## FOOD SERVICE OPERATIONS/CAFETERIA FUND

The Governing Board intends that school food services shall be a self-supporting, nonprofit program. To ensure program quality and cost effectiveness, the Superintendent or designee shall centralize and direct the purchasing of foods and supplies, the planning of menus, and the auditing of all food service accounts for the district

The Superintendent or designee shall ensure that food service director(s) possess the qualifications required by 7 CFR 210.30 and California Department of Education (CDE) standards.

At least once each year, food service administrators, other appropriate personnel who conduct or oversee administrative procedures, and other food service personnel shall receive training provided by CDE. (42 USC 1776)

### Meal Sales

Any student who requests a meal shall be served a nutritionally adequate breakfast and lunch free of charge, each school day. (Education Code 49501.5)

As permitted by law, additional or second meals, adult meals, and other nonprogram foods, such as smart snack compliant food and beverages sold in student stores, snack bars, or vending machines, may be sold to students. (Education Code 38082, 49501.5)

Meals may be sold to district employees, Board members, and employees or members of the fund or association maintaining the cafeteria. (Education Code 38082)

In addition, meals may be sold to nonstudents, including parents/guardians, volunteers, students' siblings, or other individuals, who are authorized by the Superintendent or designee to be on campus. Any meals served to nonstudents shall not be subsidized by federal or state reimbursements, food service revenues, or U.S. Department of Agriculture (USDA) foods.
Meal prices, as recommended by the Superintendent or designee and approved by the Board, shall be based on the costs of providing food services and consistent with Education Code 38084 and 42 USC 1760.

The Superintendent or designee shall establish strategies and procedures for the collection of meal payments. Such procedures shall conform with 2 CFR 200.426, and any applicable CDE guidance. The Superintendent or designee shall clearly communicate these procedures to students and parents/guardians, and shall make this policy and the accompanying administrative regulation available to the public pursuant to Education Code 49557.5.

### Cafeteria Fund and Account

The Superintendent or designee shall establish a cafeteria fund independent of the district's general fund.

The Superintendent or designee shall ensure that state and federal funds provided through school meal programs are allocated only for purposes related to the operation or improvement of food services and for reasonable and necessary indirect program costs as allowed by law.

The wages, salaries, and benefits of food service employees shall be paid from the cafeteria fund. (Education Code 38103)

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

**Contracts with Outside Services**

With Board approval, the district may enter into a contract for food service consulting services or management services in one or more district schools. (Education Code 45103.5; 42 USC 1758; 7 CFR 210.16)

**Procurement of Foods, Equipment and Supplies**

To the maximum extent practicable, foods purchased for use in school meals by the district or by any entity purchasing food on its behalf shall be domestic commodities or products. Domestic commodity or product means an agricultural commodity that is produced in the United States and a food product that is processed in the United States substantially using agricultural commodities that are produced in the United States. (42 USC 1760; 7 CFR 210.21)

When soliciting for bids and contracts for the purchase of an agricultural food product, the district shall specify in the solicitation that only the purchase of agricultural food products grown, packed, or processed domestically is authorized, unless a specific exception applies. A nondomestic food product may be purchased for use in the district's food service program only as a last resort when the product is not produced or manufactured in the United States in sufficient and reasonably available quantities of a satisfactory quality, the quality of the domestic product is inferior to the quality of the nondomestic product, or the bid or price of the nondomestic product is more than 25 percent lower than the bid or price of the domestic product. In such cases, the Superintendent or designee shall retain documentation justifying the use of the exception for three years from the date of purchase. (Food and Agriculture Code 58596.3)

Furthermore, the district shall accept a bid or price for an agricultural food product grown in California before accepting a bid or price for domestic agricultural food product that is grown outside the state, if the quality of the California-grown product is comparable and the bid or price does not exceed the lowest bid or price for domestic product produced outside the state. (Food and Agriculture Code 58595)

Bid solicitations and awards for purchases of equipment, materials, or supplies in support of the district's child nutrition program, or for contracts awarded pursuant to Public Contract Code 2000, shall be consistent with the federal procurement standards in 2 CFR 200.318-200.326. Awards shall be let to the most responsive and responsible party. Price shall be the primary consideration, but not the only determining factor, in making such an award. (Public Contract Code 20111)

**Program Monitoring and Evaluation**

The Superintendent or designee shall present to the Board, at least annually, financial reports regarding revenues and expenditures related to the food service program.
The Superintendent or designee shall provide all necessary documentation required for the Administrative Review conducted by CDE to ensure compliance of the district's food service program with federal requirements.

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

*Policy Reference Disclaimer:*
These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

| **State** | **Description** |
|---|---|
| 12 CCR 18928-18998.4 | Short-lived climate pollutants |
| 5 CCR 15550-15565 | School lunch and breakfast programs |
| Ed. Code 38080-38086 | School meals |
| Ed. Code 38090-38095 | Cafeterias; funds and accounts |
| Ed. Code 38100-38103 | Cafeterias; allocation of charges |
| Ed. Code 42646 | Alternate payroll procedure |
| Ed. Code 45103.5 | Contracts for management consulting services; restrictions |
| Ed. Code 49490-49494 | School breakfast and lunch programs |
| Ed. Code 49500-49505 | School meals |
| Ed. Code 49550-49564.5 | Meals for needy students |
| Ed. Code 49554 | Contract for services |
| Ed. Code 49580-49581 | Food recovery program |
| F&A Code 58595 | Preference for California-grown agricultural products |
| F&A Code 58596.1-58596.5 | Buy American Food Act; purchase of nondomestic agricultural food products |
| H&S Code 113700-114437 | California Retail Food Code; sanitation and safety requirements |
| Pub. Cont. Code 2000-2002 | Responsive bidders |
| Pub. Cont. Code 20111 | Contracts over $50,000; contracts for construction; award to lowest responsible bidder |
| Pub. Cont. Code 3410 | U.S. produce and processed foods |
| **Federal** | **Description** |
| 2 CFR 200 | Appendix VII Indirect cost proposals |
| 2 CFR 200.318-200.326 | Procurement standards |
| 2 CFR 200.400-200.475 | Cost principles |

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

| | |
|---|---|
| 2 CFR 200.56 | Indirect costs; definition |
| 42 USC 1751-1769j | School Lunch Program |
| 42 USC 1771-1793 | Child Nutrition Act |
| 42 USC 1773 | School Breakfast Program |
| 7 CFR 210.1-210.33 | National School Lunch Program |
| 7 CFR 245.8 | Nondiscrimination practices for students eligible for free and reduced price meal and free milk |
| 7 CFR 250.1-250.70 | USDA foods |
| **Management Resources** | **Description** |
| CA Department of Education Publication | California School Accounting Manual |
| CA Dept of Social Services Publication | Food Distribution Program Administrative Manual |
| California Department of Education Publication | Food Service Management Company Contract Preapproval, NSD Management Bulletin, SNP-05-2023, March 2023 |
| California Department of Education Publication | Unpaid Meal Charges: Local Meal Charge Policies, Clarification on Collection of Delinquent Meal Payments, and Excess Student Account Balances, NSD Management Bulletin, SNP-04-2023, July 2023 |
| California Department of Education Publication | Excess Net Cash Resources – Revised to Increase Limitation, NSD Management Bulletin, SNP-04-2022, May 2022 |
| California Department of Education Publication | Pricing of Adult Meals in the National School Lunch and School Breakfast Programs, NSD Management Bulletin, SNP-04-2021, August 2021 |
| California Department of Education Publication | Procuring and Monitoring of Food Service Management Contracts, NSD Management Bulletin, SNP-13-2015, January 2015 |
| California Department of Education Publication | Storage and Inventory Management of U.S. Department of Agriculture Foods, NSD Management Bulletin, FDP-01-2018, January 2018 |
| California Department of Education Publication | Cafeteria Funds - Allowable Uses, NSD Management Bulletin, SNP-05-2020, February 2020 |
| U.S. Department of Agriculture Publication | Buy American and the Agriculture Improvement Act of 2018, SP-32-2019, August 2019 |

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

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|---|---|
| U.S. Department of Agriculture Publication | Procuring Local Foods for Child Nutrition Programs, January 2022 |
| U.S. Department of Agriculture Publication | Unpaid Meal Charges: Local Meal Charge Policies, SP 46-2016, July 2016 |
| U.S. Department of Agriculture Publication | Compliance with and Enforcement of the Buy American Provision in the National School Lunch Program, SP-38-2017, June 2017 |
| U.S. Department of Agriculture Publication | Discretionary Elimination of Reduced Price Charges in the School Meal Programs, SP 17-2014, January 2014 |
| U.S. Department of Agriculture Publication | Indirect Costs: Guidance for State Agencies and School Food Authorities, SP 60-2016, September 2016 |
| U.S. Dept of Agriculture Publication | School Meals - FAQs |
| Website | CalRecycle, Resources for Local Education Agencies: K-12 Public Schools and School Districts |
| Website | California Department of Education, Accounting |
| Website | CSBA District and County Office of Education Legal Services |
| Website | U.S. Department of Agriculture, Food and Nutrition Service |
| Website | California Department of Education, Nutrition Services Division |
| Website | California School Nutrition Association |

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

**Cross References**

| Code | Description |
|---|---|
| 0410 | Nondiscrimination In District Programs And Activities |
| 1113 | District And School Websites |
| 1113 | District And School Websites |
| 1113-E(1) | District And School Websites |
| 1340 | Access To District Records |
| 1340 | Access To District Records |
| 3100 | Budget |
| 3100 | Budget |
| 3110 | Transfer Of Funds |
| 3230 | Federal Grant Funds |
| 3230 | Federal Grant Funds |
| 3260 | Fees And Charges |
| 3260 | Fees And Charges |
| 3300 | Expenditures And Purchases |
| 3311 | Bids |
| 3311 | Bids |
| 3312 | Contracts |
| 3314.2 | Revolving Funds |
| 3400 | Management Of District Assets/Accounts |
| 3400 | Management Of District Assets/Accounts |
| 3460 | Financial Reports And Accountability |
| 3460 | Financial Reports And Accountability |
| 3510 | Green School Operations |
| 3511 | Energy And Water Management |
| 3511 | Energy And Water Management |
| 3512 | Equipment |

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

| | |
|---|---|
| 3512-E(1) | Equipment |
| 3515.6 | Criminal Background Checks For Contractors |
| 3550 | Food Service/Child Nutrition Program |
| 3550 | Food Service/Child Nutrition Program |
| 3552 | Summer Meal Program |
| 3552 | Summer Meal Program |
| 3553 | Free And Reduced Price Meals |
| 3553 | Free And Reduced Price Meals |
| 3554 | Other Food Sales |
| 3554 | Other Food Sales |
| 3555 | Nutrition Program Compliance |
| 3555-E(1) | Nutrition Program Compliance |
| 3580 | District Records |
| 3580 | District Records |
| 4112.4 | Health Examinations |
| 4212 | Appointment And Conditions Of Employment |
| 4212.4 | Health Examinations |
| 4231 | Staff Development |
| 4312.4 | Health Examinations |
| 4331 | Staff Development |
| 5030 | Student Wellness |
| 5145.6 | Parent/Guardian Notifications |
| 5145.6-E(1) | Parent/Guardian Notifications |

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revised: March 24, 2020
revised: January 10, 2023
revised: March 12, 2024

## FOOD SERVICE OPERATIONS/CAFETERIA FUND

### Payments for Meals

The Superintendent or designee shall maintain a system for accurately recording payments received and tracking meals provided to each student.

At the beginning of the school year, the Superintendent or designee shall communicate the district's meal payment policies through multiple methods, including, but not limited to:

1. Explaining the meal charge policy within registration materials provided to parents/guardians at the start of the school year

2. Including the policy in print versions of student handbooks, if provided to parents/guardians annually

3. Providing the policy whenever parents/guardians are notified regarding the application process for free and reduced-price meals, such as in the distribution of eligibility forms at the start of the school year

4. Posting the policy on the district's website

### Reimbursement Claims

The Superintendent or designee shall maintain records of the number of meals served each day by school site and by category of free and reduced-price, and full-price meals. The Superintendent or designee shall submit reimbursement claims for school meals to the California Department of Education (CDE) using the online Child Nutrition Information and Payment System.

### Donation of Leftover Food

The District shall take steps to minimize food waste and reduce food insecurity in district schools. (Health and Safety Code 114079)

The district may provide sharing tables where students and staff may return appropriate unused cafeteria food items to be made available to students during the course of a regular school meal time. If food on the sharing tables is not taken by a student, the school cafeteria may donate the food to a food bank or any other nonprofit charitable organization if all local health department regulations can be met. (Health and Safety Code 114079)

Food that may be donated includes prepackaged, nonpotentially hazardous food with the packaging still intact and in good condition, whole uncut produce that complies with Health and Safety Code 113992, unopened bags of sliced fruit, unopened containers of milk that are immediately stored in a cooling bin maintained at 41 degrees Fahrenheit or below, and perishable prepackaged food if it is placed in a proper temperature-controlled environment. The preparation, safety, and donation of food shall be consistent with Health and Safety Code 113980. (Health and Safety Code 114079)

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

## Cafeteria Fund and Account

All proceeds from food sales and other services offered by the cafeteria shall be deposited in the cafeteria fund as provided by law.

(Education Code 38090, 38093)

The cafeteria fund shall be used only for those expenditures authorized by the Governing Board as necessary for the operation of school cafeterias in accordance with Education Code 38100-38103, 2 CFR Part 200 Appendix VII, and the California School Accounting Manual.
The district may use cafeteria funds to supplement the provision of a nutritionally adequate breakfast and/or lunch to district students when permitted by law.

Any charges to, or transfers from, a food service program shall be dated and accompanied by a written explanation of the purpose of and basis for the expenditure. (Education Code 38101)
Indirect costs charged to the food service program shall be based on either the district's prior year indirect cost rate as approved by CDE or the statewide average approved indirect cost rate for the second prior fiscal year, whichever is less. (Education Code 38101)

Net cash resources in the nonprofit school food service shall not exceed six months' average expenditures. (7 CFR 210.14, 220.7)

## U.S. Department of Agriculture Foods

The district shall provide facilities for the storage and control of foods received through the U.S. Department of Agriculture (USDA) that protect against theft, spoilage, damage, or other loss. Such storage facilities shall maintain donated foods in sanitary conditions, at the proper temperature and humidity, and with adequate air circulation. The district shall comply with all federal, state, or local requirements related to food safety and health and procedures for responding to a food recall, as applicable, and shall obtain all required health inspections. (7 CFR 250.14)

The Superintendent or designee shall maintain inventories of USDA foods in accordance with 7 CFR 250.59 and CDE procedures, and shall ensure that foods are used before their expiration dates.

USDA donated foods shall be used in school lunches as far as practicable. USDA foods also may be used in other nonprofit food service activities, including, but not limited to, school breakfasts or other meals, a la carte foods sold to students, meals served to adults directly involved in the operation and administration of the food service and to other school staff, and training in nutrition, health, food service, or general home economics instruction for students, provided that any revenues from such activities accrue to the district's nonprofit food service account. (7 CFR 250.59)

## Contracts with Outside Services

The term of any contract for food service management or consulting services shall not exceed one year. Any renewal of the contract or further requests for proposals to provide such services shall be considered on a year-to-year basis. (Education Code 45103.5; 7 CFR 210.16)

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

Any contract for management of the food service operation shall be approved by CDE and comply with the conditions in Education Code 49554 and 7 CFR 210.16 as applicable. The district shall retain control of the quality, extent, and general nature of its food services. (Education Code 49554; 42 USC 1758; 7 CFR 210.16)

Any contract for consulting services shall not result in the supervision of food service classified staff by the management consultant, nor shall it result in the elimination of any food service classified staff or position or have any adverse effect on the wages, benefits, or other terms and conditions of employment of classified food service staff or positions. All persons providing consulting services shall be subject to applicable employment conditions related to health and safety as listed in Education Code 45103.5. (Education Code 45103.5)

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| H&S Code 113700-114437 | California Retail Food Code; sanitation and safety requirements |
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| 2 CFR 200 | Appendix VII Indirect cost proposals |
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| 7 CFR 245.8 | Nondiscrimination practices for students eligible for free and reduced price meal and free milk |
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| 3555-E(1) | Nutrition Program Compliance |
| 3580 | District Records |
| 3580 | District Records |
| 4112.4 | Health Examinations |
| 4212 | Appointment And Conditions Of Employment |
| 4212.4 | Health Examinations |

**FOOD SERVICE OPERATIONS/CAFETERIA FUND** (continued)

| | |
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| 4231 | Staff Development |
| 4312.4 | Health Examinations |
| 4331 | Staff Development |
| 5030 | Student Wellness |
| 5145.6 | Parent/Guardian Notifications |
| 5145.6-E(1) | Parent/Guardian Notifications |

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