DATE: February 23, 2007

MEMO CODE: SFSP 03-2007

SUBJECT: Permanent Agreements for All Summer Food Service Program Sponsors

TO: Regional Directors
Child Nutrition Programs
All Regions

State Agencies
Child Nutrition Programs
All States

The Richard B. Russell National School Lunch Act (Act) requires that, when a single State agency (SA) administers the National School Lunch Program and any other Child Nutrition Program, the SA must have a single agreement and claim form for any School Food Authority which administer any combination of the Programs.

In support of this requirement, we issued two memoranda pertaining specifically to the Summer Food Service Program (SFSP #10-98 and #10-99—Single Permanent Agreements for School Food Authorities Administering the Child Nutrition Programs). Although SFSP regulations do not provide for permanent agreements, those memoranda clarified that a Program operating in tandem with the NSLP under the auspices of a single SA must operate under a permanent agreement, since NSLP agreements are required to be “permanent” and the Act requires a single agreement in such cases.

With the recent amendment of the Act to provide SAs the option to execute permanent agreements with their Child and Adult Care Food Program (CACFP) institutions, we have been asked to consider the benefits of expanding upon the authority of State agencies to execute permanent agreements to include all SFSP sponsors.

In an effort to provide administrative relief to SAs and sponsoring organizations, we are extending to State agencies the authority to develop a permanent agreement applicable to any SFSP sponsoring organization, including those that operate only the SFSP. It is important to understand that describing the agreement as “permanent” is intended solely to convey that the agreement has no predetermined expiration date. In no way does this feature of the agreement create contractual obligations beyond those described in the agreement, nor does it preclude either party from terminating the agreement in accordance with SFSP regulations.

We believe the additional flexibility provides SAs with an important tool in their efforts to reduced paperwork at all levels, and reaffirms the commitment of the Department and State agencies alike to simplify program management. This authority provides for continuity across Program lines while maintaining the integrity of affected Programs.
While we recognize each Program may have unique requirements that must be addressed in its agreement, we believe a properly drafted agreement can address both common and unique Program elements in a manner that will accommodate periodic amendments or modifications as necessary. In addition, we encourage SAs to consider the development of a single agreement and/or claim for reimbursement applicable to any combination of Child Nutrition Programs under their auspices, consistent with those combinations of Programs for which this provision is required under the Act.

Please forward this memorandum to your State agencies immediately so that interested States may begin implementation of this option for this summer’s program. Please convey to your States that this guidance is strictly voluntary. If you have any questions, please contact Norma Ball or Keith Churchill at 703-305-2590.

STANLEY C. GARNETT
Director
Child Nutrition Division