

How to Apply and Operate Special Assistance Provision 2/3 Base Year



Health and Nutrition Services
Arizona Department of Education





Disclaimer

This training was developed by the Arizona Department of Education (ADE) Health and Nutrition Services Division (HNS). The content in this training is intended for professionals operating one or more USDA Child Nutrition Programs in Arizona under the direction of ADE. The information in this training is subject to change. Attendees are encouraged to access professional development materials directly from the training library to prevent use of outdated content.

Intended Audience

This Online Course is intended for Local Education Agencies (LEAs) operating the National School Lunch Program (NSLP) who are going to be applying for Special Assistance Provision 2/3.

Objectives

At the end of this training, attendees should be able to:

- understand both Special Assistance Provisions 2 and 3 and their timelines;
- know how to properly conduct counting and claiming procedures while operating a base year;
- understand how to apply for Provision 2/3 including where to find the application documentation;
- understand what is required of the LEA prior to the first operating day of the base year;
- identify and conduct all base year operating procedures by the required due dates; and
- know where to locate other training materials and all additional guidance.

TRAINING HOURS

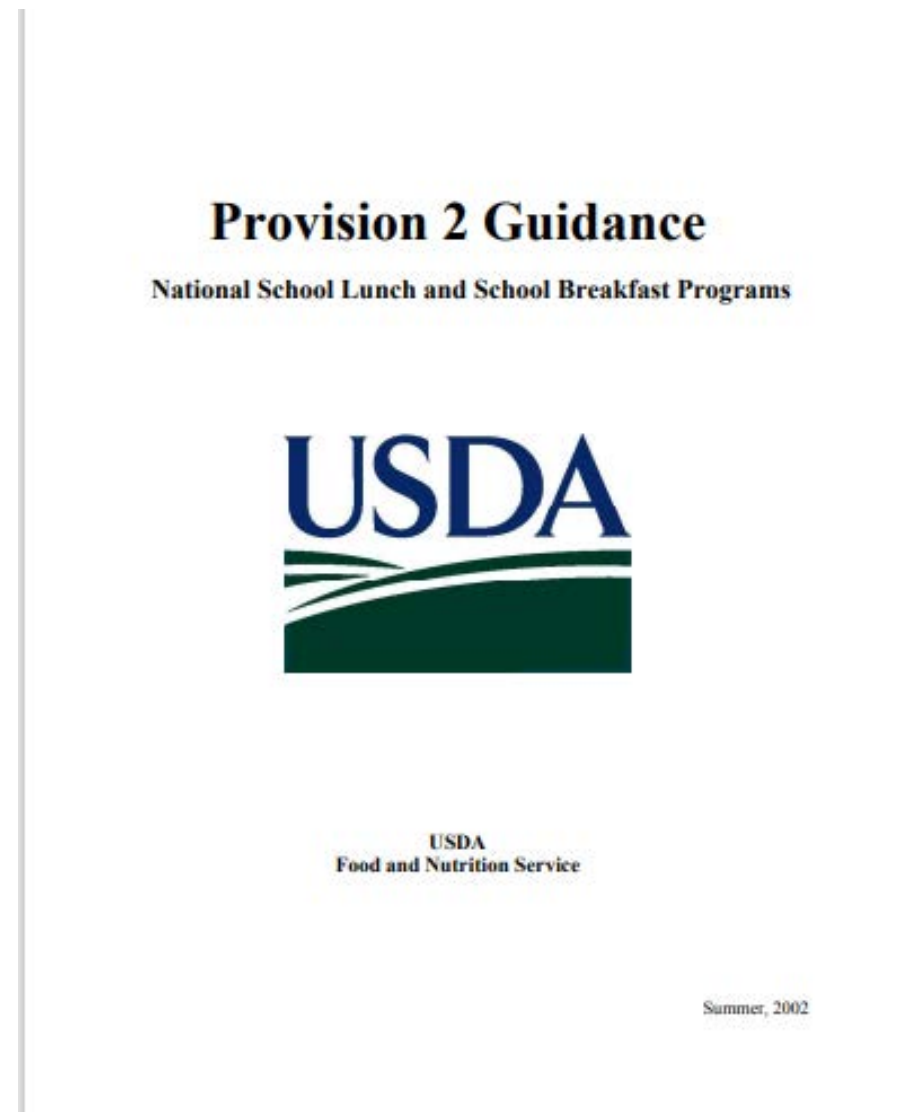
Information to include when documenting this training for Professional Standards:

Training Title: How to Apply and Operate Special Assistance Provision 2/3 Base Year

Key Area: 3000-Administration

Learning Code: 3110

Length: 1 hour



The instruction within this Online Course is based on directive from USDA's Special Assistance Guidance Manual.

It is recommended to review the Special Assistance Guidance Manual in addition to reviewing this course for complete guidance on Special Assistance.

[Click here](#) to access the manual.

Quiz Time



Throughout this guide, there will be comprehension quiz questions to test your knowledge and help you apply what you're learning. Be sure to review these quiz questions and answers available within the guide.

The question mark icon below will indicate a comprehension quiz question.



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Provision 2/3 Base Year Overview



SECTION 1

Definitions

Special Assistance Provision 2

A four-year cycle that provides free meals to all students regardless of household income while reducing administrative duties and cost to participating LEAs.

Special Assistance Provision 3

A five-year cycle that can provide free meals to all students regardless of household income while reducing administrative duties and cost to participating LEAs.

Non-Pricing

When an LEA provides meals to students at no cost to the household regardless of their eligibility status.

Base Year

The first year of operating Provision 2 or 3 that establishes the LEA's claiming percentages to support the subsequent years' federal reimbursements.

Non-Base Year

The years of operating a provision following the base year where the school makes no new eligibility determinations and counts only the total number of reimbursable meals served each day.

What is Non-Pricing?

NON-PRICING IS WHEN A SCHOOL PROVIDES MEALS TO STUDENTS AT NO COST TO THE HOUSEHOLD REGARDLESS OF ELIGIBILITY STATUS.

The LEA will still get reimbursed for the meal when serving non-priced meals

The reimbursement will be based on the free, reduced-price, and paid meal counts. These reimbursement percentages will carry forward through the rest of the provision cycle.

Non-Pricing VS Pricing		
	NON-PRICING	REGULAR NSLP
Charging for Meals	All students receive free meals.	Only students that qualify for free meal benefits will receive free meals. Those approved for reduced meals will be charged a reduced rate.
Claiming Meals	Meals are claimed by category of free, reduced, and paid however, all students will receive their meals at no charge.	Meals are claimed by category of free, reduced, and paid.

Special Assistance Provision

SPECIAL ASSISTANCE IS A PROVISION OF THE NATIONAL SCHOOL LUNCH PROGRAM (NSLP) AND SCHOOL BREAKFAST PROGRAM (SBP).

This provision allows schools in low-income areas to serve meals at no charge to all students. When operating under Special Assistance Provision 2/3, the administrative responsibilities for those SFAs will be greatly reduced.



Operating a Base Year

THE FIRST YEAR OF OPERATING PROVISION 2/3 IS CALLED A BASE YEAR.

The base year is important because it will establish the LEA's claiming percentages to support the next three years' reimbursements.

LEAs will get reimbursed for the remainder of the provision cycle based on the free, reduced, and paid eligibility determinations made during the base year.

THE BASE YEAR OF PROVISION 2/3 WILL OPERATE LIKE REGULAR NSLP, EXCEPT THAT THE SCHOOL WILL BE NON-PRICING.

During the base year only, schools will accept household applications, make eligibility determinations, and count meals by category of free, reduced, and paid at the point of service.

FAMILY SUBMITS APPLICATION

APPLICATION IS CERTIFIED

ALL STUDENTS RECEIVE MEALS AT NO CHARGE

Base Year Requirements

DURING A BASE YEAR, LEAS ARE REQUIRED TO FOLLOW THE SAME ADMINISTRATIVE RESPONSIBILITIES AS WHEN OPERATING REGULAR NSLP. THIS INCLUDES:

- distribute, collect, and certify household applications;
- notify households of their eligibility status;
- conduct Direct Certification at a minimum of three times per year;
- conduct Verification activities; and
- count and claim meals at the POS by eligibility category.

Once the base year has been successfully completed and the first non-base year begins, SFAs will then receive administrative relief from these responsibilities.



Passing a Base Year

IN ORDER TO OPERATE PROVISION 2/3, THE LEA MUST PASS A BASE YEAR.

During the base year, ADE will conduct an Administrative Review that looks at certification, counting and claiming, and point of service (POS) procedures.

ADE will also check that the due dates indicated in the Base Year Operation Checklist at the end of this training were met, and that Direct Certification and Verification were completed correctly.

Once ADE has ensured that all base year procedures have been compliant, the LEA will receive a letter from the Special Assistance Coordinator certifying that the base year was passed.

If the LEA was not compliant with base year procedures, an unsatisfactory base year letter will be sent; with the option to redo the base year or return to regular NSLP operation.

Provision 2 Timeline

PROVISION 2 OPERATES IN A FOUR YEAR CYCLE THAT INCLUDES THE BASE YEAR

Please note that at the end of a provision cycle, Provision 2 and Provision 3 extensions can be applied for at that time.

Year 1	Year 2	Year 3	Year 4	Cycle End
2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Base Year	Non-Base Year	Non-Base Year	Non-Base Year	Normal NSLP

- Here is further training on [How to Apply for an Extension in Provision 2 or Provision 3.](#)

Provision 3 Timeline

PROVISION 3 OPERATES IN A FIVE YEAR CYCLE THAT INCLUDES THE BASE YEAR

Additional differences between Provision 2 and Provision 3 will be further explained later in this online training.

Please note that at the end of a provision cycle, Provision 2 and Provision 3 extensions can be applied for at that time.

Year 1	Year 2	Year 3	Year 4	Year 5	Cycle End
2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Base Year	Non-Base Year	Non-Base Year	Non-Base Year	Non-Base Year	Normal NSLP

- Here is further training on [How to Apply for an Extension in Provision 2 or Provision 3.](#)

Applying For A Base Year

SECTION 2



EXAMPLE

For example, if the LEA submits the applications and supporting documentation on June 1st of 2024, they would be applying to operate a base year during the school year of 2024-2025.

Provision 2/3 Application Process

**SFAS NEED TO APPLY IN ADVANCE
TO OPERATE A BASE YEAR.**

The application and supporting documentation will be due to ADE by June 1 st of the current program year and, if granted, the LEA would operate a base year the following program year.

How to Apply

LEAS APPLYING FOR PROVISION 2/3 BASE YEAR MUST SUBMIT THE FOLLOWING DOCUMENTATION TO ADE NO LATER THAN JUNE 1ST:

-  **SPECIAL ASSISTANCE APPLICATION;**
-  **REVISED FREE AND REDUCED PRICE POLICY STATEMENT;**
-  **ADDENDUM - PROVISION 2 OR PROVISION 3; AND**
-  **BASE YEAR PROVISION 2 AND 3 ELECTRONIC SURVEY RESULTS**


If approved, the LEA will receive a notification from ADE by the end of June and will be granted permission to operate a base year during the following school year.

Special Assistance Application

**IN ORDER FOR LEAS TO OBTAIN
APPROVAL TO OPERATE A BASE YEAR,
THE SPECIAL ASSISTANCE APPLICATION
MUST BE SUBMITTED TO ADE.**

On this application, the LEA will:

- Indicate if they are opting to operate Provision 2 or Provision 3.
- List all sites that wish to apply for the base year.
- Indicate which meal services would be operating a base year (breakfast, lunch, or both).
- Answer all application questions.
- Have an authorized signer sign on behalf of the LEA.



Special Assistance Provision 2/3 Base Year Application

Please review the [Special Assistance Guidance Manual](#). After reviewing the manual, if you would like to apply for the Special Assistance Program, please complete this application. Once completed, submit the application electronically to ContactHNS@azed.gov for review. **Please note that this application is not approved until you receive an official letter of approval from this department.** Approval letters are sent in June of each year prior to the start of the school year. This application is due no later than June 1 annually.

Local Educational Agency (LEA) Name:	CTDS#:
School Food Authority Contact/Title:	Phone#:

1. Indicate the Special Assistance Provision that will be operated (e.g. Provision 2 or 3):

2. Indicate the number of applying sites that will be participating in a base year:

Please list site name(s) below, or indicate that a list of all sites is attached (if applying for multiple sites). If attaching a list, please indicate the fields shown below on School District Letterhead.

Legal name of applying sites (as shown in CNPWeb)	Base Year	Participation in BREAKFAST (B), LUNCH(L),OR BOTH (BL)

3. During the base year, the LEA must demonstrate compliance with all certification, counting/claiming, and verification procedures during an administrative review. Is this requirement understood? Yes ☐ No ☐

4. The LEA may not supplement its meal service operation with any federal funds other than United States Department of Agriculture reimbursements, Bureau of Indian Affairs funds and any other source earmarked for meal service. Is this requirement understood? Yes ☐ No ☐

5. Prior to the first operating day of the base year, the LEA is required to attend the [Online Course: How to Apply and Operate Special Assistance Provision 2/3 Base Year](#) and submit the [Electronic Survey](#). Is this requirement understood? Yes ☐ No ☐

6. Have you read and understood the requirements of the Special Assistance Guidance Manual? Yes ☐ No ☐

I CERTIFY that the information in this application is true, and that I agree to carry out the terms of the agreement to operate the Special Assistance Program. I understand that this information is given in connection with the receipt of federal funds and that deliberate misinterpretation may be subject to prosecution under applicable federal statutes.

Printed name (authorized signatory):

Signature (authorized signatory):

Date:

June 2022 | Health and Nutrition Services | Arizona Department of Education | This institution is an equal opportunity provider.

Free and Reduced Price Policy Statement and Addendum

LEAS WHO WISH TO OBTAIN APPROVAL MUST SUBMIT AN UPDATED FREE AND REDUCED PRICE POLICY STATEMENT TO ADE.

Also, LEAs must complete the addendum for the provision they wish to operate, indicating either Provision 2 or Provision 3.

- Click [here](#) to locate the ADE Free and Reduced Price Policy Statement along with the Addendum- Provision 2 or Addendum- Provision 3 templates.



Free and Reduced-Price Policy Statement - Addendum: Special Provision Option 2

Introduction

This addendum is in addition to/in lieu of where applicable to the Free and Reduced-Price Policy Statement as some or all sites operating the NSLP and/or SBP will be participating in Special Provision Option 2 (Provision 2). It must be provided to ADE when schools begin participation in Provision 2.

Policy Statement

SFA Name:

Date:

This statement applies to the following schools operating Provision 2 and the meal services indicated:

School(s):

Check all that Apply: NSLP

SBP

wishes to state the following:

A. _____ acknowledges that this addendum becomes effective when CNPWeb Site and Sponsor Applications have been updated to reflect Provision 2 participation AND a Provision 2 application containing the following has been submitted by: _____ and approved by ADE.

- A list of all schools participating in Provision 2
- The initial school year of implementation for Provision 2
- The school years the cycle is expected to remain in effect
- The school year that Provision 2 must be reconsidered
- The available and approved data that will be used in reconsideration, as applicable

B. _____ will publicly notify and certify students for free and reduced-price benefits for up to four consecutive school years, provided that eligibility determinations are in accordance with 7CFR 245.3 during the first school year.

C. Except for assistance properly made available under 7 CFR 210, 220, 240, and 250, the Indian Child Welfare Act 95-608, and by other legislation, _____ will pay with funds from non-Federal sources the cost of serving meals to all children at no charge for all schools listed above, which includes:

- The cost of meals served to children not eligible for free or reduced-price meals
- The differential between the per-meal cost and Federal reimbursement received for each free or reduced-price meal, respectively, served to children eligible to receive such meals under applicable program regulations.

Base Year Provision 2 and 3 Electronic Survey

PLEASE SUBMIT ALL APPLICATION DOCUMENTATION TO THE ARIZONA DEPARTMENT OF EDUCATION INCLUDING THE BASE YEAR PROVISION 2 AND 3 ELECTRONIC SURVEY THAT IS ENCOURAGED TO BE COMPLETED WHILE SFAS ARE TAKING THIS ONLINE COURSE.

- In order to submit this Electronic Survey, SFAs will simply need to click submit once all survey questions have been completed.

No more than two questions can be answered incorrectly by each LEA applying to operate a base year and all questions should be easily answered throughout this training.

- If more than two questions are answered incorrectly by an LEA, they have the option to retake the survey in order to obtain a passing score.
- Remember, the answers to these survey questions are embedded within this training.

What To Do Before The First Operating Day Of A Base Year

SECTION 3



Site and Sponsor Application

JUST LIKE OPERATING REGULAR NSLP, WHEN ON A BASE YEAR SFAS MUST SUBMIT A SITE AND SPONSOR APPLICATION IN CNPWEB.

On the site and sponsor application, the SFA must indicate that they are participating in a base year.


- This can be done anytime after June 1st and should be completed before the first operating day of the school year.



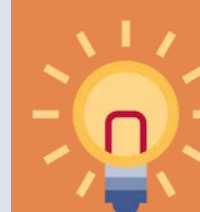
Site Application

IN ORDER FOR THE LEA TO INDICATE THAT THEY ARE OPERATING A BASE YEAR ON THEIR SITE APPLICATION IN CNPWEB, THE SFA MUST ACCURATELY FILL IN SECTIONS 8 AND 9 FOR SCHOOL BREAKFAST PROGRAM AND NATIONAL SCHOOL LUNCH PROGRAM.

Please click here for further instructions on how to submit site and sponsor applications in CNPWeb.



8. School Breakfast Program	
Participation:	<div></div>
Severe Need Breakfast Program Eligibility:	Eligible *
Offer versus Serve Implemented During Breakfast :	No
Amount Charged to Students for Reduced-Price Breakfast:	0.00
Amount Charged to Students for Paid Breakfast:	0.00
Meal Service Type(s) (check all that apply):	<div><input checked="" type="checkbox"/> Breakfast in the cafeteria/main dining hall</div> <div><input type="checkbox"/> Breakfast in the classroom</div> <div><input type="checkbox"/> Grab and go breakfast carts</div> <div><input type="checkbox"/> Breakfast on the school bus</div> <div><input type="checkbox"/> Other, please describe:</div>
Meal Service Type 'Other' Description:	



In the Participation drop down the SFA will select Base Year for Special Assistance Provision 2 or Provision 3.

Sponsor Application

IN ORDER FOR THE LEA TO INDICATE THAT THEY ARE OPERATING A BASE YEAR ON THEIR SPONSOR APPLICATION IN CNPWEB, THE SFA MUST ACCURATELY FILL IN SECTION 5. GENERAL INFORMATION.

5. General Information	
Type of Sponsoring Authority	Public - Educational Institution
Participate in the USDA Foods Program:	Yes
High-Rate Lunch Reimbursement Eligibility:	Eligible *
Menu Certification Reimbursement Eligibility:	Yes *
Special Assistance Provision 2/3 Participation Status:	<div></div>
How many sites do you wish to enroll in the Special Assistance Provision 2/3 Program?	<div></div>
One or more sites are operating the Community Eligibility Provision (CEP):	No



In the Special Assistance Provision 2/3 Participation Status drop down the SFA will select Base Year for Special Assistance Provision 2 or Provision 3.




The number of sites needs to reflect the number of sites that received approval to operate under a base year.

Sponsor Application

ALSO, THE SFA MUST ACCURATELY FILL IN SECTION 9. FORMS FOR FREE AND REDUCED-PRICE MEALS ON THE SPONSOR APPLICATION IN CNPWEB.

9. Forms For Free And Reduced-Price Meals

School Meal Applications for Free and Reduced-Price Meals and instructions: (check all that apply)	<div><input checked="" type="checkbox"/> School meal application provided by ADE</div> <div><input checked="" type="checkbox"/> Electronic/online school meal application</div> <div><input type="checkbox"/> Scannable school meal application</div> <div><input type="checkbox"/> Custom paper-based school meal application</div> <div><input type="checkbox"/> Form not required: Option only applicable to entities with all sites operating Provision 2 or 3 in a Non-Base Year or Community Eligibility Provision, RCCIs without day students (including Juvenile Detention Centers) utilizing a documentation sheet or entities operating the Special Milk Program that do not collect applications</div>
Parent Letter: (check only one)	<div><input checked="" type="radio"/> Parent letter provided by ADE</div> <div><input type="radio"/> Custom Parent Letter</div> <div><input type="radio"/> Form not required: Option only applicable to RCCIs without day students (including Juvenile Detention Centers)</div>
Notification of Benefits Letter: (check only one)	<div><input checked="" type="radio"/> Notification of Benefits Letter provided by ADE</div> <div><input type="radio"/> Custom Notification of Benefits Letter(s)</div> <div><input type="radio"/> Form not required: Option only applicable to entities with all sites operating Provision 2 or 3 in a Non-Base Year or Community Eligibility Provision, RCCIs without day students (including Juvenile Detention Centers) utilizing a documentation sheet or entities operating the Special Milk Program that do not collect applications</div>



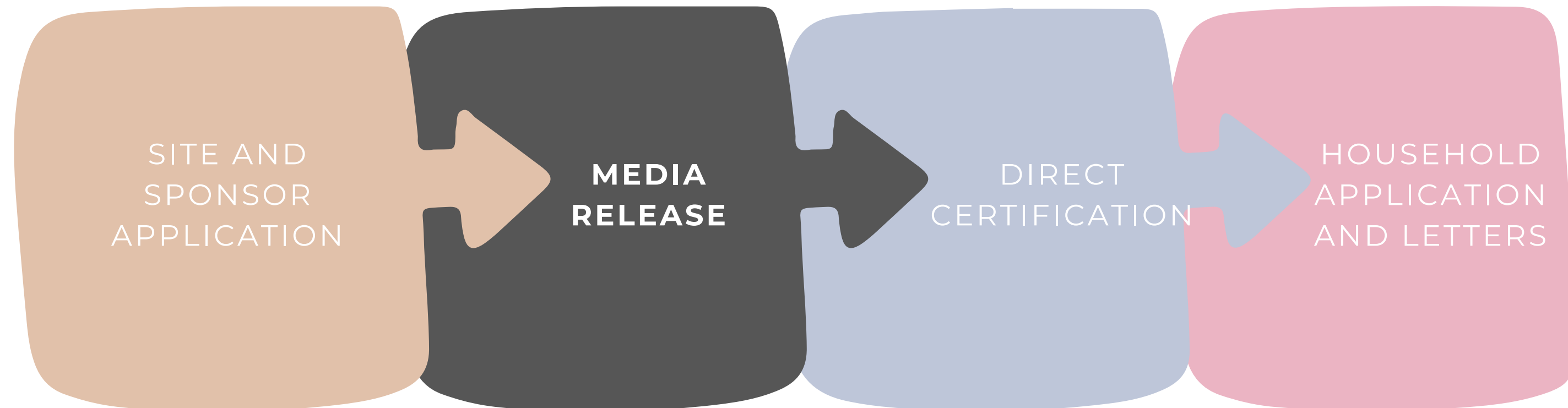
Please note that during a base year, household applications are collected and families must be notified.

Media Release

JUST LIKE REGULAR NSLP, WHEN OPERATING A BASE YEAR SFAS WILL CONTINUE TO PROVIDE A NOTIFICATION THAT NUTRITIOUS MEALS ARE AVAILABLE AT SCHOOL.

SFAs must ensure that this media release states that meals are served at no cost to all students regardless of their eligibility determination on their household application.

- Click [here](#) to locate ADE's Media Release template.
- Media releases should be announced in the months of July and August.



Direct Certification

JUST LIKE REGULAR NSLP, WHEN OPERATING A BASE YEAR SFAS WILL CONTINUE TO CONDUCT DIRECT CERTIFICATION IN ADECONNECT CNP DIRECT CERTIFICATION / DIRECT VERIFICATION AT A MINIMUM OF THREE TIMES PER SCHOOL YEAR.

- by the 45th operating day of the school year;
- three months after the initial effort; and
- six months after the initial effort



Direct Certification

REGARDLESS OF THE LEA OPERATING NON-PRICING, ALL FAMILIES MUST BE NOTIFIED OF THEIR ELIGIBILITY BENEFITS IF A HOUSEHOLD MEMBER WAS A MATCH.

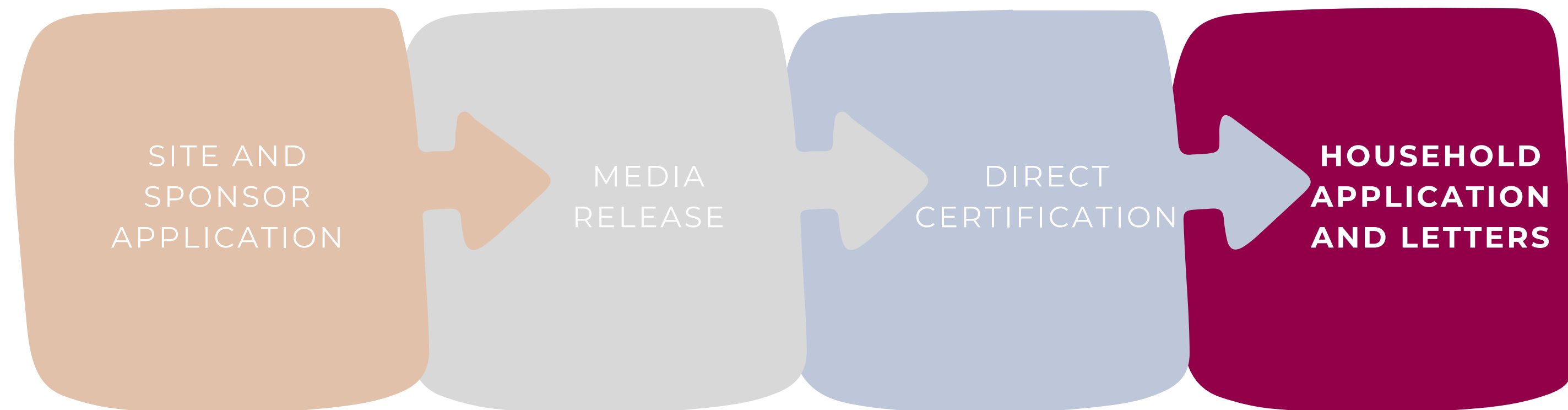
- Remember that a match for one student in SNAP, TANF, FDPIR, and DC-Medicaid extends to all household members for the entire school year.
- [Click here](#) for further guidance on how to conduct Direct Certification.



Household Applications and Letters

JUST LIKE REGULAR NSLP, WHEN OPERATING A BASE YEAR SFAS WILL CONTINUE TO DISTRIBUTE HOUSEHOLD APPLICATIONS AND PARENT LETTERS.

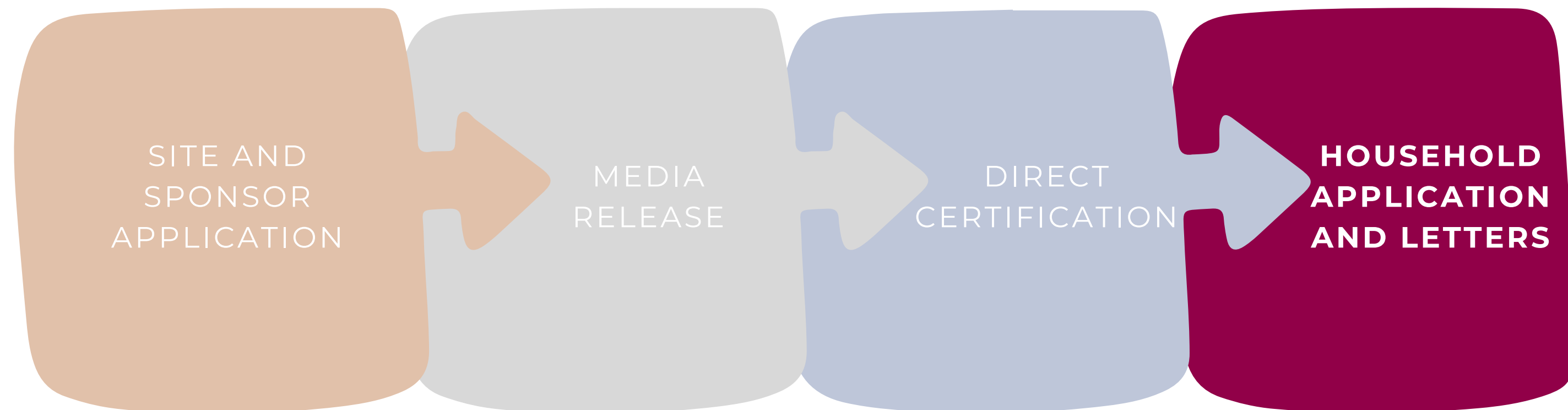
- To locate ADE's templates for household applications and parent letters [click here](#).



Household Applications and Letters

SFAS MUST CERTIFY SUBMITTED HOUSEHOLD APPLICATIONS WITHIN TEN DAYS OF RECEIVING THE APPLICATION AND UPDATE THE BENEFIT ISSUANCE DOCUMENT (BID).

- Once the application is complete and processed, the SFA must notify the household of their determined eligibility status by mailing the Parent Letter for School Meals.



Base Year Counting And Claiming Procedures

SECTION 4



Counting and Claiming

DURING A BASE YEAR, MEALS WILL BE COUNTED AT THE POINT OF SERVICE (POS) IN CATEGORY OF FREE, REDUCED, AND PAID AS THEY WOULD BE WHEN OPERATING REGULAR NSLP.

Claims will be submitted in CNPWeb for every operating month during the base year.

- Claiming percentages during non-base years will be determined off of the claims that were submitted throughout the base year.

Daily Edit Checks

ALONG WITH SUBMITTING CLAIMS, DAILY EDIT CHECKS WILL STILL BE REQUIRED WHEN OPERATING A BASE YEAR.

Daily Edit Checks are conducted to ensure that LEAs are not claiming more meals than eligible students in each category of free, reduced, and paid.

- The ADE Daily Edit Check Worksheet can be found here .

[illegible]

Base Year Claiming for Provision 2/3

OFFICIAL CLAIMING PERCENTAGES ARE PROGRAMMED INTO CNPWEB BY ADE AND WILL BE AUTOMATICALLY APPLIED TO FUTURE NON-BASE YEAR CLAIMS.

Please note that there are differences in both Provision 2 and Provision 3 that need to be recognized by SFAs.

- [Click here](#) to find training on submitting a claim in CNPWeb



FOR EXAMPLE:

The free, reduced and paid claiming percentages in August of the base year are the same claiming percentages that will be used in August of the following non-base years.

Provision 2 Claiming Percentages

REIMBURSEMENTS FOR PROVISION 2 DURING THE NON-BASE YEARS ARE DETERMINED BY APPLYING THE PERCENTAGES OF FREE, REDUCED, AND PAID MEALS SERVED DURING THE CORRESPONDING MONTH OF THE BASE YEAR.

Percentages in the claim data from the base year are used to assume that the free, reduced and paid eligibility of the site will be consistent each month of each year of the provision cycle.

Provision 2

Claiming Example

IN THIS EXAMPLE, FOLLOW ALONG WITH THE CLAIMING PERCENTAGES AND MATH CONDUCTED FOR THE FREE REIMBURSEMENTS.

However, please note that the reduced and paid reimbursements will be calculated in this same format and the same practices will be used.

The base year had 72.60% of their meals claimed as free in the month of August and Provision 2 will assume that in August during each non-base year, 72.60% of the total meals are free.

	Base Year Claim for August	Percentage	Multiply	Non-Base Year Total Meals in August	Equals	Non-Base Year Claim for August
FREE	1045	72.60%	X	1650	=	1198
REDUCED	212	14.70%	X	1650	=	243
PAID	182	12.70%	X	1650	=	209
TOTAL MEALS	1439	100%	X	1650	=	1650

Provision 3 Claiming Percentages

JUST LIKE PROVISION 2, PROVISION 3 ALSO USES AN ALTERNATE CLAIMING METHOD DURING NON-BASE YEARS BY USING BASE YEAR MONTHLY CLAIMING FORMULA.

The difference for Provision 3 is that the claiming formula will be adjusted throughout the months during non-base years depending on the number of days served in the particular month and how many students are enrolled in the school.



Provision 3

Claiming Example

IN THIS EXAMPLE, FOLLOW ALONG WITH THE CLAIMING FORMULA AND MATH CONDUCTED FOR THE *FREE* REIMBURSEMENTS.

However, please note that the reduced and paid reimbursements will be calculated in this same format and the same practices will be used.

Provision 3 Claiming Adjustment for the Month of August Example			
	STEP 1	STEP 2	STEP 3
Action	Percent Change Enrollment	Enrollment Adjusted Meals	Serving Day Adjusted Meals
Steps	August non-base year enrollment ÷ August base year enrollment	August base year free meals x percent change enrollment	(August base year serving days ÷ August non-base year serving days) x enrollment adjusted meals
Example	210 (NBY) ÷ 200 (BY) = 1.05	1045 x 1.05 = 1097.25	(16 ÷ 18 = 0.89) x 1097.25 = 1232.87

Provision 3

Claiming Example

SINCE THERE WERE TEN EXTRA STUDENTS AND TWO EXTRA DAYS IN THE NON-BASE YEAR FOR AUGUST, 1232 MEALS WERE REIMBURSED AT THE FREE RATE COMPARED TO THE 1045 MEALS THAT WERE REIMBURSED DURING THE BASE YEAR.

Example	$210 \text{ (NBY)} \div 200 \text{ (BY)} = 1.05$	$1045 \times 1.05 = 1097.25$	$(16 \div 18 = 0.89) \times 1097.25 = 1232.87$
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Please note that the same formula is used for calculating reduced and paid meals.

Provision 2/3 Counting and Claiming

IT IS UP TO THE LEA TO DECIDE WHETHER THEY WISH TO OPERATE PROVISION 2 OR PROVISION 3, AND IT IS THEIR RESPONSIBILITY TO FULFILL ALL BASE YEAR DUTIES WHEN OPERATING.

- If base year procedures are not followed, the LEA will not pass their base year and must either resume regular NSLP operating procedures or redo another base year.
- Please note that the differences in Provision 2 and Provision 3 non-base year claiming, do not indicate a difference in counting and claiming procedures during a base year as explained in the previous slides.

Additional Provision 2/3 Base Year Considerations



SECTION 5

The Right Provision





IT IS IMPORTANT TO REFLECT ON THE LEA’S PARTICULAR SITE WHEN DECIDING ON WHICH PROVISION TO OPERATE.

If further assistance is needed when choosing which Provision to operate, contact your Health and Nutrition Services Programs Specialist.

PROVISION 2	PROVISION 3
<p>Most schools that operate a Provision have enough turnover to where keeping the claiming percentages that were established during the base year will be beneficial. This option would be most beneficial for sites that have fluctuating populations and participation, such as regularly operating schools.</p>	<p>In some LEAs, such as boarding schools, the population of the school may be stable enough to where Provision 3 would be the most beneficial.</p>


To Stop a Provision

ON OCCASION, PROVISION 2 OR PROVISION 3 MAY NOT BE THE MOST SUITABLE OPTION FOR A PARTICULAR SITE. AT ANY TIME, THE LEA CAN STOP OPERATING PROVISION 2/3 AND RETURN TO REGULAR NSLP BY:


-  **NOTIFYING ADE AND ESTABLISHING A DATE FOR A CHANGE IN THE REIMBURSEMENT CLAIMING PROCESS.**
-  **NOTIFYING THE HOUSEHOLDS AND DISTRIBUTING HOUSEHOLD APPLICATIONS.**
-  **GIVING A MINIMUM OF 30 ADDITIONAL DAYS OF NON-PRICING AFTER HOUSEHOLDS ARE NOTIFIED TO ACCOMMODATE THE TRANSITION.**
-  **RESUMING NORMAL COUNTING AND CLAIMING PROCEDURES.**

To Switch a Provision

THE LEA CAN SWITCH FROM PROVISION 2 TO PROVISION 3 BY:

-  FORMALLY REQUESTING APPROVAL VIA DOCUMENTATION ON SCHOOL LETTERHEAD.
-  SUBMITTING AN UPDATED FREE AND REDUCED PRICE POLICY STATEMENT AND ADDENDUM WITH THE REQUIRED INFORMATION.
-  ENSURING ALL SITES ONLY PARTICIPATE IN A CYCLE OF FOUR YEARS, COMBINED.

THE LEA CAN SWITCH FROM PROVISION 3 TO PROVISION 2 BY:

-  DOING ALL THE SAME TASKS AS LISTED ABOVE, AND ADDITIONALLY ENSURING THAT DURING THE BASE YEAR THEY WERE NON-PRICING.

Pricing During Provision 3

SITES OPERATING A PROVISION 3 BASE YEAR CAN CHOOSE TO OPERATE A NON-PRICING PROGRAM OR A PRICING PROGRAM.

However, LEAs are encouraged to offer meals at no charge to all students in order to maintain optimal participation along with developing a level of reimbursement that may be more reflective of participation during the base year.

Please note that the amount of reimbursement that the school receives during the base year is the amount that they will receive throughout the following four non-base years which is the reason why reaching optimal student participation is key.

Switching To Community Eligibility Provision (CEP)

AT THE END OF A BASE YEAR, LEAS CAN DECIDE TO OPERATE CEP INSTEAD OF OPERATING THE NON-BASE YEAR. IN ORDER TO DO THIS LEAS MUST:

- Submit the CEP Application to ADE by the required due date of June 30th .
- Collect Direct Certification and identified student data on or around April 1st of that program year.

FOR MORE INFORMATION REGARDING CEP
CLICK HERE.

Record Retention

IT IS IMPORTANT TO KEEP ALL RECORDS THROUGHOUT THE ENTIRE PERIOD THAT THE SITE IS OPERATING UNDER PROVISION 2/3, PLUS FIVE YEARS INCLUDING ALL PROVISION EXTENSIONS.

LEAs must keep records for longer than five years if they receive any type of review findings, and must keep these records until the finding is resolved per your administrative reviewer.

If base year records are not retained, the site will not be able to apply for any provision extensions.

BASE YEAR RECORDS INCLUDE:

- All collected household applications
- Direct Certification data
- Changes in eligibility status as a result of verification or other circumstances
- Daily meal counts by eligibility category
- Daily Edit Checks
- On-Site Review Documentation
- Verification records
- Claims for reimbursements

BASE YEAR TASK	DUE DATE
Create Benefit Issuance Document (BID)	By first operating day
Run first Direct Certification check	Within the first 45 operating days
Count and claim students by eligibly category	During each meal service daily
Perform Daily Edit Checks	After each meal service daily
Submit claims in CNPWeb	1st – 10th of each month
Discontinue prior year's benefits for households that have not reapplied and move their eligibility to paid status	On the 30th operating day
Submit the Annual Financial Report (AFR)	October 1st for private/BIA/RCCI's October 15th for public schools
Conduct Verification activities	October 1st – November 15th
Submit Verification Summary Report (VSR)	February 1st
Run second Direct Certification check	Three months after the initial attempt
Run third Direct Certification check	Six months after the initial attempt
Report April 1st identified student data to ADE	April 15th

CONTACT US

If you have a question or require additional assistance, please contact your assigned specialist or contact HNS.



602-542-8700



ContactHNS@azed.gov



www.azed.gov/hns





Congratulations

**You have completed the Online Course:
Insert title.**

Information to include when documenting this
training for Professional Standards:

Training Title:
**Online Course: How to
Apply and Operate
Special Assistance
Provision 2/3.**

Key Area: 3000 – Administration
Learning Code: 3100
Length: 1 hour

Please note, attendees must document the amount of training hours
indicated on the training despite the amount of time it takes to complete it.

Certificate

Requesting a training certificate

Please click the button to complete a brief survey about this online training. Once the survey is complete, you will be able to print your certificate of completion from Survey Monkey.



Information to include when documenting this training for Professional Standards:

Training Title:

Key Area: 3000 – Administration

**Online Course: How to
Apply and Operate
Special Assistance
Provision 2/3.**

Learning Code: 3100

Length: 1 hour

Please note, attendees must document the amount of training hours indicated on the training despite the amount of time it takes to complete it.





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Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-50811-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation.

The completed AD-3027 form or letter must be submitted to USDA by:

Mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW Washington, D.C. 20250-9410; or

Fax: (833) 256-1665 or (202) 690-7442; or

Email: program.intake@usda.gov

This institution is an equal opportunity provider.