




STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the School Child Nutrition Programs

FROM: John D. Frassinelli, Chief 
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: October 18, 2017

SUBJECT: Operational Memorandum No. 1-18
Accrual of Income from Sales of Competitive Foods in Schools

The Connecticut State Department of Education (CSDE) has recently observed numerous compliance issues with competitive foods in schools. This memo serves as a reminder of the state requirements for the accrual of income from the sales of food items in schools, as legislated by [Section 10-215b-23 of the Regulations of Connecticut State Agencies](#). Section 10-215b-23 requires that the income from any sales of competitive foods to students anywhere on school premises from **30 minutes before up through 30 minutes after** the operation of any school nutrition programs **must accrue to the nonprofit food service account**. This regulation applies to all Connecticut public schools, private schools, and residential child care institutions (RCCIs) that participate in the United States Department of Agriculture (USDA) school nutrition programs.

- “Income” means gross income.
- “Competitive foods” means all foods and beverages available for sale to students on school premises separately from reimbursable school meals, e.g., fundraisers, vending machines (including those operated by a contractor), school stores, culinary programs, and any other sources of food and beverage sales to students that occur on school premises.
- “Sales” means the exchange of foods and beverages for a determined amount of money or its equivalent, such as tickets, coupons, tokens, and similar items. Sales also include any activities that suggest a student donation in exchange for foods and beverages.
- “School premises” means all areas of the property under the jurisdiction of the local or regional board of education, the regional vocational-technical school system, or the governing authority district or school.
- “Nonprofit food service account” means the restricted account in which all of the revenue from all food service operations conducted by the school food authority principally for the benefit of school children is retained and used only for the operation or improvement of the nonprofit school food service. This account shall include, as appropriate, non-Federal funds used to support paid lunches as provided in 7 CFR 210.14(e), and proceeds from nonprogram foods as provided in 7 CFR 210.14(f).

- “School nutrition programs” include the USDA National School Lunch Program (NSLP), School Breakfast Program (SBP), Afterschool Snack Program (ASP) of the NSLP, Seamless Summer Option (SSO) of the NSLP, and Special Milk Program (SMP).

For example, if the breakfast period is from 7:00 a.m. through 8:00 a.m. and the lunch period is from 11:30 a.m. through 1:00 p.m., the school food service program must receive the gross income from any competitive foods and beverages sold anywhere on school premises from 6:30 a.m. through 8:30 a.m. and 11:00 a.m. through 1:30 p.m. This also includes sales of:

- foods that meet the [Connecticut Nutrition Standards](#) (CNS), which are required for public schools implementing the healthy food option of [Healthy Food Certification](#) (HFC);
- foods that meet USDA’s [Smart Snacks](#) nutrition standards, which are required for non-HFC public schools, private schools, and RCCIs;
- beverages that meet the state requirements of [Section 10-221q](#) of the Connecticut General Statutes (C.G.S.), which are required for all public schools; and
- beverages that meet the Smart Snacks beverage standards, which are required for all public schools, private schools, and RCCIs.

Vending Machine Contracts

Schools and institutions participating in the school nutrition programs are responsible for ensuring that all vending machine contracts comply with Section 10-215b-23. During the period of 30 minutes before up through 30 minutes after the operation of any school nutrition programs, 100 percent of the gross vending income must accrue to the nonprofit food service account or all vending machines must be turned off.

If any vending machines operate during this time period, the **gross income** (not just the percentage of the income specified in the vending machine contract) must accrue to the nonprofit food service account. For example, a vending machine contract specifies that the school food service department receives 20 percent of the total vending sales. If the vending machine operates anytime from 30 minutes before up through 30 minutes after the NSLP, SBP, ASP, SSO, or SMP, the school food service department must receive **100 percent** of the total vending sales (gross income) during this time period.

In addition, all foods and beverages sold in school vending machines must comply with the state and federal requirements, as indicated below.

- **HFC Public Schools:** The requirements for foods are governed by the CNS. The requirements for beverages are governed by C.G.S. Section 10-221q and the beverage standards of Smart Snacks. For more information, see the CSDE’s [handout, *Requirements for Vending Machines in HFC Public Schools*](#).

- **Non-HFC Public Schools:** The requirements for foods are governed by Smart Snacks. The requirements for beverages are governed by C.G.S. Section 10-2 21q and the beverage standards of Smart Snacks. For more information, see the CSDE’s handout, [Requirements for Vending Machines in Non-HFC Public Schools](#).
- **Private Schools and RCCIs:** The requirements for foods and beverages are governed by Smart Snacks. For more information, see the CSDE’s handout, [Requirements for Vending Machines in Private Schools and RCCIs](#).

For more information on competitive foods, visit the CSDE’s [Competitive Foods in Schools](#) and [Beverage Requirements](#) webpages.

Questions may be directed to your school nutrition consultant.

Consultants for School Nutrition Programs	
County	Consultant
<ul style="list-style-type: none"> • Fairfield County (Includes Region 9) • Litchfield County (Includes Regions 1, 6, 7, 12, and 14) 	Fionnuala Brown fionnuala.brown@ct.gov 860-807-2129
<ul style="list-style-type: none"> • Hartford County (Includes Region 10) • Middlesex County (Includes Regions 4, 13, and 17) 	Teri Dandeneau teri.dandeneau@ct.gov 860-807-2079
<ul style="list-style-type: none"> • New Haven County (Includes Regions 5, 15, and 16) • New London County • Tolland County (Includes Regions 8 and 19) • Windham County (Includes Region 11) 	Susan Alston susan.alston@ct.gov 860-807-2081

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Important: This is a numbered Connecticut State Department of Education (CSDE) operational memorandum that contains important program information. Please read carefully and retain in a binder for future reference. All CSDE operational memoranda are posted on the CSDE’s [Operational Memoranda for School Nutrition Programs](#) webpage.