

Food Service Pro-Rata Share of Exclusive Beverage Contract Form

Contracting Entity (CE) Name: _____

CE ID Number: _____

Authority: The information requested in this form is required for Texas Department of Agriculture (TDA) compliance monitoring activities, in accordance with Office of Management and Budget (OMB) A-87: 2 CFR 225; A-122: 2 CFR 230; and A-110: 2 CFR 215.

Complete this form if the Contracting Entity (CE) has an exclusive beverage contract that also requires participation by the CE's school nutrition department. This information will be reviewed by the TDA Food and Nutrition (F&N) to determine CE compliance with federal regulations. Federal regulations require that the school nutrition department receive a specific percentage (a pro-rata share) of all payments made to the CE by the vendor under the exclusive beverage contract.

Pro-rata share percentage

1. \$ _____ Total contributions of cash and other assets received by the CE under the exclusive beverage contract, as described below:
 - a) All cash payments including, but not limited to, the following: lump sum payments, attendance incentives, any sales promotion bonuses, sponsorship fee values, and other cash payments, and
 - b) Fair market value of donated items including, but not limited to, the following: software packages received, sports-related items, computer equipment, athletic incentives such as scoreboards, and all other supplies and/or equipment.
2. \$ _____ Total purchases by children, staff, and/or adults and district purchases and sales under the exclusive beverage contract. Include the following: all products; carbonated and non-carbonated beverages, approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc. purchased, or vended district-wide.
3. \$ _____ Total purchases by school nutrition program/s (SNP) with SNP funds under the exclusive contract. Include the following: beverages, equipment, and serving materials.
- 4 Pro-rata share % _____: Percentage of total districtwide purchases made by the SNP.
5. Pro-rate _____ % x Total contribution (#1) \$ _____ = \$ _____ amount owed to SNP.

In accordance with federal regulations, the SNP is entitled to its pro-rata share of all payments to the CE in addition to the SNP sales and commissions. The CE must show a clear audit trail with supporting documentation. This documentation must be kept on file by the CE (do not send to TDA).

Contracting Entity (CE) Official and Title

Date

Documentation of Receipt

Attach documentation showing the transfer of the pro-rata share of funds to the CE's nonprofit food service account to this form. Acceptable documentation includes bank statements, copies of canceled checks, or records of accounting transfer should be attached to this form.

Directions: Food Service Pro-rata Share of Exclusive Beverage Contract Form

Purpose

This form is intended to be used to report the pro-rata share of funds that must be apportioned to the nutrition program if the contracting entity (CE) has an exclusive beverage contract that also requires the participation of the CE's nutrition department. Federal regulations require that the nutrition department receive a specific percentage (a pro-rata share) of all payments made to the CE by the vendor under the exclusive beverage contract.

CEs are required to complete this form or a similar form to provide the required information. CE's should keep this form on file and accessible for review. It does not need to be sent to the Texas Department of Agriculture (TDA). TDA will review this form when onsite or on request.

Use This Form	
Frequency	Yearly
Required Form Format	Use this form or a similar reporting instrument.
Record Retention	Form kept onsite and made available on request. State Board of Education policies require public and charter schools to maintain records for a period of five years. Private schools and RCCIs maintain records for three years.

Directions for Completing Form

General Information

- **Contracting Entity (CE) Name:** Record the name of the CE in the designated space.
- **CE ID Number:** Record the CE ID Number in the designated space.

Pro-rata share percentage

- **1—Total Contributions:** Record the total contributions of cash and other assets received by the CE under the exclusive beverage contract in the designated space as follows:
 - *Cash Payments:* All cash payments including, but not limited to, the following: lump sum payments, attendance incentives, any sales promotion bonuses, sponsorship fee values, and other cash payments, and
 - *Donated Items:* Fair market value of donated items including, but not limited to, the following: software packages received, sports-related items, computer equipment, athletic incentives such as scoreboards, and all other supplies and/or equipment.
- **2—Total CE Purchases:** Record the total amount of purchases by children, staff, and/or adults and CE purchases and sales under the exclusive beverage contract in the designated space. This includes, but is not limited to, the following:
 - *Beverages:* Carbonated and noncarbonated beverages
 - *Equipment and Serving Items:* Approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc. purchased, or vended across the CE
-

3—Total SNP Purchases: Record the total amount of purchases made by School Nutrition Programs (SNPs) with SNP funds¹ under the exclusive contract in the designated space. This includes, but is not limited to, the following:

- *Beverages:* Carbonated and noncarbonated beverages
 - *Equipment and Serving Items:* Approved cups, carbon dioxide, dispensing equipment, other food products, menu boards, etc.
- **4—Pro-rata Share Percentage:** Record the percentage of contract expenditures that was made by the SNP under the exclusive contract in the designated space.
 - Divide the total SNP purchases by the total of CE purchases to get the pro-rata percentage.

# 3—Total SNP Purchases	÷	#2—Total CE Purchases	=	Pro-rata Share
\$75,000		375,000		.2

- **5—Pro-rata Amount:** Record the amount of funds or contributions to be credited to the SNP by multiplying the pro-rata percentage by the *total contributions to the CE* received by the CE in the designated space.

# 4—Pro-rata Share	x	#1—Total Contributions to the CE	=	Pro-rata Amount
.2		135,000		\$27,000

- **Signature:** Sign the form stating that the information is correct and date in the designated space.

Documentation of Receipt

- File documentation showing the transfer of the pro-rata share of funds to the CE's nonprofit foodservice account with this form. The form and documentation are to be kept onsite and made available on request.

Acceptable documentation includes bank statements, copies of canceled checks, or records of accounting transfer should be attached to this form.

¹ If the SNP staff serve special meals to adults or children outside of normal service (i.e., student or teacher appreciation dinner), the funds used to provide the service or any funds collected for providing the service are also regulated by these rules.