

TX-UNPS Financial Report for SNP operations
2015 Background Information and Process

System Opening Date – March 6th

Report Due date – April 1st

Things to keep in mind in completing the report:

- **Access to the Form**—To access the form, Contracting Entities (CEs) will click on the “Applications” tab in TX-UNPS and, then, click on “Financial Report.” If a CE clicks on the link before the form is opened on March 6th, the CE will see a “*not available*” message.
- **Item 1, Opening Balance**— The CE should report the financial data that corresponds to the first day of the most recent fiscal year. This will likely align with the data used in the most recent financial audit.
- **Distinct Information in Each Field**—Each type of income and revenue field should contain distinct information, that is, if a type of revenue or expenditure is included in one field, it should not be included in another reporting field. For example, the program revenue field will include payments for paid meals, but it will not include the federal and state reimbursements.
- **Auto-Populating Fields**—For those fields that require a number to be recorded that are a sum or percentage based on numbers recorded in other fields, the system will automatically calculate the amounts and populate the field. However, the formulas are provided so that CEs will know what is included in the automatic calculation.
- **What to Include**—This form should cover all revenue and expenses for the child nutrition programs. This would include all relevant revenue and expenses, including the summer feeding program and Child and Adult Care Food Program, catering, a la carte, adult meals, concessions, etc. This report must include all revenues and expenses attributed to and processed through the child nutrition program account(s). This report should not include non-monetary revenue and expenses such as the value of the USDA Foods received during the prior fiscal year.
- **Who Should Report** – All CEs operating any of the currently participating in the National School Lunch Program (NSLP), School Breakfast Program (SBP), or the Special Milk Program (SMP) should complete the report. Please remember that you will be reporting for all child nutrition programs, not just the NSLP/SBP/SMP programs. As well, new CEs that do not have a “prior fiscal year” on the programs are **not** required to complete this report this year.

CEs must provide the following financial information from their prior fiscal year:

- **Item 1 – Opening Balance:** Record the opening fund balance at of the start of the CEs prior complete fiscal year/reporting period.
- **Item 2 – Revenues for reporting period**
 - 2a) **Program Revenues:** Record the amount of income received from the students for paid or reduced price meals.
 - 2b) **State Reimbursement:** Record the annual “State Matching funds” for those CEs that receive this funding. Any CE not receiving state matching funds leave this cell blank.
 - 2c) **Federal Reimbursement:** Record the total reimbursement received for reimbursable meals served including performance-based reimbursement, severe need, and two cent differential.
 - 2d) **Nonprogram Revenues:** Record the income from a la carte, catering, adult meal payments, and other non-reimbursable food or beverage services. If the CE does not offer nonprogram food, leave the field blank.
 - 2e) **Interest Earned:** Record income from any funds that are placed in a bank account that earns interest. If the program does not have any funds placed in interest earning accounts, leave this field blank.
 - 2f) **Total revenues:** This is the total of Items 2a – 2e. The amount for Item 2f will be automatically calculated based on information recorded in revenue fields.
 - 2g) **Percent Program Revenues:** This is the percentage of total revenue from program revenue. The amount for Item 2g will be automatically calculated based on information recorded in revenue fields.
 - 2h) **Percent Nonprogram Revenues:** This is the percentage of total revenue from nonprogram revenue. The amount for Item 2h will be automatically calculated based on information recorded in revenue fields.
- **Item 3 – Expenditures for reporting period:**
 - 3a) **Program Food Expenditures:** Record the food costs for the meals that generated the revenue in Items 2a and 2c above—food costs for reimbursable meals served.
 - 3b) **Nonprogram Food Expenditures:** Record the food costs for the items that generated the revenue in Item 2d above—a la carte, catering, adult meals, and other non-reimbursable food or beverage services. If the CE does not offer nonprogram food, leave the field blank.
 - 3c) **Salaries:** Record the salaries for all directly funded full and part time child nutrition program staff.
 - 3d) **Employee Benefits:** Record all expenses that the CE pays on behalf of the child nutrition program staff. These costs would include expenses such as the CE’s

portion of the employee's health or unemployment insurance or the CE's portion of the employee retirement plan, etc.

- 3e) **Purchased Services:** Record the costs for services such as meal planning consultants, printing contacts, food service management company fees, co-op membership fees, etc. If the CE does not have expenses in this area, leave the field blank.
- 3f) **Equipment Purchases:** Record the costs for all equipment purchases including capital purchases and smaller items intended for long term use such as tables, chairs, etc. If the CE does not have expenses in this area, leave the field blank.
- 3g) **Supplies/Miscellaneous:** Record the costs for supplies and miscellaneous purchases that have a short term use such as pots and pans, serving trays, office supplies, etc. If the CE does not have expenses in this area, leave the field blank.
- 3h) **Indirect Costs:** Record the cost of the CE's indirect rate for to the child nutrition program. If the CE does not apply indirect costs, leave the field blank.
- 3i) **Utilities and Other:** Record any direct charges paid from the child nutrition program funds that were not included in any category above. If the CE does not have expenses in this area, leave the field blank.
- 3j) **Total Expenditures:** This is the total amount of expenses for the reporting period. The amount for Item 3j will be automatically calculated based on information recorded in the total revenue and total expenditures fields (Items 3a-3i).
- **Item 4 – Closing Balance:** This is the closing balance for the child nutrition programs based on the data reported above (Items 2f and 3). The amount Item 4 will be automatically calculated based on information recorded in the total revenue and total expenditures fields (Items 2f and 3).
- **Item 5 – Gain or Loss:** This is the change in the fund balance for the reporting period based on the amount recorded for the closing balance (Item 4). The amount for Item 5 will be automatically calculated based on information recorded in closing balance field (Item 4).
 - Amount of General Revenue Supplemental Child Nutrition: If the closing balance shows a loss for the reporting period, the amount recorded in this field must show the amount paid from the CE's general revenue to cover the loss. If the CE does not have a loss for this fiscal year, leave the field blank.
- **Item 6a – Total Number of Operating Months:** Record the number of months the child nutrition program operated. Partial months count as a month. If the CE is operating either of the summer feeding programs, then those months should be included as well. For example, the CE started serving August 26; therefore, August is counted as a month of service.

- **Item 6b – Three Month Average Operating Cost:** This is the three month average operating cost. The amount for Item 6b will be automatically calculated based on the data reported in Items 3j and 6a.
- **Item 7 – Excess Balance:** This is the excessive fund balance based on the data reported in Items 4 and 6b if the CE has an excessive balance. The amount for Item 7 will be automatically calculated based on the data reported in Items 4 and 6b.

If the CE has an excess balance, the CE must complete and submit the *Plan for Reducing Excessive Operating Food Service Fund Balance* form when Financial Report is submitted. This process is documented in the *Administrator’s Reference Manual, Section 14, Financial Information Concerning School Nutrition Funds*, and the form is available at the following link: <http://www.squaremeals.com/Programs/NationalSchoolLunchProgram/NSLPAdministration&Forms.aspx> . Once on this page, in the text box under “Form Name”, type in the word “excess” and click on the search icon next to the box. This should bring up the form you will need to complete.

- **Item 8 – Indirect Cost Rate:** Record the indirect cost rate the CE has in place to calculate indirect cost.

Please note, there is no edit check between Item 8 and Item 3h because of the wide array of options for applying indirect rate.

- **Item 9 – Bad Debt:** Record the amount of bad debt for the reporting period including unpaid meal charges or students or adults.
- **Have you reimbursed Child Nutrition?:** Check this box to indicate whether the school nutrition program has been reimbursed to cover the amount of bad debt recorded in Item #9.

1. Opening Balance		\$0.00
2. Revenues for Reporting Period		
a. Program Revenues	\$	0.00
b. State Reimbursement	\$	0.00
c. Federal Reimbursement	\$	0.00
d. Nonprogram Revenues	\$	0.00
e. Interest Earned (if applicable)	\$	0.00
f. Total Revenues = Item 2: (a + b + c + d + e)		\$0.00
g. Percent Program Revenues = Item 2: (a + b + c) / f		0.00 %
h. Percent Nonprogram Revenues = (100 - Item 2g)		100.00 %
3. Expenditures for Reporting Period		
a. Program Food Expenditures	\$	0.00
b. Nonprogram Food Expenditures	\$	0.00
c. Salaries	\$	0.00
d. Employee Benefits	\$	0.00
e. Purchased Services	\$	0.00
f. Equipment Purchase	\$	0.00
g. Supplies\Miscellaneous	\$	0.00
h. Indirect Costs (if applicable)	\$	0.00
i. Utilities and Other	\$	0.00
j. Total Expenditures = Items 3:(a + b + c + d + e + f + g + h + i)		\$0.00
4. Closing Balance = Item 1 + Item 2f - Item 3j		\$0.00
5. Gain or Loss = Item 2f - Item 3j		\$0.00
Amount of General Revenue Supplemental Child Nutrition (required if Loss)	\$	0.00
6. a. Total Number of Operating Months		0
b. Three Month Average Operating Cost = (Item 3j/Item 6a)*3		\$0.00
7. Excess Balance = (Item 4 - Item 6b)		\$0.00
8. Indirect Cost Rate		0.0000 %
9. Bad Debt Amount	\$	0.00
Have you reimbursed Child Nutrition?	<input checked="" type="radio"/> Yes	<input type="radio"/> No

Corrective Action Plan Attachments

Contracting Entities are required to submit a Plan for Reducing Operating Food Service Fund Balance in the event that the Contracting Entity exceeds the maximum allowable foodservice operating balance.

A maximum of three (3) months operating balance is allowable in the National School Lunch Program. The balance can exceed the limit if future planned expenditures for equipment, supplies, or program expansions exist; however, a proposal to expend those funds must be submitted to the state agency.