



# School Nutrition Program

Spring Fiscal Workshops

# Mission Statement

*Develop extraordinary school nutrition professionals and provide strategies to increase consumption of healthy school meals.*

# Objectives

- Explain the fiscal reporting in Tennessee: Meals, Accounting, and Claiming (TMAC)
- Define the department's fiscal focus
- Define the tier I school districts
- Present the fiscal toolkit
- Discuss the Community Eligibility Provision (CEP)
- Discuss Paid Lunch Equity (PLE)

# Financial Reporting

TMAC:

## Income and Expenses

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Reporting Period:

July 01, 2014 to June 30, 2015

5. Starting Balance (July 1):	353,188.23
6. Total Income:	1,267,762.72
7. Total Expenses:	1,250,361.69
8. Surplus/Deficit:	17,401.03
9. Ending Balance (June 30):	370,589.26

## Excess Balance Determination

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10. Claim Months:	10
11. Average Monthly Expenses	125,036.17
12. 3-Month Average Expenses	375,108.51
13. Excess Balance	0.00

## Excess Balance Plan

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14. Excess Balance Plan:

# Tier I Schools

- Low balance defined by June 2015
- Three years of annual deficits
- Reporting of expenditures and revenues that are not in alignment with program expectations

# Fiscal Toolkit

- Food costs
- Labor costs
- Other costs

# CEP

- Districts must:
  - have an ***identified student percentage\**** (ISP) of at least 40% as of April 1 of the school year prior to implementing CEP,
  - participate in National School Lunch Program (NSLP) and School Breakfast Program (SBP),
  - have a record of administering the programs in accordance with regulations, and
  - consider financial status of the program.

# CEP Eligibility: Calculating the ISP

- The 40% threshold may be determined by an individual school, a group of schools within the local education agency (LEA), or in the aggregate for an entire LEA.

$$\text{Group ISP} = \frac{\text{Sum of identified students (for all schools in group)}}{\text{Sum of enrolled students (for all schools in group)}}$$

# CEP Eligibility: Calculating Reimbursement

- Multiply the ISP by the multiplying factor (1.6) for the free claiming percentage.
  - Free claiming percentage is applied to total number of breakfasts and total number of lunches served to determine how many are claimed at the free rate.
  - The remaining meals are reimbursed at the paid rate.

- **Example:**

ISP = 51%

$51 \times 1.6 = 81.6\%$  (free rate), then  $100 - 81.6 = 18.4\%$  (paid rate)

81.6% of the lunches are reimbursed at the free rate

18.4% of the lunches are reimbursed at the paid rate

# PLE

- Required if there are paid students.
- Must be completed annually.
- Must comply with the pricing recommendations.
- Other options may apply.

*Not required if the SFA is 100% CEP*



*Districts and schools in Tennessee will exemplify excellence and equity such that all students are equipped with the knowledge and skills to successfully embark on their chosen path in life.*

**Excellence | Optimism | Judgment | Courage | Teamwork**

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