



## Department of Education

Mike DeWine, Governor  
Paolo Demaria, Superintendent of Public Instruction

**To:** Sponsors Participating in the National School Lunch Program (NSLP)

**From:** Andrea Denning, Director  
Office of Integrated Student Supports

**Date:** February 6, 2019

**Re:** Procurement Review Inactivity

### Introduction

This policy outlines the circumstances under which the state agency may withhold payments from a School Food Authority (SFA) during a Procurement Review (PR)

SFAs participating in the NSLP are required to comply with all program regulations. Per federal regulations, the state agency is required to withhold funds from a SFA who fails to comply with program regulations ([7 CFR 210.24](#)). SFAs are required to participate in a PR periodically.

### Policy

During a PR, the state agency may impose deadlines for SFAs to complete work. Failure of an SFA to meet deadlines imposed by the state agency can be considered as noncompliance with additional conditions as outlined in [2 CFR 200.338](#).

If the SFA fails to meet a deadline by the state agency, the state agency will send a notice to the SFA via email and attempt to establish contact by phone. If the SFA does not respond to the notice or does not meet any additional requirements or deadlines contained in the notice, the state agency may withhold payments to the SFA.

Payments may only be reinstated once the SFA is in compliance with the state agency.

Refer to the [Withholding Payments policy](#) for additional information.