

Authority: National School Lunch Act  
Completion: Voluntary  
Program: USDA/Food and Nutrition Service  
CFDA# 10.559 Summer Food Service  
Program for Children

Grants Coordination and School Support  
School Nutrition Training and Programs  
P.O. Box 30008  
Lansing, MI 48909



## **SUMMER FOOD SERVICE PROGRAM AND COMMODITY FOOD DISTRIBUTION PROGRAM**

### **Permanent Agreement and Non-Pricing Policy Statement**

#### **Part I. SUMMER FOOD SERVICE PROGRAM (SFSP)**

##### **A. THE STATE AGENCY AND THE SPONSOR MUTUALLY AGREE:**

To comply with and meet all responsibilities and requirements set forth in 7 CFR, Part 225, Summer Food Service Program and 7 CFR, Part 250 Commodity Food Distribution Program regulations.

##### **B. THE STATE AGENCY AGREES THAT:**

To the extent of the funds available, the State Agency shall reimburse the Sponsor in connection with the cost of providing a meal or snack at the sites listed on the application in any year during which this agreement is in effect. The amount of reimbursement on behalf of any sponsor shall not exceed the lesser of (a) an amount equal to the number of meals and/or snacks served to children of high school grade or under, multiplied by the rate assigned by the State Agency or (b) by such other rate as may be subsequently assigned by the State Agency.

##### **C. THE SPONSOR AGREES TO:**

1. Retain final financial and administrative responsibility for its program.
2. Operate a nonprofit food service during the period of Summer Food Service Program (SFSP) operation.
3. Accept federal funds and/or donated foods in accordance with the applicable regulations and to comply with any instructions, policies or procedures issued in connection with the regulations. The Sponsor further agrees to administer programs funded under this agreement in accordance with applicable provisions of the Uniform Federal Assistance Regulations, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments and Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations (7CFR Parts 3015, 3016 and 3019) and all applicable Office of Management and Budget Circulars, state and local law/regulations and Comptroller General opinions.
4. Maintain a financial management system as prescribed by the State Agency.
5. Serve meals without cost to all children except that camps may charge for meals served to children who are not served meals under the program.

6. School Food Authorities: offer meals which meet the requirements and provisions set forth in §225.16 during times designated as meal service periods by the sponsor, and offer the same meals to all children. All sponsors except School Food Authorities: serve meals which meet the requirements and provisions set forth in §225.16 during times designated as meal service periods by the sponsor, and serve the same meals to all children.
7. Issue a free meal policy statement in accordance with §225.6(c).
8. A government or private non-profit organization sponsor will manage site staff, including hiring, terminating and determining conditions of employment. In addition, the sponsor will exercise management control over program operations at sites.
9. Claim reimbursement only for the type or types of meals specified in the application and served without charge to children at approved sites during the approved meal service period, except that camps shall claim reimbursement only for the type or types of meals as specified in the agreement and served without charge to children who meet the program's income standards.
10. Submit claims for reimbursement in accordance with procedures established by the State Agency and those stated in §225.9.
11. The sites listed in the application have the capability and facilities for the meal services planned for the number of children anticipated to be served.
12. Maintain proper sanitation and health standards in conformance with all applicable state and local laws and regulations, in the storage, preparation, and service of food.
13. Have, or contract through competitive bid process with a vendor that has, access to facilities necessary for storing, preparing, and serving food.
14. Maintain children on site while meals are consumed.
15. Not to make permanent changes in the serving time of any meal unless the changes are approved by the State Agency.
16. Meet the training requirement for its administrative and site personnel, as required under §225.15(d)(1).
17. Maintain documentation of site visits and reviews as prescribed by the State Agency and in accordance with §§225.15(d)(2) and (3).
18. Maintain accurate records which justify all costs and meals claimed. The records shall be retained for a period of three years after the end of the fiscal year for which they pertain, unless audit or investigative findings have not been resolved in which case the records shall be retained until all issues raised by the audit or investigation have been resolved.
19. Upon request, make all accounts and records pertaining to the program available to state, federal, or other authorized officials for audit or administrative review, at a reasonable time and place. The Sponsor agrees to comply with all audit requirements set forth in program regulations, Single Audit Act (31 U.S.C. sections 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156), Office of Management and Budget Circulars and Compliance Supplement Documents and the Michigan School Auditing Manual.

## Part II. SUMMER COMMODITY FOOD DISTRIBUTION PROGRAM

*This agreement shall be in effect for the months of June, July and August only for those days that SFSP is in actual operation with children present.*

**DEFINITION OF TERMS:** In accordance with the agreement between the Michigan Department of Education and the United States Department of Agriculture (USDA), the above-named sponsor hereby makes application for food commodities, subsequently referred to as foods, furnished by the USDA to the Michigan Department of Education (MDE), Grants Coordination and School Support, School Nutrition Training and Programs, subsequently referred to as the State Agency, and agrees to the following terms and conditions. According to the terms of this agreement, a Summer Program Sponsor is defined as a nonprofit organization or school, with federal tax exempt status, which provides services to school aged children and is responsible for the operation and administration of the program. Each site, licensed by the Department of Human Services, provides nonprofit feeding services during the summer months for children of high school grade or under.

### **A. THE STATE AGENCY, AT ITS DISCRETION AGREES:**

1. To inspect, at any reasonable time, foods in storage, storage facilities, or warehouses used in the storage of USDA foods.
2. To inspect all records pertaining to the receipt, inventory, and disposal of USDA foods.
3. To provide a written authorization (Form SM-2781) to transfer or dispose of USDA foods.
4. To cancel this agreement, immediately upon receipt of evidence that the terms and conditions thereof have not been fulfilled.

### **B. THE SPONSOR AGREES:**

1. To request, accept, and pay for the distribution and processing fees upon delivery or pick-up of commodities associated with all USDA donated foods. To accept responsibility for payment of all USDA commodities and to adhere to all payment requirements of the assigned state warehouse. To only order in quantities, which can be consumed without waste during your summer program. Further, any foods left at the close of the program period must be redonated to the local school districts participating in the National School Lunch Program.
2. That foods received, according to this Agreement, will be used SOLELY for the benefit of those persons served by the Sponsor and will not be otherwise disposed of or used for demonstrations or test purposes without written approval of the State Agency. Under *no* circumstances will USDA foods be sold, traded, or used off the premises of the Sponsor, as indicated in this Agreement. The use of any USDA donated foods by ineligible recipients constitutes damage to the Federal Government under the law. When such irregularities are brought to the attention of the State Agency, it will be necessary for the sponsor to make satisfactory settlement with the State Agency for the illegal use of such foods.
3. To furnish proper storage facilities for all USDA food requested and accepted by the Sponsor. The Sponsor agrees to keep its storage facilities clean, dry, orderly and store food 6 inches off floor; install thermometers and suitable ventilation; provide specified temperatures for certain foods within its own buildings, and use all foods on a - FIRST IN/FIRST OUT basis.
4. If recommended storage for certain perishables are not available within the Sponsor's own buildings, it will be permissible to remove the foods from its premises for the purpose of providing proper storage in local commercial locker plants or with merchants that have such storage. Provided the sponsor makes arrangements with said locker plants or merchants to maintain a current record of receipts, withdrawals and balances. Under *no* circumstances will commodities be stored in private homes.

5. Accept and use in quantities that may be efficiently utilized in the program such foods as may be offered as a donation by the Department.
6. To assume liability for all losses resulting from: (1) theft, (2) gross neglect from failure to provide proper storage or care, (3) failure of mechanical equipment, and (4) improper use of any foods. Recovery for the value of such losses will be made at the option of the State Agency.
7. To maintain true and accurate records pertaining to the receipt, inventory, and disposal of foods. Such records shall be retained by the Sponsor for a period of three (3) years, dating from the close of the federal fiscal year to which they pertain or as long as there are unresolved audit findings or investigations related to those records and shall be available during such period for inspection by representatives of the State Agency for the Department at a reasonable time or place and though there is a change of personnel, these records are to remain within the office of said Sponsor. Further, no records shall be disposed of without written authorization from the State Agency. These records shall contain the following minimum information:
  8. A record of all foods received (including the date and quantity) according to the "Delivery Receipt of USDA Donated Commodities," Form SM-4221. The Sponsor must sign and date the "Delivery Receipt of USDA Donated Commodities," Form SM-4221 in the lower right corner in INK upon receipt of the food, and must retain a copy for record and audit purposes. Request and complete SM-4336-A, "USDA Commodities Transfer Form" to transfer commodities to another sponsor.
  9. To furnish the State Agency with an inventory of all USDA foods on hand upon request of said State Agency.
10. This Agreement may be cancelled for cause by either party upon 30 days notice. Subject to such notice of cancellation of the Agreement, the Sponsor agrees to comply with the instructions of the State Agency - either to distribute all remaining USDA foods in accordance with provisions of this Agreement, or to return such inventories to their distribution outlet upon receiving written authorization from the State Agency - No USDA foods will be transferred or destroyed without written permission from the State Agency - and to submit such reports as are required by the State Agency to record final distribution of such inventories. This is in accordance with regulations assuring the State Agency of accountability.

### **Part III. Non-Pricing Policy Statement**

The sponsor assures MDE that all children at the approved sites are served the same meals at no separate charge, regardless of race, color, national origin, age, sex or disability and that there is no discrimination in the course of the food service.

The sponsor further assures the MDE that for all sites under the sponsor's jurisdiction which are using individual enrollment to document areas in which poor economic conditions exist and by camps using individual family size and income statements to document children's eligibility, the standard of determining eligibility for participation in the SFSP shall be in conformity with the USDA's family size and income standards for free and reduced price school meals or that case numbers are used for children from food stamp households or Family Independence Program (FIP) households or for a child participating in the Food Distribution Program on Indian Reservations (FDPIR). Unless an alternative method is approved by MDE, the sponsor agrees to use the Summer Food Service Program Application for Free Meals form supplied by the MDE to obtain family size and income information or food stamp, FIP or FDPIR case numbers from the households of children enrolled in the SFSP.

## Part IV. CERTIFICATION

To qualify for federal assistance, the program application MUST be accompanied by a written assurance that the program or facility will be operated in compliance with the civil rights laws and implementing nondiscrimination regulations.

- A. The sponsor agrees to comply with Civil Rights Laws applicable to the Summer Food Service Program and Commodity Food Distribution Program all requirements imposed by the regulations of the Department of Agriculture (7 CFR Part 15), Department of Justice (28 CFR Parts 42 & 50), and FNS directives or regulations issued pursuant to these laws, to the effect, that no person in the United States shall, on the grounds of sex, age, disability, race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity for which the Sponsor received federal financial assistance from the Department; and hereby gives assurance that it shall immediately take any measures necessary to effectuate this Agreement. This assurance is given in consideration of and for the purpose of obtaining any and all federal financial assistance, grants and loans of federal funds, reimbursable expenditures, grant or donation of federal property and interest in property, the detail of federal personnel, the sale and lease of, and the permission to use, federal property or interest in such property of the furnishing of services without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease or furnishing of services to the recipient, or any improvements made with federal financial assistance extended to the Sponsor by the Department. This includes any federal agreement, or other contract which has as one of its purposes the provision of assistance such as food, cash assistance for the purchase of food, rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this Assurance.
- B. By accepting this Assurance, the sponsor agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of Title VI and permit authorized USDA personnel during normal working hours to review such records, books and accounts as needed to ascertain compliance with Title VI. If there are any violations of this assurance, the Department shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the sponsor, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from the Department.
- C. The School Food Authority (SFA) certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this transaction by any federal department or agency. Additionally, the SFA certifies that its vendors/sub recipients are neither excluded nor disqualified under the suspension and debarment rules found at 7CFR section 3017.300 by checking the Excluded Parties List System (EPLS). This information can be found at [www.epls.gov](http://www.epls.gov).

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington DC 20250-9410 or call (800) 795-3272 or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.