



Coral Community Charter School Food Authority Administrative Policies

Coral Community Charter School is committed to providing a student nutrition program that complies with all state and federal laws and regulations.

1. Revenues and Expenditures

- a. Coral Community Charter School will track all revenues and expenditures for the nonprofit school food service separately from all other transactions for fund 21000 in accounting software.
- b. Coral Community Charter School's 21000 fund net cash resources will not exceed three months' average expenditures.
- c. Coral Community Charter School will not transfer funds other than approved indirect costs out of the food service account. These funds will not be used to support general school district expenses or non-food service-related activities. Indirect costs will be referenced with the USDA resource:
<https://www.fns.usda.gov/cn/indirect-cost-guidance>
- d. The School will ensure that only allowable costs are charged to the nonprofit school food service account of 21000.

2. Equipment Purchases

- a. Coral Community Charter School will follow the guidelines for the purchase of equipment with food service funds. Coral Community Charter School will receive prior approval from the State agency either directly or via the State's pre-approved equipment list. Equipment purchased of \$5,000 or more will be considered a fixed assets for financial statement purposes.
- b. Coral Community Charter School will follow the following guidelines provided by the New Mexico Public Education Department. Equipment acquisitions and other capital expenditures of \$5,000 or more per item, require School Food Authorities (SFAs) to obtain prior written approval from the state agency before incurring any associated cost. USDA memo SP-39-2016 allows states, having received USDA Regional Office approval, the flexibility to develop an approved list and criteria for capital assets typically purchased by SFAs. Any equipment provided on this list has automatic state agency pre-approval for purchases that support the operations and improvements of School Nutrition Programs only. SFAs may purchase those equipment items without prior written approval as the SFA follows all applicable Federal, State, and/or local procurement procedures. If an SFA chooses to select equipment not included on this approved list, the SFA must submit a request for approval to the state agency prior to purchasing the item as required by 2 CFR 200.439. The SFA must submit a formal email listing the item/items, price of the item/items, and use of the item and how it will support the operation or maintenance of the nonprofit school food service to the PED fiscal

staff and receive approval prior to purchasing the equipment. During local administrative reviews required by 7 CFR Part 210.18 and procurement audits as required by 2 CFR 200.501, the state agency will ensure appropriate equipment purchases were made based on either the approved equipment list or the State agency prior approval process. If any equipment purchases are identified as unallowable, the agency would disallow these purchases and implement their debt collection procedures. Note: SFAs cannot arbitrarily divide purchases to fall below the simplified acquisition threshold to avoid formal procurement methods.

3. Free and Reduced

- a. The Food Service staff will collect free and reduced applications (if applicable), submit monthly claims to the New Mexico Public Education Department, invoice families for meals (if applicable), and ensure food vendor invoices are properly billed and paid timely by the School.
- b. Coral Community Charter School Food Service staff will attend annual trainings to understand allowable costs, financial management standard operating procedures, assignment of financial responsibilities to different individuals, and reviewing policies for ensuring that bad/delinquent debt is not paid for with food service funds.

Approved by the Coral Community Charter School Governing Council on March 12, 2024.