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October 10, 2013

Julie Brewer, Chief
Policy and Program Development Branch
Child Nutrition Division
Food and Nutrition Service
Department of Agriculture
3101 Park Center Drive, Room 1206
Alexandria, VA 22302-1594

RE: Docket ID FNS-2013-0026

Dear Ms. Brewer:

I am writing on behalf of California Food Policy Advocates (CFPA), a non-profit policy advocacy organization dedicated to improving the health and well-being of low-income Californians by increasing their access to nutritious, affordable food. For over two decades CFPA has worked to strengthen the federal summer meal programs. We advocated the nationwide expansion of the Simplified Summer Food Service Program and are committed to ensuring that California's low-income children are well nourished when school is out of session.

Thank you for this opportunity to provide comments on *Simplified Cost Accounting and Other Actions To Reduce Paperwork in the Summer Food Service Program and National School Lunch Notice Procedures* (7 CFR Parts 210 and 225 (Friday, July 12, 2013)).

The proposed regulations include a number of positive provisions, such as clarifying sponsors' responsibility for oversight at meal sites, that will help SFSP serve more children in need by reducing the administrative burden on SFSP sponsors. Some of the proposed regulations should be revised to optimize efficiency while maintaining program integrity – and ultimately to better serve the many children in need of summer meals.

Meal Quality

We support USDA's commitment to improving meal quality. Programs with excess funding should re-invest those dollars to improve nutritional quality and appeal. State agencies are currently required to ensure that meals meet the federal nutrition standards for SFSP. The proposed rule inserts language into §225.11(f)(1) that requires corrective action if a State agency finds a sponsor "operating a program with poor quality food service and is operating below the reimbursement level." This language referencing quality is open to broad interpretation.

To ensure that (1) sponsors have the capacity to improve meal quality and (2) State agencies are consistent in assessments of meal quality, we recommend that USDA provide guidance to sponsors and State agencies on improving meal quality within SFSP. In developing this guidance, and in future regulatory actions, we urge USDA to closely and explicitly align SFSP nutrition standards with recommendations from the Dietary Guidelines for Americans.

We also recommend that the final rule include a requirement that State agencies provide technical assistance (TA) and training to all sponsors on improving meal quality, particularly as sponsors develop their menus and bid since this is the time that such TA and training will have the greatest impact. In addition, providing vendors with any nutritional guidance provided to sponsors and State agencies may also have a positive impact on SFSP meal quality.

Excess Funds

The proposed regulations require State agencies to collect excess program funds from sponsors that do not operate another Child Nutrition Program at the end of the program year. This is a substantial shift from the guidance that implemented the new simplified rules, *Simplified Summer Food Program: SFSP Memorandum #01-05* (December 2, 2004). That guidance stated "Sponsors that do not operate other CN Programs during the year are not obligated to return unused funds at the end of SFSP operations... organizations that expect to sponsor the next year should keep any excess funds for next year's operations." The proposed regulation is not supported by the statute, which entitles all sponsors to the maximum reimbursement, as long as the sponsor is meeting the program requirements.

In addition to being inconsistent with the statute, the focus on collecting unspent program funds will limit the ability of sponsors who do not operate other Child Nutrition Programs to improve their SFSP programs from year to year. In order for State agencies to meet the requirement of tracking unspent funds to (1) issue corrective actions during the summer and (2) collect unspent funds at the end of the summer, State agencies would have to implement a reporting mechanism that may be just as burdensome as processes required for cost accounting.

To ensure that regulations remain true to the statute and do not add to the administrative burden on sponsors or State agencies, we recommend removing the language in the proposed regulation that requires states to collect excess funds on the basis of sponsors not operating other Child Nutrition Programs, such as in § 225.9(g). We also recommend removing language requiring that sponsors document all costs as allowable costs, as proposed in §225.12(a) and §225.15(c). We ask that you use language more similar to the original guidance that implemented the new simplified rules, *Simplified Summer Food Program: SFSP Memorandum #01-05* (December 2, 2004).

Budget Reviews & Monitoring Procedures

Following the original intent of the simplified cost accounting procedures, the administrative procedures required of sponsors and State agencies for completing and approving applications, as well as preparing for and conducting sponsor reviews, should be simplified. The proposed regulations require State agencies (when conducting budget reviews and as a part of monitoring procedures) to determine a reasonable ratio of a sponsor's operating costs and administrative costs. This counteracts the statute's removal of the distinction between operating and administrative reimbursements and places an administrative burden on State agencies.

The proposed regulations also direct State agencies to place special focus on sponsors that rely on donated food, which can make the amount of funding going to administrative costs appear large even when a sponsor is serving high quality meals. The proposed regulations detail more

prescriptive procedures and requirements than intended by the statute and increase the administrative burden for both sponsors and State agencies. We recommend using language more similar to what was included in the original guidance that implemented the new simplified rules, *Simplified Summer Food Program: SFSP Memorandum #01-05* (December 2, 2004).

The proposed regulations allow State agencies to exempt school food authorities from submitting an annual budget if they successfully participated in SFSP during the prior year and have had no documented serious problems managing SFSP. We urge USDA to extend this simplification to all SFSP sponsors.

Site Administrative Oversight and Contracts

The proposed rule makes important improvements that clarify the role of the SFSP sponsors at meals sites by requiring sponsors to have "administrative oversight" instead of "direct operational control." The proposed rule also allows SFSP sponsors to renew contracts for up to four years, which will reduce duplicative administrative work for both sponsors and State agencies and will better enable sponsors to negotiate for higher quality meals at better prices.

We recommend that additional language be added to allow public and private sponsors to have a single contract with a food service management company for both SFSP and the Child and Adult Care Food Program At-Risk Afterschool Snack and Meal Program. This would support USDA's efforts to encourage year-round feeding programs.

Thank you for your consideration of these comments during your deliberations.

Sincerely,



Tia Shimada
Managing Nutrition Policy Advocate
California Food Policy Advocates