



MSBO FINANCE COMMITTEE MEETING

March 15, 2024



MICHIGAN SCHOOL MEAL NUMBERS

6 million more meals served in October

28% increase

On average, 74,000 more students are eating breakfast daily

23% increase

On average, 122,000 more students are eating lunch daily

19% increase

MICHIGAN SCHOOL MEALS PAYMENTS

- State funding is broken down into multiple payments
- 31d lunch and 31f breakfast supplemental payments remain the same
- 30d Michigan School Meals payments are based on these formulas:
 - **30d lunch payment** = [Federal reimbursement for free lunches] minus [Federal reimbursement from reduced price and paid lunch claims **and** 31d lunch payment]
 - **30d breakfast payment** = [Federal reimbursement for free breakfasts] minus [federal reimbursement from reduced-price and paid breakfast claims]
- <https://www.michigan.gov/mde/services/food/fiscal-admin/topics/claims-and-payments>

MICHIGAN SCHOOL MEALS CLAIMS AND PAYMENTS

- When should I have my claims submitted?
 - To receive both federal and state payments in the month, claims must be submitted by the 4th of the month
- What if I miss the 4th deadline?
 - State aid payments will be processed on the next month's payment
 - Example: November's claim was submitted on December 10th, the state aid payment for the month of November will be included in the January state aid payment
- When do sponsors receive reimbursements and payments?
 - Federal reimbursements will be received as usual
 - Payments for 30d Michigan School Meals, like all other state aid payments, will be made via the State Aid Management System (SAMS) around the 20th of each month

MIND - CLAIM STATUS REPORT

Michigan School Meals 30d State Funding :

Payment Type	Amount	YTDTotal (As of Today)
30d Breakfast Reimbursement (From MIND Payment Details)	\$3,191.45	\$3,191.45
30d Breakfast Payment	\$3,191.45	\$3,191.45
31d Lunch Payment (1/11th Paid by State Aid)	\$7,190.64	\$7,190.64
30d Lunch Reimbursement (From MIND Payment Details)	\$9,340.10	\$9,340.10
30d Lunch Payment = (30dReimbursementYTD-31dPaymentYTD-30dPaymentYTD)	\$2,149.46	\$2,149.46

Accounting Disclaimer:

1. The payments will not reflect the 30d Michigan School Meals component until it gets reconciled monthly with the 31d State Lunch payments.
2. The State payments in this section could take up to 7 weeks to be processed.
3. The year-to-date (YTD) values are current at the time this report is run.
4. Additional reconciliations will happen each spring when 31d estimates move to actual, after the calculations are complete with finalized FID School Meals Report data from the previous school year.

SAMS - STATE AID FINANCIAL STATUS REPORT

CURRENT YEAR ALLOWANCES

Account Section	Account Description	Amount	Percent To Date	Previous Amounts	Current Amount
22a	PROP A OBLIGATION (State PP: \$3,139.48)	\$11,113,665.02	9.09%	\$0.00	\$1,010,232.15
51c	SPEC ED HEADLEE OBLIGATION	\$1,124,190.84	9.09%	\$0.00	\$102,188.95
22b	DISCRETIONARY PAYMENT	\$18,424,199.59	9.09%	\$0.00	\$1,674,759.74
31A	AT RISK	\$2,196,715.76	9.09%	\$0.00	\$199,681.46
29(7)	ENROLLMENT STABILIZATION PAYMENTS	\$25,413.16	9.09%	\$0.00	\$2,310.06
152a	HEADLEE OBLIGATION FOR DATA COLLECTION	\$103,093.64	9.09%	\$0.00	\$9,371.21
31d	SCHOOL LUNCH	\$79,097.05	9.09%	\$0.00	\$7,189.92
	Allowances Total	\$33,066,375.06		\$0.00	\$3,005,733.49

PRIOR YEAR ADJUSTMENTS

Section	Adjustment Year	Description	Amount	Percent To Date	Previous Amounts	Current Amount
22a	2021	PROP A OBLIGATION	(\$2,520.52)	100.00%	\$0.00	(\$2,520.52)
22b	2021	DISCRETIONARY PAYMENT	(\$2.87)	100.00%	\$0.00	(\$2.87)
22a	2022	PROP A OBLIGATION	(\$2,547.18)	100.00%	\$0.00	(\$2,547.18)
22b	2022	DISCRETIONARY PAYMENT	\$20.46	100.00%	\$0.00	\$20.46
22a	2023	PROP A OBLIGATION	(\$2,446.23)	100.00%	\$0.00	(\$2,446.23)
22b	2023	DISCRETIONARY PAYMENT	\$43.50	100.00%	\$0.00	\$43.50
61d	2023	CTE PER PUPIL INCENTIVE	\$62.91	100.00%	\$0.00	\$62.91
6(4)dd	2023	PUPIL EXCEEDING 1.0 FTE ADJ	(\$1,106.60)	100.00%	\$0.00	(\$1,106.60)
25g	2023	PUPIL EXCEEDING 1.0 FTE REIMB	\$269.94	100.00%	\$0.00	\$269.94
31d	2023	SCHOOL LUNCH	\$4,871.30	100.00%	\$0.00	\$4,871.30
30d	2023	UNIVERSAL SCHOOL BREAKFAST	\$3,191.45	100.00%	\$0.00	\$3,191.45
30d	2023	UNIVERSAL SCHOOL LUNCH	\$2,149.46	100.00%	\$0.00	\$2,149.46
	Adjustments Total		\$1,985.62		\$0.00	\$1,985.62
	Totals		\$33,068,360.68		\$0.00	\$3,007,719.11

Report available: [State Aid Status Reports Home - SAMS](#)

SCHOOL NUTRITION PROGRAM COMPLIANCE REVIEWS

Administrative Review

Resource Management Review

Procurement Review

[School Nutrition Program Compliance Reviews -
Information](#)

PROCUREMENT POLICIES & PROCEDURES

Are Child Nutrition Program Sponsors required to have a Procurement Policy and Procurement Procedures?

- [Michigan Legislature - Section 380.1274](#) states that: "The board of a school district or board of directors of a public-school academy shall adopt written policies governing the procurement of supplies, materials, and equipment."
- Title 2, Code of Federal Regulations (2 CFR), Part 200, subpart D, Procurement Standards ([2 CFR 200.318\(a\)](#)) requires all Child Nutrition Programs (CNP) Sponsors to develop and maintain a written code of conduct, and procurement procedures.

POINT OF SERVICE REQUIREMENTS

- Counts are taken daily at the point when the meal is served
- Counts are taken by student eligibility category
- Edit checks
- Backup system for electronic POS
- Adult meals, a la carte items, and second meals are not included in counts that are claimed for reimbursement

POINT OF SERVICE BEST PRACTICE

- Meals are counted at the end of the serving line after the student has had access to all the meal components
- Use an electronic POS

SY 22/23 EXCESS FUND BALANCES

- Notifications for Excess Fund Balances (EFB) have been sent out
- Spend Down Plan of Actions Due April 4th
- Training required for Sponsors that are new to having an EFB this year or for new Business Managers or Food Service Directors that did not take the training last year
- EFB must be spent down by June 30, 2024, or request a Carryover Extension
- Resources available at: www.michigan.gov/mde-fast
- Questions? Contact us at: MDE-Fiscal@michigan.gov

A LA CARTE AND ADULT MEALS REMINDERS

No new negative balances should be occurring after student meal debt was forgiven over the summer

A la Carte and adult meals cannot be charged or offered for free

(see [USDA FNS SP 20-2016](#))

Best Practice: address a la Carte items and adult meals in your meal charge policy

Clearly communicate to students, staff, and families

ACCOUNTING/CODING FOR SY23-24

ALN#	Grant Name	Grant Code
10.555	National School Lunch Program	851X
10.553	School Breakfast Program	850X
30d State Aid	Michigan School Meals Lunch	265
30d State Aid	Michigan School Meals Breakfast	264
10.555	Supply Chain Assistance	851X

- [School Nutrition Program Coding SY23-24](#)
- Guidance document to assist with coding and FID School Meals Report submissions:
[SY23-24 FID Coding and Submission Tips](#)

SY 2025 EQUIPMENT ASSISTANCE GRANT (EAG) APPLICATION

- 2025 Application is coming soon
- We will notify you as soon as the application is available in NexSys

FFVP REMINDERS

- Schools participating in FFVP must widely publicize the program within their schools. Examples include:
 - Posting FFVP menu in cafeteria and/or classrooms
 - Including the fresh fruit or vegetable snack of the day in the morning announcements
 - Parent newsletters
 - Nutrition education signage
 - A FFVP bulletin board in the hallway
 - Sharing the FFVP menu on social media with parents
- FFVP snacks should be offered during the school day, but outside the meal service times. Students cannot take FFVP snack leftovers home.
- Funds **should be drawn down MONTHLY, but not until *after* the snack is served *and* associated invoices have been paid. Please note, that funds cannot be drawn down in advance.**

FY 2025 COORDINATED APPLICATION

The Coordinated Application in NexSys will be released in phases in March

Application released in March first to those that participated in SFSP last year

Applications must be completed and approved by MDE before operations can begin

SFSP Application is due May 9, 2024

CONTACT INFORMATION

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QUESTIONS?