

Exceeding the 3- Month Operating Balance Q&A

Child Nutrition Programs
March 2022



OKLAHOMA
Education



The Districts Plan & Money Spent

The District needs to submit their plan on how they intend to use the excess funds by *March 23, 2022*

- The money should be spent by ***June 30, 2022***

OR

- It can state in your plan submitted to OSDE on what the district is purchasing and an explanation of why it will not be spent by June 30th
 - Item is out of stock, etc.
 - The district is saving funds to buy a large, expensive item at a later date when the full amount is obtained

What can you PURCHASE with these Funds?

Any item used for ANY Child Nutrition Program

- USDA Memo SP-07-2015 or C-45-47 section P. Use of CNP Funds
- Used for the Operation and Improvement of Child Nutrition
 - The cost must be necessary and reasonable for services rendered
- Salaries previously paid by General Fund and now will be paid with Program Code 700
- Equipment & Technology
 - Any item on the approved list on page P-8
 - If it's not on the approved list and over \$5,000, it required approval from Jennifer Weber (Jennifer.Weber@sde.ok.gov with 2 quotes)
- The purchase of materials to improve participation and/or cafeteria appearance is allowable

Examples of items to PURCHASE

- Pots & Pans, knives, serving utensils, etc. (**kitchen smallware**)
- New Computer or POS (point of service) system
- Floor mats/flooring
- Food trays/dishwasher – changing from Styrofoam to washable plates
- Air Fryer, tilt skillet, oven, milk box, Salad bar, etc.
- Paying salaries in CNP to code 700 instead of General Fund

Remember to include fees such as hookup fees, hoses/cables, etc

Unallowable for Funds

Land, Building, and Construction

- Contact OSDE before you make any structural changes as it may be unallowed
- Capital expenditure other than acquisition of building or land, the SFA must have pre-approval from OSDE after USDA approval

If purchased items is not SOLEY used for Child Nutrition Programs, the cost must be PRORATED

- *Example:* If the item purchased is used by CNP 75% of the time and other organization 25% of the time, **the district can only charge CNP up to 75% of the cost of the item**
- Indirect cost may be applied

Documentation to be sent to OSDE

- Invoices/Purchase orders from purchased items or items to be purchased if it goes after June 30th date
- Statements and/or clarifications
 - Example: Salaries previously paid in General Fund and now will be paid with CNP funds. Send in salaries paid and write a statement on how these employees were paid under General Fund and now will be paid under Child Nutrition
- *Reminder:* Items listed on P-8 do not need approval no matter the cost
 - Equipment over \$5,000 must have approval from OSDE (Jennifer.Weber@sde.ok.gov)

Documentation to be sent to OSDE

If funds spent **AFTER** June 30th

- A copy of all invoice(s)/statements are still required to be sent in to validate money was spent
- Items can be mailed, faxed, or emailed to:
 - OSDE Child Nutrition, 2500 N Lincoln Blvd., Ste 310, OKC, OK 73105
 - (405) 521-2239
 - Becky.Gray@sde.ok.gov

Procurement

- Proper procurement procedures must still be followed
 - All items paid with Child Nutrition are subject to being up for review on the District's Procurement Review
- Use the district's Procurement Plan to ensure you use proper procurement is achieved
- If you have questions on procuring these items, you can contact Kendra Merveldt at Kendra.Merveldt@sde.ok.gov or 405-522-5038

YouTube link of the Live Call (3/10/22)

<https://youtu.be/mWITz5otfoA>

Questions??

Child Nutrition Office (405) 521-3327