



Policy Updates October 30, 2024

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TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

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Food and Nutrition Division
Nutrition Assistance Programs



Updated 10/29/2024
www.SquareMeals.org

2 CFR 200 Updates



2 CFR 200 Overview

- In part, it defines broad rules for how recipients of federal awards must manage and spend that federal money.
- Recently extensively updated by the Office of Management and Budget (OMB) – updates effective October 1, 2024
- Applies to all programs administered by TDA.



CHILD NUTRITION

NATIONAL SCHOOL LUNCH PROGRAM

Equipment Value Threshold Increase

- Equipment = Tangible personal property (including information technology systems)* having a useful life of more than one year; and
- Cost that equals or exceeds **\$10,000**.
- **CHANGE: Increased from \$5,000.**
- Requires capital expenditure request.
- **Pending actions: Handbook updates and changes to the Capital Expenditure Request Form and process.**

* Computers less than 10K are considered supplies, not equipment.



Single Audit Threshold Increase

- Single Audit requirement applies to Contracting Entities that expend **\$1,000,000** in federal money.
- **CHANGE:** Threshold increased from \$750,000.
- **IMPORTANT:** Applies to the FY 2025. CEs expending more than \$750,000 in FY 2024 must have a single audit conducted.
- **Pending actions:** Handbook updates and changes to TDA's single audit notification process.



Unused Supplies at Closeout

- Unused supplies = supplies that are in new condition, not having been used or opened before
- Aggregate (not like-type) unused supplies in excess of **\$10,000** can be sold or retained by the CE, BUT...
- TDA is entitled to compensation
 - (% of federal funds originally used for purchase x current market value or proceeds from the sale)
- The overall principle has not changed, only a threshold increase from \$5,000 to \$10,000
- Unused supplies in one program can be used in another program.



More to come...

- TDA will continue to evaluate all of the changes
- Awaiting further USDA guidance.
- Handbook, resource, and process updates forthcoming.
- More guidance coming, as applicable.
- **Please check the Policy Updates and News section at the top of the Policy/ARM page for latest updates.**



CHILD NUTRITION

NATIONAL SCHOOL LUNCH PROGRAM

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