



MAINE DEPARTMENT
OF EDUCATION
Child Nutrition Programs

Resource Management

Presented by: David Hartley, Child Nutrition



Resource Management

- School nutrition receives funding from federal, state and local sources
 - All funds considered Federal
- SFAs are responsible for proper fiscal management of the nonprofit school foodservice account using Federal guidance

Managing the Nonprofit Foodservice Account

- Not a for-profit program
- Net cash resources may not exceed 3 months average expenses
 - Determined based on prior year Financial Statement
 - The amount of funds in the school nutrition account
 - Monitored by the State Agency

Managing the Nonprofit Foodservice Account

- School nutrition funds can **ONLY** be used for the operation and improvement of the school nutrition program
- Expenses charged must be allowable:
 - Necessary
 - Reasonable
 - Allocable - directly
 - Exp: food, equipment, labor - NOT land, buildings, bus drivers

Managing the Nonprofit Foodservice Account

- School nutrition program must have its own financial management system/program account
 - Must be able to track & record all school nutrition related expenses & revenues separately from other programs
 - Overseen and included by the business office.
 - This information **MUST** be included with District DOE reporting.

Managing the Nonprofit Foodservice Account

- To ensure proper financial management of the program, School Nutrition Director needs:
 - Detailed general ledger
 - Balance sheet
 - Profit & loss statement
 - All invoices, receipts, labor charged to the school food service account
 - Inventory of supplies, food and other – helps with ordering menu planning

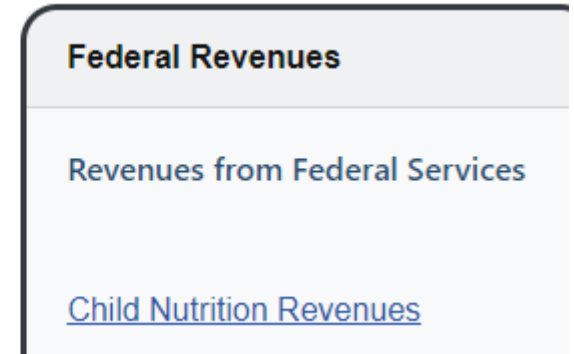
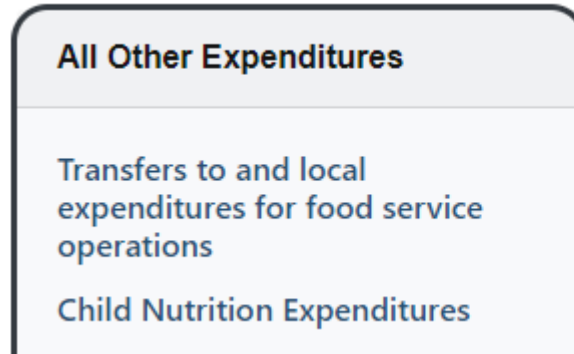
Child Nutrition Accounting Codes

- <https://www.maine.gov/doe/funding/accounting/handbook>

- Model Chart of Accounts

- Revenue Codes

- Expense Codes



Sources of Revenue

- Federal meal reimbursement
- State Revenue
- ~~Student meal payments~~ Private School???
- A la carte/catering/Adult meals
- Grants: LFF, any new grants that come out
- Local funds

Revenues

- All income received by school nutrition is considered part of the non-profit school nutrition program
 - Considered federal funds
 - Can only be used for the benefit of the school nutrition program
 - Can NOT be transfer out for other expenses not related to the program

Revenue from Nonprogram Foods

- Nonprogram foods = foods/beverages sold in school that were purchased with school foodservice funds outside of SBP/NSLP
 - Second meals
 - Adult Meals
 - A la carte, milk
 - Catering – on campus or off campus

Revenue from Nonprogram Foods

- Prices charged must cover/exceed the cost to the school foodservice program
 - All labor expense: hourly plus benefits
 - Cannot subsidize non-program food sales
- Revenues from the sale of nonprogram foods must accrue to the nonprofit school foodservice account

Indirect Costs

- A cost that benefits multiple programs
 - Utilities
 - Accounting & Payroll
 - Facilities Management
- Expenses charged must be specifically allocable to the school nutrition account
- Indirect Costs are NOT allowed

Indirect Costs

- In order to charge the school nutrition account, it must be directly billable.
 - Gas/propane must be on a separate meter
 - Electric must be on a separate meter
- Labor hours must be on a time card, not determined by a percentage of time.

No Percentages

- In order for a SFA to charge indirect costs a plan must be approved by the financial office at DOE

Annual Financial Report (AFR)

- Report to the State Agency all program income and expenses by program and type
- Completed in CNPweb after June 30 once the fiscal year is closed
- Select the program year for which you are reporting

Sponsor Summary Airline CSD (1038)

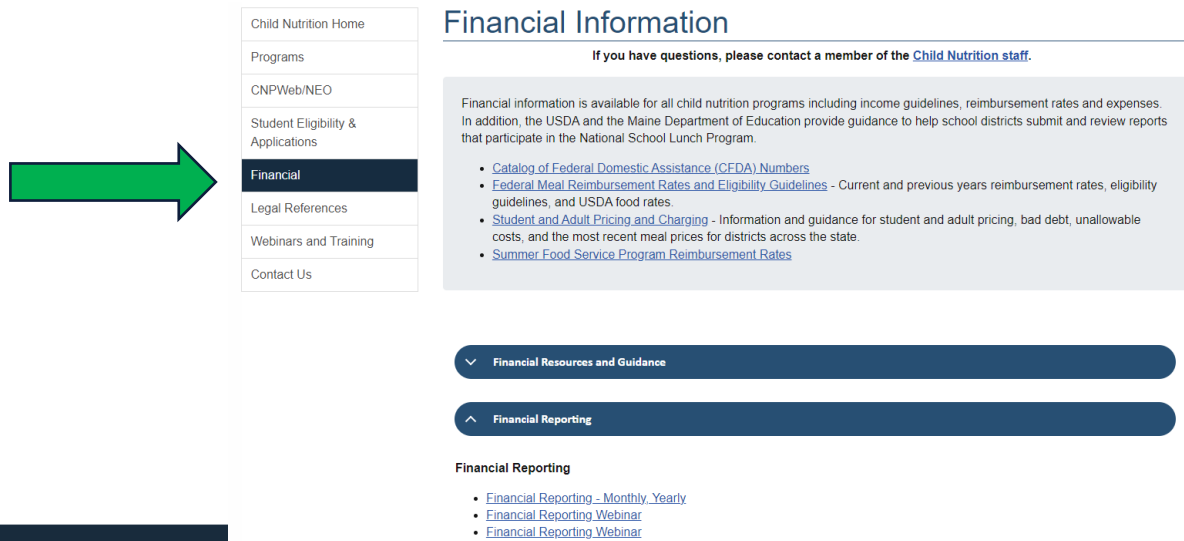
Checklist Applications **Forms** Activities Claims Payments Users

Penobscot County

| Form Name | Revision | Status | Date Approved | Action |
|--------------------------------------|---|----------|---------------|--------|
| FFVP Airline Community School (1039) | FFVP App can not currently be entered for 2023. | | | |
| October Survey | 0 | Approved | 11/16/2022 | |
| Annual Financial Report | Report to be filed after final claims entered for 2023. | | | |
| Verification Summary | | Complete | 12/2/2022 | |
| Verification Results | | Complete | 12/7/2022 | |

Monthly Financial Worksheet

- Assist with completing the AFR
- Data entered must come from the business office



Child Nutrition Home

Programs

CNPWeb/NEO

Student Eligibility & Applications

Financial

Legal References

Webinars and Training

Contact Us

Financial Information

If you have questions, please contact a member of the [Child Nutrition staff](#).

Financial information is available for all child nutrition programs including income guidelines, reimbursement rates and expenses. In addition, the USDA and the Maine Department of Education provide guidance to help school districts submit and review reports that participate in the National School Lunch Program.

- [Catalog of Federal Domestic Assistance \(CFDA\) Numbers](#)
- [Federal Meal Reimbursement Rates and Eligibility Guidelines](#) - Current and previous years reimbursement rates, eligibility guidelines, and USDA food rates.
- [Student and Adult Pricing and Charging](#) - Information and guidance for student and adult pricing, bad debt, unallowable costs, and the most recent meal prices for districts across the state.
- [Summer Food Service Program Reimbursement Rates](#)

Financial Resources and Guidance

Financial Reporting

Financial Reporting

- [Financial Reporting - Monthly Yearly](#)
- [Financial Reporting Webinar](#)
- [Financial Reporting Webinar](#)

CHILD NUTRITION FINANCIAL REPORTING

Green-Enter Data Yellow-Locked Red-No Data

| Income | TOTALS | School Lunch | After School Snacks | School Breakfast | Special Milk | Seamless Waiver Supper | FFVP | Summer Program | CACFP | A la Carte |
|-----------------------|--------|-------------------|---------------------|------------------|--------------|------------------------|------|----------------|-------|------------|
| | | Sales to Children | \$ - | | | | | | | |
| Sales to Adults | \$ - | | | | | | | | | |
| Loans/Interest | \$ - | | | | | | | | | |
| State Revenue Match | \$ - | | | | | | | | | |
| Federal Reimbursement | \$ - | | | | | | | | | |
| Other Income | \$ - | | | | | | | | | |
| Rebates | \$ - | | | | | | | | | |
| TOTAL INCOME | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| NOTES |
|-------|
| |

| Expenses | TOTALS | School Lunch | After School Snacks | School Breakfast | Special Milk | Seamless Waiver Supper | FFVP | Summer Program | CACFP | A la Carte |
|---------------------------|--------|--------------|---------------------|------------------|--------------|------------------------|------|----------------|-------|------------|
| | | Food Expense | \$ - | | | | | | | |
| Labor Direct | \$ - | | | | | | | | | |
| Equipment \$300 or less | \$ - | | | | | | | | | |
| Equipment More than \$300 | \$ - | | | | | | | | | |
| Other | \$ - | | | | | | | | | |
| Indirect Cost | \$ - | | | | | | | | | |
| TOTAL EXPENSE | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| NOTES |
|-------|
| |

| NET INCOME / LOSS | TOTALS | School Lunch | After School Snacks | School Breakfast | Special Milk | Seamless Summer | FFVP | Summer Program | CACFP | A la Carte |
|-------------------|--------|--------------|---------------------|------------------|--------------|-----------------|------|----------------|-------|------------|
| | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

The A la Carte total being a loss must be reviewed.

Funding to Support Local Foods

State Local Foods Fund (LFF)

- Reimburses \$1 for every \$2 spent
- \$10,000 per district each year
 - \$11,000 if attend DOE training
- NSLP, SBP and SFSP
- Local produce, value-added dairy and protein
- Claims in CNPweb with your monthly claim
- **Permanent funding source**



- **Email Katie Knowles, Farm & Sea to School Coordinator with questions**



Questions

Contact Information:

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