



Provisions 2&3 School Meals

Less Paperwork. More School Meals.

Provisions 2&3

“You’ll often have a number of students not eating for a variety of reasons: stigma, they’re not eligible for free or reduced-price meals, they lose their card. We’ve seen an increase in participation, particularly among reduced-price and paying eligible students.”

Orlando Griego

Former Director of Student Nutrition Services, San Francisco Unified School District / Current Director of Food Services, Los Angeles Unified School District

Frequently asked questions about Provisions 2 & 3:

1) What are Provisions 2 & 3 School Meals?

Provisions 2 & 3 are options for running the National School Lunch and School Breakfast Program (NSLP and SBP), under which schools and districts offer free meals to all students, regardless of family income. Provisions 2 & 3 eliminate significant levels of paperwork and administrative costs. Schools only have to collect income applications from their students in the base year of the four year program, and are not required to keep track of the number of meals in each income category (free, reduced-price, paid); all meals served are reported in one category. Just as under the NSLP and SBP, meals served under Provisions 2 & 3 must meet the Dietary Guidelines for Americans and follow federal and state food safety guidelines.

Provision 2:

- ▶ *is best for districts or individual sites that have growth in ADA (Average Daily Attendance) from year to year;*
- ▶ *has a four-year cycle (a base year in 1st year to establish numbers, and a point-of-service count in three subsequent years);*
- ▶ *can be adjusted for increased participation;*
- ▶ *site must collect applications in base year; no collection thereafter;*
- ▶ *number of claimed meals can change within the reporting cycle;*
- ▶ *works best with Direct Certification;*
- ▶ *works best with School Breakfast and School Lunch.*

Provision 3:

- ▶ *is best for districts or individual sites that have very little growth in ADA from year to year;*
- ▶ *has a four-year cycle with NO new data collection in the base year;*
- ▶ *cannot be adjusted for increased participation;*
- ▶ *no application required at any time during the cycle;*
- ▶ *number of claimed meals cannot change within the reporting cycle;*
- ▶ *works best with Direct Certification;*
- ▶ *works best with School Breakfast and School Lunch.*

Any school or district may use Provision 2 or 3. Under this system, breakfast and/or lunch is served to all students free of charge.



“Provision 2 has helped us eliminate the frustration of having children come to school without certification for free lunch and without money. With Provision 2, we can avoid a conflict at the school that puts the child in the middle.”

Jeanne Scheurer,
Nutrition & Food Service Director,
Fresno Unified School District

The money the school or district saves by no longer having to process paperwork and take in student payments offsets the lost revenues from students who paid reduced or full price for meals. Many schools with high levels of low-income students find that the administrative savings more than cover the decrease in revenues. Provisions 2 & 3 allow schools to focus more on serving nutritious, tasty meals and less on processing paperwork.

2) Are there any schools offering Provisions 2 & 3 now?

Yes. In California’s 1999-00 school year there were 765 schools offering Provisions 2 & 3 in 68 rural, suburban and urban districts. (Look in this folder for contact information for several school food service directors with Provisions 2 & 3 experience.)

3) Can any school implement Provision 2 or 3?

Yes. Any district participating in the National School Lunch Program and/or School Breakfast Program can apply to implement these provision meals. Each district should analyze its unique situation and decide if Provision 2 or 3 is right for some or all of its schools.

Schools in which at least 60% of students are eligible for free or reduced-price meals are most likely to find that Provision 2 or 3 will work for them. Schools with a larger percentage of students eligible for free and reduced-price meals are even more likely to find it easy to break even with either provision.

To sign up for Provision 2 or 3, contact your nutrition program analyst at (800) 952-5609.

4) How do Provisions 2 & 3 work?

Provisions 2 & 3 run on a 4 year cycle. The first year is the base year. During the base year, schools collect applications and conduct daily counts of the number of reimbursable meals served within each eligibility category, just as they would under standard administration; however, they collect no fees from students.

After the base year, schools simply count the total number of student meals they serve. To submit claims for reimbursement, each month schools multiply the total number of breakfast and/or lunches served by the percentage of free, reduced-price and full-price meals served during the same month of the base year for the corresponding meal.

Schools can use the percentages from the base year to receive their reimbursement for the next three years and possibly many more if the economic status of the school’s community does not change significantly (5% cap).

“Our main goal was to make sure that no child will walk away from a serving line hungry. If we incurred some cost, that’s a small sacrifice. Of course, we also needed to be fiscally responsible.”

Orlando Griego

*Former Director of Student Nutrition Services,
San Francisco Unified School District /
Current Director of Food Services,
Los Angeles Unified School District*

Cost savings on paperwork and administration can be used to cover the differential fees that schools no longer receive for meals and to improve the school meals programs.

5) How often do we have to establish a base year?

You can use the claiming percentages from your base year for three additional years for Provision 2 or 3. After that, you have three options to continue Provision 2 or 3:

1) You can submit economic data to the California Department of Education (CDE) from both your base year and the current year to show that the economic situation in your school area has not changed significantly. If it has not changed, you may continue Provision 2 or 3 without changes for an additional four years before calculating the data again.

2) If data show that the economic situation has changed, or if you do not have the appropriate economic data, you can collect and process a representative sample of applications to establish a new base year.

3) If the economic situation in your area worsens at any time, a school can establish a new base year through collecting and processing a representative sample of student applications.

During a base year, it is important to establish the actual eligibility of as many students as possible, beginning with the first month of school. This is one reason schools are implementing **direct certification**, automatically certifying for free meals all the students whose families are enrolled in CalWORKS or the Food Stamp Program.

Successful schools have launched campaigns to implement Provision 2 or 3 by collecting applications at Back to School Nights, school board meetings, school sports events, etc. Many schools reward classes that return the highest percentage of applications.

6) How can we use economic data to renew our Provision 2 or 3?

The California Department of Education (CDE) accepts several different kinds of data to show that the economic situation of a school area has not changed. Districts may obtain economic data from the city or county zoning and economic planning offices, from local unemployment data, or from local Food Stamp or Temporary Assistance for Needy Families (TANF) data. Districts may use other local data per CDE’s approval. As part of the base year planning process the district should research and collect several different sources of data to ensure that a comparable figure will be available in four years.

7) What if our situation changes? Are we locked into using Provision 2 or 3 forever?

No. According to the regulations, you can quit at any time. In order to quit, you will need time to inform parents of your decision to change from Provision 2 or 3 to a traditional meal program and to collect, process and verify applications again.

8) Is there a tool to help me do a financial analysis to see if Provision 2 or 3 will work at my school?

Yes. CFPA has developed an Excel spreadsheet to help you do this. All you have to do is enter data specific to your school, such as food and labor costs, administrative costs, and the number of students eligible for free and reduced-price meals as well as the number of paying students participating in your school meals programs. E-mail our School Nutrition Coordinator, Lucy Hicks, at lhicks25@home.com for a copy or call 415-777-4422 ext. 130. School districts in which some sites have particularly high percentages of students eligible for free and reduced-price meals often simply start implementing Provision 2 or 3 meals in their lowest-income school—95% free and reduced-price students—and add other schools over time (90%, 85%, 80%, etc.).

9) Can I have the Provision 2 or 3 even if only 60% of the students at my school are eligible for free and reduced-price meals?

Yes. Although the lower the percentage of eligible students in your school, the harder it is to break even. The actual break-even point depends on the specific characteristics of your district—which students will participate, the food prices, the amount you currently charge for meals, the amount you spend on administration, etc.

Some districts decide that the benefits of Provision 2 or 3 meals are worth a little extra cost—particularly if the food service program is already operating at a surplus or if increasing participation is very important.

Other districts have found different ways to make the numbers work, even with low percentages of free and reduced-price students. For example, some schools use Provision 2 or 3 only for breakfast because the percentage of low-income breakfast eaters is often higher than for lunch. Other schools serve breakfast to all children in their classrooms, which increases breakfast participation to nearly 100%. This increases economies of scale, possibly reducing the food price for breakfast and increasing the total reimbursement. The difference can be enough to cover the fees a school no longer

collects from students under Provision 2 or 3. For some schools, instead of spending additional money on hiring extra staff to speed up their lunch line or on reconfiguring the cafeteria, they spend it on implementing and sustaining Provision 2 or 3. Without cash registers, the lines move much faster and students have more time to eat.

10) Does everyone eat at no charge?

Yes. With Provision 2 or 3, all students eat at no charge. Staff and visitors still pay, as they do under current arrangements.

11) Can we implement Provision 2 or 3 just for breakfast?

Yes. You can choose to implement Provision 2 or 3 for only one meal a day—either breakfast or lunch. However, the school will still need to collect and verify applications in order to administer the meal served under standard procedures. You will save more in time and administrative costs if you implement Provision 2 or 3 for both your breakfast and lunch programs.

12) Why should we give away meals to kids from middle- or high-income families?

Good nutrition is a crucial part of learning. School nutrition programs are proven to improve test scores and school attendance. A USDA report found that children who participate in school nutrition programs have superior nutrition intake compared to those who do not, regardless of income.

Many school districts view offering free meals to all students as improving the nutrition of all students, particularly those most at risk for nutrition deficiencies. Schools can offer Provision 2 or 3 and improve the effectiveness of their program at little or no cost.

Even if children come from middle- or high-income families, there is no guarantee that they're getting a good meal at home. Provision 2 or 3 allows schools to feed students who are hungry, regardless of their family income.