



Texas Department of Agriculture

Forms | NSLP | Financial Report

February 2022

All Contracting Entities (CEs) must ensure that the reported data accurately reflects the CE's financial operations for the [2020-2021](#) fiscal period reported.

For detailed guidance, CEs may reference the [Preparing for the NSLP Financial Report form](#), [Financial Report webinar](#), and the [School Nutrition Programs Administrative Reference Manual \(ARM\) Section 16](#) located on [squaremeals.org](#).

The NSLP Financial Report is used to assess the financial management of the non-profit school food service account for the National School Lunch Program (NSLP), including Seamless Summer Option (SSO), School Breakfast Program (SBP), Special Milk Program (SMP) and At-Risk CACFP program funds. The funds typically include funds for the 240, 701 or 101 funds. Special Revenue Fund, 242 will also need to be accounted for in this report when funds were transferred into the 240, 701 or 101 funds.

Contracting Entities (CE) under the administration of the Texas Education Agency (TEA) must utilize their General Ledger and/or the Annual Financial & Compliance Report (AFR) submitted to TEA to complete the NSLP Financial Report for [2020-2021](#). Residential Child Care Institutions (RCCI) and private schools must use their Statement of Net Assets or Statement of Net Position (Balance Sheet) and Income sheet with Revenue and Expenditures to obtain their financial information. RCCI or private schools may have areas that are not applicable. For areas that are required but not applicable, enter zero.

Red Asterisks * indicate that question is required.

For all entries, do not use commas, dollar signs, negative (-) numbers, or any special characters.



You may complete this form at one time or in multiple sessions. At any point, if you want to save and finish later, click on the SAVE button at the bottom of the page. **You will receive an email with a link to use to complete the form. Please use the edit link to make any changes.**

1. Please enter the name of the person completing the form: *

First Name

Last Name

2. Please enter the email address for confirmation and "save and finish later" emails. *

example@example.com

Due Date: March 31, 2022

This form must be completed by the above due date.

3. CE Name and CE ID Number *

CE Name

CE ID

4. Select the Regional Education Service Center (ESC) for the CE's location: *

ESC 1 - Edinburg

ESC 2 - Corpus Christi

ESC 3 - Victoria

ESC 4 - Houston

ESC 5 - Beaumont

ESC 6 - Huntsville

ESC 7 - Kilgore

ESC 8 - Mt. Pleasant

ESC 9 - Wichita Falls

ESC 10 - Richardson

ESC 11 - Fort Worth

ESC 12 - Waco

ESC 13 - Austin

ESC 14 - Abilene

ESC 15 - San Angelo

ESC 16 - Amarillo

ESC 17 - Lubbock

ESC 18 - Midland

ESC 19 - El Paso

ESC 20 - San Antonio



Key Definition

Fiscal Year--Twelve-month period that an organization uses for budgeting, forecasting and reporting financial information. CEs under the administration of the Texas Education Agency (TEA) may use one of two fiscal year periods of July 1 to June 30 or September 1 to August 31.

5. Select the CE's Fiscal Year (Per Texas Education Code 44.0011). School districts and charter schools fiscal year will start July 1 or September 1. RCCIs and private schools may have a different fiscal year. *

- July 1 to June 30
- September 1 to August 31
- January 1 to December 31
- Other

6. Select CE's Fund Type *

- 240 (Special Revenue)
- 701 (Enterprise Fund)
- 101 (Food Service in the General Fund)
- 242 (Special Revenue)
- Other

Special Note Regarding Fund Types:

CEs must select both Special Fund 240 and 242, as applicable. Due to COVID-19, some CEs may have received reimbursements and utilized the Special Fund 242 for Seamless Summer Option (SSO) or Summer Food Service Program (SFSP). If so, then the CE should select both funds.

Key Definition

Net Cash Resources are all monies, as determined in accordance with the State agency's established accounting system, that are available to or have accrued to a school food authority's nonprofit school food service at any given time, less cash payable. Such monies may include, but are not limited to, cash on hand, cash receivable, earnings on investments, cash on



Net cash resources do not include inventories (USDA Foods or other food inventories), equipment, or other non-cash resources.

The Net Cash Resources calculation is (Total Assets-(Inventories)-Total Liabilities).

PART 1 - ASSETS AND LIABILITIES

Districts and charter schools will utilize their finalized audited financial report, specifically, the combined balance sheet to report the child nutrition funds assets and liabilities. The general ledger may also be used to report this information. This should correlate with their district financial report where the special fund is reported. This should be the same information submitted to Texas Education Agency (TEA). Please note, discrepancies between the district's financial report and the NSLP financial report should be commented and noted.

For all entries, do not use commas, dollar signs, negative (-) numbers, or any special characters. If CEs do not have any cash, receiveables or inventories, enter zero.

7-a. Cash and Cash
Equivalents *

ex: 23

Object Code 1100. Includes currency on hand and in demand deposits with banks or other financial institutions. Cash equivalents are short-term, highly liquid investments (such as certificates of deposit or treasury bills) that can readily be converted to cash and are near their maturity.

7-b. Receivables *

ex: 23

Object Code 1200. Asset account reflecting amounts owed for goods and services, i.e., sale of goods, rendering of services.

7-c. Inventories *

ex: 23

Object Code 1300 Note: Inventories is not calculated, it is only used for reporting purposes. Auto Populated Calculations will not include inventories for Net Cash Resources.



Populated)

This field will Auto-Populate. Total Assets include cash and cash equivalents, and receivables.

9. Total Liabilites *

ex: 23

Object Code 2XXX. Current Liabilities (Current Liabilities are due now or expected to be due in one year) and Long Term Debts.

Comments:

Type here...

CEs must comment or explain any differences between the CEs Annual Finance and Compliance Report (AFR) submitted to TEA Financial Report and the NSLP Annual Financial Report. Note: If a CE reports assets and liabilities in the special fund 240 to TEA, the same assets and liabilities must be reported in this report.

10. Total Net Cash Resources (Auto Populated) (Total Assets (minus inventories)-Total Liabilities)

ex: 23

PART 2 - REVENUES and EXPENDITURES

(Excludes USDA FOODS)

Beginning Fund Balance

Any **positive balance** remaining in the Non-Profit School Food Service account at the end of the school year must be carried over to the next school year as the beginning balance in the Non-Profit School Food Service Account. CEs must supplement any negative fund balances with nonfederal funds. The Beginning fund balance should not reflect a negative amount. CEs who



enter the balance here.

For example, CEs who ended the year with a positive fund balance in 2019-2020 will record the balance here.

Beginning Fund Balance of the Reporting Year *

11-a. Program Revenue

Object Code 5751.

11-b. Non-Program Revenue

Object Code 5751. Non-Program revenue types include profits from a la carte sales, cash donations, in-kind contributions from outside sources, such as volunteer services.

11-c. Interest Earned (If Applicable)

Object Code 5742

11-d. Other Revenue (if applicable)

Enter amount of Other Revenue. You will enter the name and code below.

11 d i. Enter Name of Other Revenue

Enter name or description of revenue received as indicated in 11 d. Other Revenue. For example: Grants, Rebates, Miscellaneous Revenue.

11 d. ii Enter Object Code of Other Revenue

Enter object code of revenue received as indicated in 11 d. Other Revenue.



All CEs are required to comply with generally accepted accounting principles (GAAP) for federally funded programs as well as accounting and financial requirements that are specific to the non-profit food service revenue fund.

Note: CEs who received additional funding will indicate, the type and amount of additional funding received that may impact their program to non-program food cost ratio. For example, CEs who received Emergency Operating Costs would include it in the reimbursement and identify the amount. CEs will enter the information below.

CEs may access more information at regarding financial requirements in Section 16 of the Administrative Reference Manual (ARM) at www.squaremeals.org or Texas Education Agency's resource guide at www.tea.gov.

Emergency Operational Costs

Catalog of Federal Domestic Assistance 10.555

P-EBT Local Level Funds

Catalog of Federal Domestic Assistance 10.649

USDA FOODS Commodity and Delivery Refund

Catalog of Federal Domestic Assistance 10.560

Equipment Grants Funds

Catalog of Federal Domestic Assistance 10.579

11-e. State Reimbursement

ex: 23

Object Code 5829.

11-f-i.National School Lunch

ex: 23



11-f-ii. School Breakfast Program

ex: 23

Object Code 5921/7952

11-f-iii. Summer Food Service Program

Object Code 5939. This is used to identify any transfer of funds from Special Fund 242.

11-f-vi. At-Risk CACFP

Object Code 5939.

11-f-vii. Fresh Fruit and Vegetable Program (FFVP)

Object Code 59xx.

11-f. Federal Reimbursement (Auto Populated)

ex: 23

This field will auto populate from i, ii, iii, and iv . See above.

Revenues for Reporting Period (Auto Populated)

ex: 23

This field will auto populate from revenue in 11a, 11b, 11c, 11d, 11e and 11f. See above.

Expenditures

Below are the most common expenditures identified in the detail ledger of the non-profit food service special revenue fund. However, there may be expenditures not identified specifically below. CEs will utilize 15-f to 15-k to identify any other expenditures. All CEs are required to comply with generally accepted accounting principles (GAAP) for federally funded programs as well as accounting and financial requirements that are specific to the non-profit food service revenue fund.



CEs may access more information at regarding financial requirements in Section 16 of the Administrative Reference Manual (ARM) at www.squaremeals.org or Texas Education Agency's resource guide at www.tea.gov.

13-a. Program Food Cost

ex: 23

Object Code 6341

13-b. Non-Program Food Costs

ex: 23

Object Code 6341

13-c. Non-Food Costs

ex: 23

Object Code 6342. This is usually paper supplies such napkins, straws, etc.

13-d. General Supplies

ex: 23

Object Code 6399. This is usually supplies that are relatively low costs such as cooking utensils, and measuring cups.

14. Please describe the method that the CE used to Calculate Food Cost Ratio: *

- USDA Non-Program Food Revenue Tool
- 5 Day Reference
- None of the Above
- Other

14-a. Food and Supplies (Auto Populate)

ex: 23

This field will auto populate from 13a, 13b, 13c, and 13d

14-b Payroll Costs

ex: 23

Object Code 6100

15. Please indicate if you utilize any of the following: *

- Food Service Consultant



Food Service Management Company

None of the Above

15-a. Professional and Contracted Services

ex: 23

Object Code 6210.

15-b. Capital Expenditures

ex: 23

Object Code 6639

15-c Utilities

ex: 23

Object Code 6259

15-d Indirect Cost Amount

ex: 23

If applicable, not all CEs will charge Indirect Costs. This should be a dollar amount and not the indirect rate. This is the cost charged to the non-profit food service account.

15-e Enter Percent of Indirect Rate

ex: 23

If applicable, not all CEs will charge Indirect Costs. This should be the approved percentage provided from TEA. CEs determine which rate to use, Restricted or Unrestricted Rate. Enter rate as follows: 1.982 as it appears on indirect rate letter. Do not need to add percentage % symbol.

15-f. Others, Amount

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the dollar value.

15-g. Other, Name

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the name of the other expense.

15-h. Other, Object Code

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the object code.



15-i. Others, Amount

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the dollar value.

15-j. Other, Name

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the name of the other expense.

15-k Others, Object Code

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the object code.

15-l. Others, Amount

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the dollar value.

15-m. Other, Name

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the name of the other expense.

15-n Others, Object Code

If applicable. CEs may have other expenses not identified in the above areas. If so, CEs should state the object code.

Expenditures for Reporting Period (Auto Populate)

ex: 23

This field will auto populate from 14a, 14b, 15a, 15b, 15c, 15d, and (15f and 15i as applicable).

End of Year Fund Balance

Any positive balance remaining in the Non-Profit School Food Service account at the end of the school year must be carried over to the next school year as the beginning balance in the Non-Profit School Food Service Account.



non-profit food service account from non-federal funds.

Ending Fund Balance for Reporting Period (Auto Populated)

ex: 23

Beginning Fund Balance + Revenue - Expenditures = Ending Fund Balance. If the ending fund balance is negative, indicating a deficit, the CE must ensure transfer of funds to the non-profit school food service account from a non-federal source.

Amount of General Revenue Supplemental Child Nutrition (If applicable)

ex: 23

*If a deficit exists the CE must ensure transfer of funds to the non-profit school food service account from a non-federal source. Upload file below.

17 a. File Upload

Browse Files
Drag and drop files here

Upload a copy of the journal entry detailing the transfer of funds to the nonprofit school fund service account from a non-federal source to obtain a \$0.00 starting balance. 10.6 MB maximum file.

18. Student Bad Debt Have You Reimbursed Child Nutrition for the Student Bad Debt Amount? If yes, enter amount below and attach a copy of the journal entry detailing the reimbursement to the non-profit school food service account from a non-federal source and the non-child nutrition source utilized for reimbursing the bad debt.

- Yes
- No

18 a. Amount of Student Bad Debt (If Applicable)

ex: 23

18 b. File Upload

Drag and drop files here



BROWSE FILES

Drag and drop files here

Upload a copy of the journal entry detailing the reimbursement to the non-profit school food service account from a non-federal source and the non-child nutrition source utilized for reimbursing the bad debt. 10.6 MB maximum file.

19. Loan Repayment Does your Child Nutrition Program have a current loan repayment agreement with the district? If yes, attach a copy of the agreement. CEs must not retroactively determine that funds transferred from the general fund to cover School Nutrition Programs (SNP) deficits are a loan subject to repayment. For a liability to exist, a bona fide loan agreement between the CE and SNP must be in effect at the time that the funds are transferred.

Yes

No

19-a. File Upload

Browse Files

Drag and drop files here

Upload a copy of the current loan repayment agreement. 10.6 MB maximum file.

Part 3. Paid Lunch Equity (PLE)

Per COVID-19: Child Nutrition Response #106, CEs operating Summer Seamless Option (SSO) in 2021-2022 are exempt from the PLE provisions for SY 2021-2022. CEs operating National School Lunch Program (NSLP) are required to comply with the PLE provision.

CEs who elected to operate NSLP rather than SSO for the SY 2021-2022, will complete this section and enter the information from the PLE tool from school year 2020-2021. The following questions are conditioned based on the CEs response. CEs must state whether the CE has a positive or zero balance based on the above information. This information will determine if the CE is eligible for the PLE exemption.



#106? Select "no" if the CE is currently operating NSLP, even if the CE plans to operate SSO in the summer.

20. Did the CE have a positive or zero balance in the nonprofit school fund service account (NSFSA) on December 31, 2020?

Yes

No

20 a. Enter the amount of the non-profit food service account on December 31, 2020.

20 b. Did the CE utilize the PLE exemption? (Exemption includes not raising paid lunches prices.) The CE should consider this the approval from the State Agency.

Yes

No

Part 4. Net Cash Resources Plan

Federal regulations (7 CFR 210.19 (a) (1)) require state agencies to monitor the level of net cash resources in a non-profit food service account. These regulations specifically require the level of net cash resources not to exceed three months average expenditures, as reported in the non-profit food service account.

CEs must provide a detailed current spending plan to reduce the resources in excess.

This plan could include improving the quality of meals or the purchase/replacement of food service equipment but is not limited to these items. The funds must be used for the support of the food service program pursuant to federal and state rules and regulations. All expenses must be necessary, reasonable, allocable and allowable.



Excessive Net Cash Resources is the unallowable amount of net cash resources remaining in the nonprofit school food service account at the end of the fiscal year **less liabilities** which has ended. CEs may not exceed three months of average monthly operating expenditures.

Net Cash Resources are all monies, as determined in accordance with the State agency's established accounting system, that are available to or have accrued to a school food authority's nonprofit school food service at any given time, less cash payable. Such monies may include, but are not limited to, cash on hand, cash receivable, earnings on investments, cash on deposit and the value of stocks, bonds or other negotiable securities. (7 CFR 210.2)

Net cash resources do not include inventories (USDA Foods or other food inventories), equipment, or other non-cash resources.

Net Cash Resources calculation is (Total Assets-(Inventories)-Total Liabilities).

Operating Months are any months that the CE performs operational tasks. This includes reasonable amounts of time to close down program operations at the end of the school year and time to set up program operations at the beginning of the year as well as each month for

which claims were submitted, including summer months if operating the Seamless Summer Option (SSO).

Total Expenditures are reported at the end of the most recent fiscal year.

Three Month Average Operating Expenses is the average of three months operating expenses. This is used to determine if the CE has an excess in net cash resources. In order for a CE to maintain the non-profit status, the CE cannot maintain more than three months operating expenses for their net cash resources.

21. Total Net Cash Resources
(Auto Populate)

ex: 23

This will auto populate from question 10.

Note: Total Number of Operating Months

If a CE operated an Seamless Summer Options (SSO) or Summer Feeding Summer Program (SFSP) and the funds were transferred into the 240 account, the CE should account for those operational months as well as NSLP operating months.



Operating months

This is the total months of operation for the CE. It may include summer months.

23. Total Expenditures (Auto Populate)

ex: 23

This will auto-populate. See Total Expenditure for Reporting Period.

24. Three Month Average Expenses (Auto-Populate)

ex: 23

This will auto-populate from Q. 23/ Q. 22 x 3

25. Excess Net Cash Resource (Auto-Populate)

ex: 23

This will auto-populate.

26. Description of allowable expenditure (s) proposed to decrease excess net cash

resources. Note: Any capital expenditures require TDA approval. CEs will submit a separate request in TX-UNPS.

Type here...

Detail the spending plan with description of those expenditure and estimated costs. CEs may elect to upload any supporting documentation below.

CEs may elect to upload documentation related to their net cash resource spending plan. CEs who have an approved plan may upload here.

Browse Files

Drag and drop files here

CE's may upload a file detailing the items the CE will purchase and amounts and/or the other allowable expenditures. 10.6MB limit.

Completion date of excess net cash resource plan

MM-DD-YYYY

Completion date should not be more than a year. If more than a year is needed, CEs must explain in the next comment box.



CEs must complete their net cash resource plan within one year. If a CE requires more than one school year, provide a detail explanation for consideration to extend completion time frame.

Type here...

Provide a short narrative of how the expenses benefit the School Nutrition Program and are compliant with financial regulations.

Type here...

Provide a short narrative of how the CE will keep this

from reoccurring in the future.

Type here...

TDA Approval of Net Cash Resource Plans

Upon review of the CEs plan, CEs will receive approval via email. Inquires regarding the status of their Net Cash Resource plans can be sent to school.operations@texasagriculture.gov.

Part 5 - Attestation Statement

27. Check each of the

I am an Authorized Representative (AR) of the



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"FND-135, USER ACCESS MANAGER FORM" that has been approved by TDA prior to this submission of this financial report.

- I certify that all information provided is accurate and true.
- I certify that the CE has retained documentation related to the information submitted in this form.

28. Name of Person Attesting to the Information on This Form *

First Name

Last Name

29. Title of Authorized Representative *

30. CE Phone Number *

Please enter a valid phone number.

31. Name of Business Manager or Chief Financial Officer *

First Name

Last Name

32. Email Address for Confirmation *

example@example.com

33. Alternative Email Address

example@example.com

