IOWA
Department of Education

Ryan M. Wise, Director

Kim Reynolds, Governor
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January 6, 2020

Maged Hanafi
Food & Nutrition Service
Midwest Regional Office
United States Department of Agriculture
77 W. Jackson Blvd., 20th Floor
Chicago, Illinois 60604

RE: Offer versus Serve

1. **State agency submitting waiver request and responsible State agency staff contact information:**

   Iowa Department of Education, Bureau of Nutrition & Health Services

   Kala Shipley, Bureau Chief, kala.shipley@iowa.gov, 515-281-4757
   Stephanie Dross, Program Consultant, stephanie.dross@iowa.gov, 515-281-4760

2. **Region:** Midwest

3. **Eligible service providers participating in waiver and affirmation that they are in good standing:**

   This waiver request is applicable state-wide for all approved sponsor organizations in good standing.

4. **Description of the challenge the State agency is seeking to solve, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted. [Section 12(l)(2)(A)(iii) and 12(l)(2)(A)(iv) of the NSLA]:**

   The Iowa Department of Education is requesting a state-wide waiver for Summer Food Service Program (SFSP) and Seamless Summer Option (SSO) flexibilites and policies that were rescinded by the USDA Food and Nutrition Service (FNS) on October 11, 2018 through SFSP 01-2019 Summer Food Service Program Memoranda Rescission. These include flexibilities within SFSP 06-2017 Meal Service Requirements in the Summer Meal programs, Q&A - Revised. The impact and challenges faced as a result of the rescinded flexibilities and policies to the Department and Iowa sponsors are detailed below:

Offer versus Serve
FNS implemented the offer versus serve (OVS) option 43 years ago to allow operators to tailor portion sizes to individual appetites and nutrition needs.[1] Further, research shows that the OVS provision decreases plate waste while maintaining nutritional benefits. [2,3]

In Program Year (PY) 2019, 339 SFA sites and 63 Non-SFA sites, or 67 percent of all Iowa summer sites, followed the SFSP meal pattern and utilized OVS as a menu planning method.

FNS *Feeding Low-Income Children When School is Out – The Summer Food Service Program Executive Summary*[4] indicated that review findings relate to inaccurate calculation of component contribution, with the meat/meat alternate component most often served in an inadequate amount. Offer versus serve does not impact the nutritional integrity of summer meals; it does, however, allow for a tailored approach to meet the nutritional needs of children, allow choice in meal selection for children, and minimize food waste and reduced food cost.

The 2019 Sponsor survey indicated that the previously approved waiver impacted meal service operations, children's access to nutritious meals, and participation in the SFSP in the following ways:

82.3% Reduced food waste and cost
67.7% Increased children't meal satisfaction
42.7% Maintained participation
19.8% Increased participation
10.4% No impact

The 2019 Sponsor survey also indicated that the previously approved waiver impacted the paperwork necessary to administer the program in the following ways:

54.2% No impact
32.3% More streamlined operations
32.3% Simplified management
16.7% Less paperwork

Clarinda Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *We really didn't have any challenges as the kids are so used to having to take a fruit or vegetable through the school year that they automatically take it.*

Clarion-Goldfield-Dows Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *We use offer vs. serve in SBP and NSLP, so this made summer meal service a smooth transition where students and food service staff all continued in a familiar system.*

Diagonal Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *We didn't have many challenges. The kids were pretty good at wanting everything, they utilized the meals and really appreciated the food source. It did save on waste and we utilized any left over at the following meal such as the fruit and veggies.*

Lewis Central Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *It is similar to school lunch, so the students were familar with the procedure*.

University of Northern Iowa Upward Bound, an educational institution, provided the following statement as part of the 2019 sponsor survey:

> *We've participated in offer vs. serve since it's inception, We did not encounter any challenges with implementing the waiver.*

Van Buren County Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *It cut down on the waste, and helped with the cost of food.*

West Monona Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *No challenges. It is much easier with OVS since we are a school and that is what we use during the school year and the children are used to OVS at our location.*

Western Dubuque Community School District, a school food authority, provided the following statement as part of the 2019 sponsor survey:

> *No challenges as it is very similar to NSLP and SBP OVS.*

The State agency received statements in 2018 from sponsor organizations outlining the impact and challenges faced at the local level if OVS is no longer a menu planning option. Theses statements are below:

Creston Area Food Pantry, Inc., a private, non profit sponsor, provided the following statement:

> *The three sites sponsored by the Creston Area Food Pantry, Inc. would be adversely impacted if we were not able to offer choices of meals to the young recipients versus operating as Serve only. We found this year that children ate their meals much better when they had a choice of the items they wanted. Having this choice also provides dignity and a sense of freedom for youngsters in making their own selections.*

Des Moines Independent School District, a school food authority, provided the following statement:

> *Making this change would create more food waste. There may be more adults tempted to eat parts of the meal to prevent waste. This also forces children to take food they do not like or want.*

Johnston Community School District, a school food authority, provided the following statement:

- *Offer vs. Serve is most critical for keeping summer food service program costs within budget. The SFSP meal pattern does not require each child to take a fruit or vegetable to count as reimbursable nor does it require vegetable subgroups used in a week's time. The NSLP meal pattern requires students to take a fruit or vegetable which will get wasted if they don't want it, this adds to food cost.*
- *Vegetable subgroups will be difficult to manage in a summer environment – especially for those who serve mostly cold food outside. Items like potatoes and beans would be a challenge in some summer site locations and could add to food cost and waste.*
- *Running a cost effective summer food service program is critical to the program's success. The program exists to help feed students who need it over the summer. If costs are determined too high, sponsors may decide not to participate or decrease the number of days they serve, which would negatively impact the children served.*

Perry Community School District, a school food authority, provided the following statement:

> *Making Offer versus Serve available only to SFSP school sponsors using the NSLP or SBP meal pattern would increase cost significantly for all program sponsors.*
>
> - *Requiring a student to take a fruit or a vegetable would add additional cost. For example, a hamburger on a bun with condiments, and an eight-ounce milk, that currently meet the SFSP meal pattern has of food cost of .65 cents, depending on the district. Requiring students to take a ½ cup of fruit and/or vegetable would raise lunch cost for the SFSP program anywhere from .14 - .46 cents.*
> - *In addition to food cost increases, it would require additional labor to prepare the additional food and to monitor the students taking a lunch.*
> - *Requiring sponsors to serve all components under SFSP would also increase food cost, labor costs and waste. When children are able to choose foods they will eat, less waste is generated, thereby lowering food costs.*

Swerve Outreach, a private, non-profit sponsor, provided the following statement:

> *This change would have several negative impacts on our program and the students we serve.*
> - *It would increase program costs. Under our current program, students are offered a variety of fruits and vegetables. What is not chosen by students may be safely stored and offered as a choice the next day. In serving students foods that they may not like, we will spend more money on food costs.*
> - *There will be greater food waste.*
> - *Operating under an Offer vs. Serve program, we are currently able to provide a great variety of healthy food options for our students to try, especially fruits and vegetables. Going to a Serve only program would, because of the concerns above, limit the variety of food options that we provide to our students on a daily basis.*
> - *We would maintain compliance, but as this is an area that our program goes above and beyond what is traditionally provided, this would be a loss for students and our program.*

Waukee Community School District, a school food authority, provided the following statement:

> *We are already running on a very tight budget for the summer food service program. Offer versus Serve helps us to manage our summer food budget. Our communities do not like to see food go to waste. If we are not allowed to have OVS, we will have much more wasted food and food left on playgrounds and sites. There would be additional garbage for our sites to deal with.*

In addition to sponsor impact, the Department's online software system includes provisions on use of Offer versus Serve. If OVS is allowed for use for school food authorities utilizing the NSLP meal pattern, the online software system would need to be reconfigured, which would have a financial impact on the Department.

The goal of this waiver is to reinstate the rescinded flexibilities and policies to allow for efficient and cost effective program management and reduce administrative burden for sponsors and the Department's Bureau of Nutrition & Health Services.

Approval of the waiver will allow the Department and Iowa sponsors to continue implementing streamlined measures for effective program management and operation. If approved, the Department will not be required to spend additional funds and staff time to update technology systems and revise state-wide training and review procedures.

5. **Specific Program requirements to be waived (include regulatory citations). [Section 12(l)(2)(A)(i) of the NSLA]:**

The Department is requesting that this flexibility and policy rescinded in SFSP 01-2019 be reinstated. The Department is requesting a waiver to extend Offer Versus Serve to non-school food authority sponsors and to allow OVS with use of the NSLP and SFSP meal patterns. The individual regulations to be waived are outlined below:

Section 13(f)(7) of the NSLA OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child to refuse one or more items of a meal that the child does not intend to consume, under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.

42 USC 1761(f)(7) OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child to refuse one or more items of a meal that the child does not intend to consume, under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.

7 CFR 225.16(f)(1)(ii) Offer versus serve. School food authorities that are Program sponsors may permit a child to refuse one or more items that the child does not intend to eat. The school food authority must apply this "offer versus serve" option under the rules followed for the National School Lunch Program, as described in part 210 of this chapter. The reimbursements to school food authorities for Program meals served under the "offer versus serve" must not be reduced because children choose not to take all components of the meals that are offered.

6. **Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring:**

Alternative Procedures:
Offer versus serve (OVS) will be extended to non-school food authority sponsors in good standing in an effort to simplify program administration and reduce food waste and costs while maintaining the nutritional integrity of the SFSP meals. All SFSP sites, regardless of location or type of sponsorship, may utilize OVS for breakfast, lunch, or supper. All non-school food authority sponsors electing to use OVS and schools participating in SFSP and electing to follow the SFSP meal pattern must follow the SFSP OVS requirements as outlined in SFSP 06-2017 Meal Service Requirements in the Summer Meals Program, with Q&A - Revised. Sponsors must indicate their intention to utilize OVS on the site application. School sponsors that elect to use the NSLP or SBP patterns and SFAs operating SSO will be required to follow the OVS requirements of NSLP and SBP.

Anticipated impact:
This waiver will significantly decrease administrative burden, allow for efficient and effective oversight of program operations, and allow sponsor organizations to meet the need of their communities and participating children. The Department will continue to ensure program integrity through a thorough application approval process, technical assistance visits, administrative reviews, and training. In addition, no change will need to be made to current technology systems as a result of the waiver. Approval of this waiver will be cost neutral for the Department.

If this waiver is **not** implemented, the following impact on program operations will likely occur:

- Increased costs to State agency to update software systems to comply with regulation changes. Updates to software will affect the application and compliance modules.
- Significant impact on the Department's staff time and increased cost to update training and technical assistance materials, re-train sponsor, site staff, and Department consultants, and monitor compliance with rescinded flexibilities and policies.
- Increased food costs and food waste for sponsoring organizations that no longer have the option to implement offer versus serve
- Decreased child satisfaction with loss of choice in meal selection, resulting in decreased participation at site
- These combined impacts may result in a significant decrease in program sponsors and sites due to increased administrative burden. This may result in decreased access to the program, a decrease in meals served to children and ultimately an increase in childhood hunger in Iowa.

7. **Description of any steps the State has taken to address regulatory barriers at the State level. [Section 12(l)(2)(A)(ii) of the NSLA]:**

   Previously, the State agency has not had to address any regulatory barriers as these flexibilities were in place. The flexibilities and policies rescinded by the USDA FNS on October 11, 2018 through SFSP 01-2019 Summer Food Service Program memoranda Rescission will increase administrative burden and create barriers to program access and effective program operation. To address these barriers, the Department applied and was approved for a waiver for operations in 2019 and is submitting this waiver request for 2020.

8. **Anticipated challenges State or eligible service providers may face with the waiver implementation:**

   There are no anticipated challenges with waiver implementation. Internal process and procedures are already in place to ensure program integrity.

9. **Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds. [Section 12(l)(1)(A)(iii) of the NSLA]:**

   There is no anticipated impact on Federal administrative costs for State agency oversight with implementation of this waiver.

10. **Anticipated waiver implementation date and time period:**

    This waiver will be implemented immediately upon approval for program year 2020 and remain in effect for a period of five years.

11. **Proposed monitoring and review procedures:**

    Sponsors and sites will continue to be monitored by the Department as outlined in 7 CFR 225.7(2)(ii)(B). Standard review procedures will continue to be followed; if noncompliance is identified, the Department will implement a corrective action plan and conduct follow-up reviews, as needed.

12. **Proposed reporting requirements (include type of data and due date(s) to FNS):**

    The Department will provide FNS with required reports, including review findings and technical assistance provided. The State agency will report to FNS any compliance issues noted with these flexibilities during application approvals and reviews annually.

13. **Link to or a copy of the public notice informing the public about the proposed waiver [Section 12(l)(1)(A)(ii) of the NSLA]:**

    The following public notice is located at:
    https://educateiowa.gov/pk-12/nutrition-programs/summer-food-service-program

    The Department's Bureau of Nutrition and Health Services submitted January 2020 four state-wide waivers to the USDA Midwest Regional Office (MWRO) for the Summer Food Service Program (SFSP) and Seamless Summer Option (SSO) flexibilities and policies that were rescinded by the USDA Food and Nutrition Services (FNS) through SFSP 01-2019 Summer Food Service Program Memoranda Rescission.

    The goal of these waivers are to reinstate the rescinded flexibilities and policies to allow for efficient and cost effective program management and reduce administrative burden for sponsoring organizations and the Department's Bureau of Nutrition and Health Services staff.

    For more information, please contact Stephanie Dross at stephanie.dross@iowa.gov

14. We are requesting your consideration of the above waiver request.

    Signature and title of requesting official:

    Kala Shipley

    Name: Kala Shipley
    Title: Bureau Chief

    Requesting official's email address for transmission of response:
    kala.shipley@iowa.gov
    stephanie.dross@iowa.gov

References:

1. United States Government Accountability Office. SCHOOL LUNCH Implementing Nutrition Changes Was Challenging and Clarification of Oversight Requirements IS Needed. (2014); available https://www.gao.gov/assets/670/660427.pdf

2. Buzby, J.C., & Guthrie, J.F. (2002). Plate waste in school nutrition programs. The Journal of Consumer Affairs, 36(2), 220-238.

3. Food and Nutrition Service, US Department of Agriculture. (2014) Offer versus Serve: Guidance for the National School Lunch Program and the School Breakfast Program. Alexandria, VA: FNS/USDA; available at https://fns-prod.azureedge.net/sites/default/files/cn/SP41-2015av2.pdf

4. Food and Nutrition Service, US Department of Agriculture. (2003) Feeding Low-Income Children When School is Out – The Summer Food Service Program Executive Summary; Washington D.C.: FNS/USDA; available at https://www.ers.usda.gov/webdocs/publications/46700/48129_fanrr30.pdf?v+41808

TO BE COMPLETED BY FNS REGIONAL OFFICE:

FNS Regional Offices are requested to ensure the questions have been adequately addressed by the State agency and formulate an opinion and justification for a response to the waiver request based on their knowledge, experience and work with the State.

Date request was received at Regional Office:

- ☐ **Check this box to confirm that the State agency has provided public notice in accordance with Section 12(l)(1)(A)(ii) of the NSLA**

- **Regional Office Analysis and Recommendations:**