

Commissioner's Memo
2/13/2018

APSCN Financial Expenditure Codes for School Food Authorities using Contracted Services in Child Nutrition Programs

Memo Information

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Unit Child Nutrition

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Attention Superintendents; Principals; General Business Manager

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Memo Text

ATTENTION: CO-OP DIRECTORS, CHILD NUTRITION DIRECTORS

The purpose of this memo is to provide clarification with regard to accurately reporting expenditures through the Arkansas Public School Computer Network (APSCN) financial application as well as on the monthly Child Nutrition Claim for Reimbursement. These APSCN financial expenditure codes should be used for School Food Authorities (SFAs) using contracted services for Child Nutrition Programs, which would include cafeteria substitutes, child nutrition consultants and Food Service Management Companies (FSMCs).

The monthly invoices the SFAs receive from the contracted entities should have expenditures broken down into food, labor and other (which include for example: the FSMC's management and administration fees). These expenditures should be reported on the Child Nutrition Claim for Reimbursement and coded in Arkansas Public School Computer Network (APSCN) in the appropriate categories below:

65700 Food Service Management. Expenditures for the operation of a local food service facility by other than employees of the school district. Included are contracted services, such as food preparation, associated with the food service operation. Direct expenditures by the school district for food, supplies, labor, and equipment would be charged to the appropriate object codes. (Used only with function 3100)

- 65710 Food Service Management –Food
- 65720 Food Service Management –Labor (to include contracted SUBS)
- 65730 Food Service Management – Supplies & Equipment
- 65780 Food Service Management – Dues & Fees

Direct expenditures by the school district for food, supplies, labor, and equipment would be charged to the appropriate function for the expenditure. (Used only with functions 3110-3130). For example, if the district is paying employees through payroll, these expenditures will continue to be charged to the appropriate object (such as 61120 classified salaries) and reported as labor expense on the monthly Child Nutrition Claim for Reimbursement.

District expenses for supplies (66100 or 66300) or equipment (67330), etc. would be reported as other expense on the Child Nutrition monthly Claim for Reimbursement.

3100 Food Services Operations - Activities concerned with providing food to students and staff in a school or school district. This service area includes preparing and serving regular and incidental meals, lunches, or snacks in connection with school activities and food delivery.

3110 Supervision of School Food Services - Directing, supervising and managing the activities associated with school food services.

3120 Food Preparation and Dispensing Services - Those activities concerned with preparing and serving regular and incidental meals, lunches or snacks to pupils and staff.

3130 Food Delivery Services - The activities concerned with delivering food to the school.

3140 Food Management Contract Services - Those activities concerned with a commercial enterprise or a non-profit organization which is contracted to manage an aspect of the school food service.

When compiling information to report on the monthly Child Nutrition Claim for Reimbursement it is important to keep in mind the financial expenditures reported are for actual expenditures during the calendar month of the Claim for Reimbursement. To get accurate food, labor and other expenditures the SFA will need to add the FSMC expenditures to the SFA expenditures for the month.

Any invoices that have been received by the SFA but have not been paid during the calendar month of the Claim for Reimbursement should be reported on the Claim for Reimbursement in Part 5 as Unpaid Food, Labor and Other appropriately.

It is important for each SFA to have an audit trail that accurately reflects expenditures from the federally funded non- profit child nutrition account. The actual expenditures reported on the Claim for Reimbursement each month should match the district's APSCN financial reports.

