**Child Nutrition Programs Provision 2**

**Sponsor Participation Agreement**

| Sponsor Name: | Click or tap here to enter text. |
| --- | --- |
| Agreement #: | Click or tap here to enter text. |

This agreement is between the Oregon Department of Education (ODE) and the Local Educational Agency (SPONSOR) named above. It covers the period of four years starting on July 1, 2023, and ending on June 30, 2027. The Sponsor’s schools may stop participating in Provision 2 during the four-year cycle by notifying ODE no later than June 30 of the school year prior to when they want to return to traditional counting and claiming procedures. Requirements set forth in 7 CFR 245.9(b) would apply.

The undersigned Sponsor official has the authority to enter this Agreement to participate in Provision 2 on behalf of all schools in the district or some of the schools in the district.

1. **It is mutually agreed between ODE and the SPONSOR that under the Provision 2 policy the SPONSOR agrees to:**
   1. Certify children for free and reduced price meals for up to 4 consecutive school years in the schools which serve meals at no charge to all enrolled children; provided that public notification and eligibility determinations are in accordance with §§ 245.5 and 245.3, respectively, during the base year as defined in paragraph 7 CFR 245.9(b)(6). The Provision 2 base year is the first year, and is included in the 4-year cycle.
   2. Offer reimbursable meals at no charge to all children (non-pricing program) during all years of Provision 2 participation (Base year and Non-Base years).
   3. During Base Year, distribute free and reduced applications. Make free and reduced price meal eligibility determinations for all enrolled students and ensure that applications from Provision 2 schools have an equal chance of being selected for verification.
   4. During the Base Year, count the actual number of reimbursable meals served each month by type (free, reduced price and paid) at the point of service.
   5. In subsequent Provision 2 years count the number of total meals at the point of service; total monthly meals claimed are allocated to benefit categories by established claim percentages.
   6. Notify the public, Base year and Non-Base years, of the availability of schools meals at no charge to students at Provision 2 sites (Breakfast and/or Lunch).
   7. Pay, with funds from non-Federal sources the difference between the cost of serving breakfasts and/or lunches at no charge to all participating children and Federal/State Reimbursements. (A la carte revenue, revenue from adult meals, catering revenue of foods purchased with non-profit food service funds may be used).
   8. Abide by all requirements for applying and administering Provision 2 as stated in 7 CFR 245.9(b), Special assistance certification and reimbursement alternatives.
2. **Recordkeeping Requirements**

**Base Year**

Because the statute permits Provision 2 schools to earn cash and USDA Foods assistance for the base year and 3 subsequent years on the basis of base year data, Sponsors must retain some of their base year records beyond the 3-year period. Records that must be retained beyond the 3-year period include: approved/denied free and reduced price applications, direct certification data; verification records; daily meal counts by type (free, reduced price, and paid); Attendance areas of each school participating in Provision 2; the socioeconomic data that will be used as base year data if an extension is granted; any extension authorizations; edit check and on-site review documentation.

Such records must be retained during the period the Provision is in effect, including all extensions. In addition, such records must be retained for three Fiscal Years (FYs) after the submission of the last Claim for Reimbursement of the final FY, which used base year data.

**Non-base Year**

For non-base years, records must be retained for three years after submission of the final Claim for Reimbursement for the FY to which they pertain. Non-base year records for Sponsors of schools under Provision 2 must include records of total daily meal counts of reimbursable meals, edit checks, and on-site review documentation.

**Extensions**

Additionally, Sponsors that receive an extension of Provision 2 must retain records of the socioeconomic data used to determine the income level of the school’s population for the base year and year(s) in which extension(s) were made. Such records must be retained during the period the Provision is in effect, including all extensions; such records must be retained for three Fiscal Years (FYs) after the submission of the last Claim for Reimbursement of the final FY, which used extension data.

**Other Records**

Recordkeeping requirements for other records related to the operation of NSLP and SBP for schools under Provision 2 remain unchanged. As a reminder, if review or audit findings have not been resolved, the records must be retained as long as required for the resolution of the issues raised by the review or audit. In addition, State agencies (SAs) may require that Sponsors retain additional records or may impose longer record retention timeframes for schools under Provision 2.

Failure to maintain base year and subsequent year records must result in the State agency requiring the school to return to standard meal counting and claiming procedures. In addition, lack of required records may result in calculation of fiscal action for any overclaim extending back through the base year. It is at the state agency’s option to allow the school to establish a new base year at the start of the next school year.

The State Agency will monitor the compliance as part of its administrative review monitoring and verification efforts.

1. **General Conditions**This agreement is non-transferable.

Neither ODE nor the Sponsor has an obligation to renew this agreement.

1. **Sites Included**

Effective Date: 7/1/2023

Base Year: SY 2023 - 2024

Last Year: SY 2026 – 2027

|  | **Site Name** | **ODE**  **Inst ID** | **CNPweb**  **Site ID** | **P2 School Breakfast Program** | **P2 National School Lunch Program** |
| --- | --- | --- | --- | --- | --- |
| 1 |  |  |  |  |  |
| 2 |  |  |  |  |  |
| 3 |  |  |  |  |  |
| 4 |  |  |  |  |  |
| 5 |  |  |  |  |  |

| Print Name: |  |
| --- | --- |

| Signature: |  | Date: |  |
| --- | --- | --- | --- |
|  | District Superintendent (public schools) or  Administrator (non-public school) |  |  |

THIS ARRANGEMENT does not constitute the entire agreement between the parties with respect to subject matter thereof.

**ODE Only**

| Print Name: |  |
| --- | --- |
| Signature: |  | Date: |  |
|  | Director, Child Nutrition Programs Office of Student Services |  |  |