

Supply Chain Assistance (SCA) Funds Q&A

Child Nutrition Programs
March 2022



OKLAHOMA
Education



What is SCA Funds

Memo-SP 03-2022

- Allocation of Supply Chain Assistance (SCA) Funds to Alleviate Supply Chain Disruptions in the School Meal Programs
 - \$1B from FNS to local school districts to purchase food for school meals by offering resources needed to address supply chain challenges
 - Oklahoma's allotment is \$14,701,248

What is SCA Funds cont.

- Based on the allotted amount for Oklahoma, every school received \$5,000 off the top and then the remaining balance was figured on October 1, 2021, school enrollment.
- OSDE – CNP did not keep any of the funds which was allowed per SCA guidance.
- We also did not base the fund availability on F & R information, which was allowed per the SCA guidance.
- OCAS codes to use for these funds
 - Project Code 759
 - Revenue Code 4705

Attestation Statement

- We MUST have this returned before we can issue funds to districts
- These letters were mailed on March 7, 2022. Please return the signed Attestation Statement as soon as possible
- Payments were made the week of March 21, 2022 into your State Aid Account, just like the Emergency Funds
- There will be a second payment of funds if your attestation statement was not returned by the due date in the letter.
- Please make sure your district's name and county/district code is on page 2 of the letter when sending it in to OSDE

Allowable Expenditures

SCA funds must exclusively be used for the purchase of domestic food products (commodities) that are unprocessed or minimally processed. These may include:

- Fluid milk, cheese, yogurt
- Fruits and vegetables (including 100% juices)
- Grain products (loaf of bread, pastas, rice)
- Meats (whole, pieces, ground)
- Meat alternates (beans, legumes)

Unallowable Expenditures

Foods that are generally understood to be significantly processed may not be purchased using SCA funds. This may include:

- Processed foods
 - Pre-made pizzas
 - Chicken nuggets
- Breads such as muffins or crackers
- Pre-packaged sandwiches or meals

May SFAs use their SCA funds allocation for labor, supplies, or administrative expenses?

- **No.** SCA funds may only be used for purchases of unprocessed or minimally processed domestic food products to be used in school meal programs.

Timeline for Funds to Be Used

There is no expiration date for these funds to be used. They can be used in FY2023 or until all the money has been expended

Documentation for Review

- Program funds will be included in existing oversight and monitoring measures conducted by FNS and State agencies
- All SFAs are required to maintain purchasing and other related records for review and audit purposes
 - **Food Invoices showing purchases with SCA funds**
 - **Invoices allowed must be from March 1, 2022 or later**

SCA Funds & FSMC

- This money belongs to the district
- The district is allowed to pay a portion of their FSMC invoice for minimally processed foods
- The FSMC ***MUST*** give the district invoices for the amount of minimally processed food they supplied to the district

SCA Funds & FSMC Example

- 1) The FSMC monthly invoice to the district is \$25,000
- 2) The FSMC gives the district food invoices showing this school used \$8,345 in milk for the month billed
- 3) The district can use \$8,345 of SCA funds to pay that months FSMC invoice
- 4) The remaining \$16,655 would be paid from your normal CN funds

YouTube Link of the Call 3/24/22

<https://youtu.be/qcBNOu6mqVs>

You may have to copy and paste the link into your internet browser

Questions??

Child Nutrition Office (405) 521-3327