New Sponsor Questions and Answers

The following information is for all organizations interested in applying to the SFSP as new sponsors. Please read the following information regarding eligibility, financial viability, administrative capability, and operational requirements.

Who can become a SFSP Sponsor?

Eligible SFSP sponsors include:

- public or private nonprofit school food authorities (SFA);
- public or private nonprofit colleges or universities;
- public or private nonprofit residential summer camps;
- units of local, county, municipal, state, or federal governments; or any other type of tax-exempt private nonprofit organizations.

Special rules apply to private nonprofit organizations. Private nonprofit sponsors must be tax-exempt under Section 501(c) of the Internal Revenue Code (IRS) of 1986.

Although faith-based organizations must be tax-exempt, there is no federal requirement that they provide documentation of their tax-exempt status. Faith-based organizations are the only private nonprofit organizations not required to provide the New York State Education Department (NYSED) with documentation of federal tax-exempt status; all other private nonprofit organizations must provide documentation from the IRS of their tax-exempt status. Faith-based organizations must demonstrate they are incorporated as a religious organization.

What are some basic eligibility requirements for becoming a SFSP sponsor?

- A potential SFSP sponsor must not have been declared seriously deficient or terminated from the SFSP or any other federal child nutrition program in previous years.
- The potential sponsor's nonprofit organization must not have been on the National Disqualification List for seven years (this includes personnel).
- If planning to operate camps and/or closed enrolled sites, the sponsor must secure a site location(s) where they will feed eligible children.
 - The site must be able to safely accommodate the number of children that they are planning on serving by the planned beginning date of program operations.
 - Sponsors must ensure all applicable State and local health, safety, and sanitation standards will be met at all sites.
 - For profit site locations are not eligible for participation in the SFSP as a closed enrolled or camp site location.
- If planning to operate a camp site, the sponsor must apply to their local health department for a permit to operate a children's camp.
 - o This should be done prior to applying to the SFSP.
 - o Camp sites without a valid camp permit may not claim reimbursement.

- Potential sponsor organizations must have a federal identification number (FEIN) and a Dun & Bradstreet number (DUNS) that is registered with System for Award Management (SAM) at the time of SFSP application. If the organization has not yet registered their DUNS with SAM, please be aware that the process of obtaining a SAM expiration date may take several weeks.
 - Potential sponsors must have a DUNS & SAM expiration date <u>before submitting an SFSP Sponsor application</u>.
 - Applications submitted to SED without a valid SAM expiration date will be deemed incomplete and returned to the applicant.
- Potential sponsor organizations must submit a complete application to SED by the May 1st deadline.

What are financial eligibility requirements for becoming a SFSP sponsor?

Potential sponsors must be able to demonstrate that they are financially viable. Financial viability means providing proof that a potential sponsor can make all program-related payments when such payments become due. This includes, but is not limited to:

- All food costs
- Rental agreements
- Labor costs
- Transportation costs
- Other program activity costs

In addition, if a potential sponsor does not have a central kitchen to prepare their own food and must enter into a food service vending agreement or contract, they must have the finances to pay the contractor for meals ordered before receiving any SFSP reimbursement.

• In accordance with 7 CFR 225.6 (h)(5), "copies of all contracts between sponsors and food service management companies, along with a certification of independent price determination, shall be submitted to the State agency prior to the beginning of Program operations".

What are the essential administrative eligibility requirements to become a SFSP sponsor?

Organizations may not contract or delegate SFSP responsibilities below the sponsor level. This means your organization must oversee SFSP operations and monitor sites in accordance with Title 7, <u>Code of Federal Regulations</u> (7CFR) Part 225.7.

SFSP sponsors must be able to assume responsibility for the entire administration of the program. As a sponsor, an organization at a minimum is required to:

- Complete the state agency's training
- Locate and recruit eligible sites
- Hire, train, and supervise staff and volunteers
- Competitively procure food to be prepared/contract with a food vendor for delivery of meals
- Monitor all sites
- Prepare claims for reimbursements
- Ensure that the sites are sustainable
- Maintain all program documents for three years, plus the current year

Sponsors must also ensure that their sponsorship and sites are sustainable through:

- Community partnerships
- Fundraising
- Volunteer recruitment

If I don't want to be a sponsor, are there other options to serve children in my community?

Participation as a site under an existing sponsor is the best option. This is the most effective way to prepare an organization to become a sponsor in future years, if approvable.

If you have a population of children eligible for free summer meals, contact sponsors that previously operated in your area and request to receive meals by becoming a site. Sponsors that operated in 2021. For sites located in the NYC area, contact the NYC Chancellor's Office at 718-707-4371.

Confusion and waste result when two or more sponsors compete for the same sites or target children in the same geographical area. Since such an overlap in service conflicts with Program objectives, in most instances, SED will approve only one sponsor to serve an area. In accordance with <u>Title 7, Code of Federal Regulations (7CFR) Part 225.6(b)(5)</u>, when determining which of the competing sponsors will serve an area, SED must use the following priority system:

- 1. Local School Food Authority (SFA) sponsors
- 2. Government and private non-profit organization sponsors that have successfully operated in the SFSP
- 3. New government sponsoring organizations; and then
- 4. New private non-profit organization sponsors.

In the case that SED has determined that an area is already being served by a sponsor that is successfully providing meals to eligible children, SED will provide the contact information of those current sponsors so that your organization can reach out to them and request to become a site.

SED can assist potential sponsors wishing to operate open sites by using mapping tools and school data to locate high-need, eligible areas and potential sites; such as libraries, schools, parks, and low-income housing units.

How can my organization become a SFSP sponsor?

- If an organization meets the required criteria for becoming a SFSP sponsor, they must request an application using the SFSP Application Request Form, which can be accessed on the Child Nutrition Knowledge Center. An SFSP program specialist will review your request to determine the most appropriate path for your organization to provide meals to children.
- Attend SED's Potential New Sponsor Training webinars. Training is MANDATORY for participation.
- Once SED has received your application, a specialist will review it and contact you within 15 days to notify you of missing, incorrect, and/or inaccurate information.

- If your organization fails to provide the required information to complete your application within the time frame specified by SED, it will result in your application being deemed abandoned and therefore will not be subject to further processing or consideration for participation in the 2022 SFSP.
- Upon receipt of a complete and correct application/agreement, SED will issue notification regarding the approval or denial within 30 days. **Complete** applications must be submitted by May 1st.
- Once your application is complete, your assigned SFSP program specialist will be available to go over all the program requirements and answer any questions pertaining to your program operations. The pre-approval visit must be completed before the application can be approved.
- Sponsors will not be eligible to claim meals served prior to SED's approval date.