Welcome to the SD Child and Adult Nutrition Services webinar. The following training will provide a brief overview for the 700-series of the Administrative Review, also known as the Resource Management Module.
Resource Management questions should be answered based on the Previous School Year, except for the Paid Lunch Equity questions.

Paid Lunch Equity questions are to be based on the Current Year.
Did the SFA have the ability to accurately track all revenues and expenditures from the nonprofit school food service account separately from all other transactions?

Answer: Yes or No
Answer Yes or No

Yes: Your program has a separate financial account
Yes: Your program has a separate line item within an account

No: Your program has no separation between finances for the school food service and other non school food service finances

Answer Yes if Your program has a separate financial account
Yes: Your program has a separate line item within an account

Answer No if Your program does not have separation between finances for the school food service and other non school food service finances
Question 701 says: Did the food service have net cash resources that exceeded three months’ average expenditures?

This is a yes or no question

Note: SD DOE completes this process on behalf of all public districts/agencies annually.
Answer Yes if the Food Service account had funds in excess of three months’ average expenditures
Answer No if the School did not have a fund balance in excess of three months’ expenditures
Now we are on Question 702: Did the SFA transfer funds other than approved indirect costs out of the food account to support non-food service-related activities?

*Answer: Yes or No for this question*
Answer Yes or No

Yes: Funds were transferred out of the food service account to support non-food service-related activities

No: Food service funds were only used for food service-related activities

Answer Yes if Funds were transferred out of the food service account to support non-food service-related activities
Answer No if Food service funds were only used for food service-related activities
When using food service funds for equipment, did the SFA receive prior approval from the State agency, or via the State agency pre-approved equipment list (excluding equipment grant funds)?

- Answer: Yes or No

703 asks: When using food service funds for equipment, did the SFA receive prior approval from the State agency, or via the State agency pre-approved equipment list (excluding equipment grant funds)?

*Please Answer with a Yes or No*
A Yes should be selected if Pre-approval was received from the CANS office or Equipment was not purchased with food service funds

Also Please describe purchased equipment

Select No if Pre-approval for equipment was not obtained prior to using food service funds for equipment
Did the SFA have any financial findings related to unallowable costs or financial mismanagement in child nutrition programs on a previous review, or as part of an audit within the past three years?

Answer: Yes or No

Question 704: Did the SFA have any financial findings related to unallowable costs or financial mismanagement in child nutrition programs on a previous review, or as part of an audit within the past three years? This is a yes or no question.
Answer: Yes or No

✔ Yes: Financial findings in regard to unallowable costs or financial mismanagement were present on a previous review/audit.

✗ No: Financial findings not present on a previous review/audit.

Yes indicates that Financial findings in regard to unallowable costs or financial mismanagement were present on a previous review/audit.
No indicates that Financial findings were not present on a previous review/audit.
Did the SFA have internal control procedures in place to ensure that only allowable costs were charged to the nonprofit school food service account?

**Answer: Yes or No**

*Note: This information may be located in your district/agency procurement plan.*

Now we are on Question 705: Did the SFA have internal control procedures in place to ensure that only allowable costs were charged to the nonprofit school food service account?

*Note that This information may be located in your district/agency procurement plan.*

*Please answer yes or no for this question.*
Answer Yes if Your district/agency has a process in place to make sure that only allowable costs are charged to or spent out of the school food service account.

If you answered yes, please describe process to ensure only allowable costs are charged to the food service account.

Answer No if Your district/agency does not have a process in place to make sure that only allowable costs are charged to or spent out of the school food service account.
706 asks: Did the SFA use the USDA Paid Lunch Equity Tool to evaluate its need to raise its paid lunch prices?

*Yes indicates that SFA used the PLE Tool to evaluate need for price increase*

*Answer No if the SFA did not use the PLE Tool to evaluate need for price increase*
Answer: Yes, No, No $0 Balance, N/A-1, or N/A-2

- **No, $0 Balance:** SFA utilized the PLE Exemption and did not increase prices due to positive or breakeven balance in the food service account
- **N/A-1:** Select if all sites at the SFA are nonpricing
- **NA/2:** Select if the SFA charged at least the target weighted average paid lunch price at all sites

**Select “No, $0 Balance” if the SFA utilized the PLE Exemption and did not increase prices due to positive or breakeven balance in the food service account**

If all sites at the SFA are nonpricing, then select **Not Applicable #1**

**NA/2 should be** selected if the SFA charged at least the target weighted average paid lunch price at all sites
Did your SFA receive a transfer of non-Federal funds into the food service account to reduce or eliminate the need to raise paid lunch prices?
- Nonfederal Calculator tab or Split Calculator tab in the PLE Tool
- Answer: Yes, No, N/A-1, N/A-2, or N/A-3
- Yes: School used Nonfederal funds to satisfy the paid lunch equity requirement; indicate the amount added to food service account in support of paid lunch prices

Question 707: Did your SFA receive a transfer of non-Federal funds into the food service account to reduce or eliminate the need to raise paid lunch prices?

Refer to the Nonfederal Calculator tab or Split Calculator tab in the PLE Tool

Answer Yes if the School used Nonfederal funds to satisfy the paid lunch equity requirement; Also indicate the amount added to food service account in support of paid lunch prices
**Answer: Yes, No, N/A-1, N/A-2, or N/A-3**

- **No:** Nonfederal funds were not used to satisfy the paid lunch equity requirement
- **N/A-1:** Select if all sites at the SFA were nonpricing
- **N/A-2:** Select if the SAFA charged at least the weighted average paid lunch price at all sites
- **N/A-3:** Select if SFA had a positive or zero Food Service balance and was exempt from PLE Requirements

**Answer No** if the Nonfederal funds were not used to satisfy the paid lunch equity requirement

**N/A-1 should be selected** if all sites at the SFA were nonpricing

**Select N/A-2** if the SAFA charged at least the weighted average paid lunch price at all sites

**And Select N/A-3** if SFA had a positive or zero Food Service balance and was exempt from PLE Requirements
We are now on Question 708 which says: Did the SFA adjust its paid lunch prices at or above what was required by the USDA Paid Lunch Equity Tool?

**Answer Yes for this question** if prices were adequately adjusted to meet the USDA PLE Tool requirements

**Answer No** if prices were not adjusted to meet the PLE requirements, and the SFA is currently not in compliance with the PLE Tool requirements
Answer: Yes, No, N/A-1, N/A-2, or N/A-3

- **N/A-1:** Select if all sites were nonpricing OR if the SFA charged at least the targeted weighted average paid lunch price at all sites
- **N/A-2:** Select if the SFA charged at least the targeted weighted average paid lunch price at all sites
- **N/A-3:** Select if the SFA is exempt from a price increase, due to positive or zero balance in the food service account. Please note this in comments

**N/A-1** should be selected if all sites were nonpricing OR if the SFA charged at least the targeted weighted average paid lunch price at all sites

**Select N/A-2** if the SFA charged at least the targeted weighted average paid lunch price at all sites

**Select N/A-3** if the SFA is exempt from a price increase, due to positive or zero balance in the food service account. Please note this in the comments as well
With the exception of milk and adult meals, did the SFA sell Smart Snacks, second entrees, and/or catering (nonprogram foods), which were originally purchased with food service funds?

Answer: Yes or No
- Yes: School sold nonprogram foods
- No: School does not sell nonprogram foods

709: With the exception of milk and adult meals, did the SFA sell Smart Snacks, second entrees, and/or catering (nonprogram foods), which were originally purchased with food service funds?

Please answer this question with a yes or no.

Yes indicates that the School sold nonprogram foods

No indicates that the School does not sell nonprogram foods
Question 710 asks: If the SFA provided adult meals for teachers and/or parents, did it obtain full payment from the adults receiving the meals and/or recover the cost of the meals by some other means (general fund transfer, etc.)?

For this, answer yes or no
Answer Yes if Adult meals were adequately paid for from funds outside of the food service account
Answer No if Adult meals were not charged or the food service account funds were used to cover the cost of the adult meals
711 asks: If the SFA charged for adult meals, were the meal prices sufficient to cover the overall cost of the meals in compliance with FNS Instruction 782-5, Revision 1?

This is a yes or no question
Answer Yes if Adult meal prices are set to meet the simple method (free reimbursement rate + performance-based reimbursement + value of USDA Foods) described in CANS Memo 223-1
If Adult meal prices do not meet the pricing requirement, then answer No.
RESOURCES MGT. QUEST: 712

- Were indirect costs charged to the SFA’s nonprofit school food service account?
  - Yes: Indirect Costs were charged
  - No: Indirect Costs were not charged

- Question should be answered for the Previous School Year
  - *For more information about indirect costs, please see Policy Memo SP 60-2016, “Indirect Costs Guidance for State Agencies and SFAs.”

Last question, question 712: Were indirect costs charged to the SFA’s nonprofit school food service account?

For this answer Yes if Indirect Costs were charged but if Indirect Costs were not charged, then answer No.

This question should be answered for the Previous School Year

*If you would like more information about indirect costs, please see Policy Memo SP 60-2016, “Indirect Costs Guidance for State Agencies and SFAs.”
Thank you for attending this webinar! If you have any questions about this training feel free to contact our office. You can email us at DOESchoolLunch@state.sd.us or give us a call at 605-773-3413, or you can visit our website.
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(2) Fax: (202) 690-7442; or

(3) Email: program.intake@usda.gov.

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