid meal charge policies. As the issue of unpaid meal charges has gained national media attention, some state legislatures and school districts have required or urged SFAs to implement policies that result in significant increases in unpaid meal debt. In June 2018, [media reports](#) revealed that after Denver Public Schools (CO) instituted a new meal charge policy, the district's meal debt increased from \$13,000 to \$365,000 – a 2,638% increase – in just one school year. SFAs operate school meal programs with minimal general fund support, and mounting unpaid meal debt can threaten the financial solvency of the program. **SNA urges the Department to monitor the financial impact of unpaid meal charge policies on SFA budgets and provide guidance on how SFAs can develop policies that maintain fiscal solvency.**

On behalf of SNA members, thank you for your efforts to support school nutrition professionals by streamlining regulatory requirements and addressing the barriers to implementing efficient, effective and accountable school meal programs to benefit America's students. Should you desire additional information to support any of the items discussed in this communication, please let us know. We appreciate the opportunity to partner with the USDA to promote healthy meals for our nation's students.

Sincerely,



Dr. Lynn Harvey, RDN, LDN, FAND, SNS  
President



Patricia Montague, CAE  
Chief Executive Officer