

Duluth Public Schools #709 - COW Budget 05.30.23
Preliminary Proposed Budget Summary - Fiscal Year 2024 (FY24)

Overview/Definitions:

General Fund includes General (01), Transportation (03), and Operating Capital (05).
Within the General and Operating Capital funds, certain revenues will have reserve requirements.

Additional funds include Food Service Fund (02), Community Service Fund (04), Construction Fund (06), Debt Service Fund (07), Trust Fund (08), Internal Service Fund (20).

The process for General Fund Revenue budgeting will include projecting and analyzing current Federal, State, and Local revenues along with forecasting legislative or local district changes to revenues.

Review of Budget provisions made for FY24:

- **Strive for Fiscal Stability & Sustainability for future years**
Continue to strive for fund balance growth to meet District Policy of 8% of Gen. Fund Exp.
Utilization of ESSER and land sale funds to help stabilize FY24 budget
- **Local Levy**
Dropping \$2,921,000 due to LTFM adjustments
- **State Aid Increase**
Due to a 44% increase of \$3,780,503 in Special Education Cross Subsidy Aid and a Basic Formula Allowance increase of \$2,787,705
- **Assigned Fund Balance Transfer**
Used to offset a \$2,000,000 technology budget increase
- **\$500,000 for Programming**
Elementary school programming expenses
- **Decrease in Title Funding**
A decrease of \$174,000 which is a decline of 5.6%
- **Library Aid Increase**
\$140,774
- **Am. Indian Education Aid Increase**
\$104,632
- **Student Support Personnel Aid**
\$104,336
- **English Learner Revenue Increase**
\$19,669

Basic FY24 Formula Allowance is \$7,138 per pupil. This includes a 4% increase based on 2023 Legislation.

Pupil Counts are budgeted at 7,989, a slight increase in FY24 compared to the FY23 budgeted enrollment of 7,985 Adjusted Average Daily Membership (ADM). The projected ADM is 8,034.

Food and Nutrition: Breakfast and lunch are free for all students starting in FY24 - the Application for Educational Benefits (Free and Reduced Meal Form) is still required by MDE to be filled out by families. Details regarding reimbursements to districts are forthcoming. Please see the FAQ attached.

Other local revenues are estimated by prior year funding amounts.

Notes:

- Local revenue includes property tax levy, miscellaneous tax revenues, county apportionment, tuition, fees, admissions, medical assistance, interest earnings, rent, gifts & bequests, insurance recovery, sale of materials and equipment, and other miscellaneous revenues.
- State revenue includes payments by the MN Dept. of Education, and other state agencies.
- Federal revenue includes aids awarded through state agencies or directly from federal sources.

Restricted Revenues require a reserved fund balance if funding is not all spent in the allocated fiscal year. Most restricted revenues are intended to be spent in full in the allocated fiscal year.

Restricted/Reserved Revenues come from state and local sources (aid and levy).

Undesignated Revenues come from federal, state, and local sources, the largest of which is the basic formula allowance (General Education Aid). Undesignated Revenues may have individual calculations, but do not have a required reserve fund balance.

Federal Sources are often reimbursements and have allowable carryover provisions to subsequent fiscal years. Use of federal funds has limitations.



Revenue Budget Summary - General Fund FY24

Undesignated	\$67,291,893.00
Federal Programs	\$4,552,425.00
Special Education	\$16,378,149.00
Transportation	\$3,657,926.00
Telecom Access	\$140,000.00
American Indian	\$419,632.00
Medical Assistance	\$1,600,000.00
	\$94,040,025.00
Restricted/Reserved:	
Staff Development	\$1,191,960.00
Operating Capital	\$1,927,350.00
Basic Skills & Comp Ed.	\$7,754,292.00
Gifted & Talented	\$114,039.00
Learning & Dev.	\$1,735,957.00
Alt. Learning Ctr.	\$1,979,700.00
LTFM	\$815,197.00
Achiev. & Integrat.	\$1,790,574.00
Safe Schools	\$305,515.00
Total Restricted:	\$17,614,584.00
Total General Fund:	\$111,654,609.00
Revenue Notes:	
ESSER Funds	\$10,000,000.00
Land Sale	\$7,800,000.00
Cross Subsidy Increase	\$3,780,503.00
Basic Fund Allowance Increase	\$2,787,705.00
	\$24,368,208.00
Total	\$136,022,817.00

2023 Legislature - K12 Education Finance Budget Bill

What to Expect for ISD 709 in FY24

Adjusted ADM	7,989
APU	8,738
Formula Allowance Increase	\$2,787,705.00
Access to Menstrual Products	\$17,477.00
English Learner Revenue	\$19,669.00
Am. Ind Edu. Aid	\$104,632.00
Student Support Personnel Aid	\$104,336.00
Library Aid	\$140,774.00
Special Education Cross Subsidy	\$3,780,503.00
Total	\$6,955,096.00
Total Per AADM	\$871.00



PROPOSED FISCAL YEAR 2024 BUDGET

REVENUES	Proposed FY 2024 Budget
01 General Fund	136,022,817
02 Food Service	4,039,200
04 Community Service	8,495,544
06 Construction	
07 Debt Service	23,647,223
08 Trust	276,100
20 Internal Service	950,000
Subtotal - Revenues	173,430,884

EXPENDITURES	Proposed FY 2024 Budget
01 General Fund	134,858,493
02 Food Service	4,012,876
04 Community Service	8,308,684
06 Construction	
07 Debt Service	23,640,000
08 Trust	253,750
20 Internal Service	915,000
Subtotal - Expenditures	171,988,803

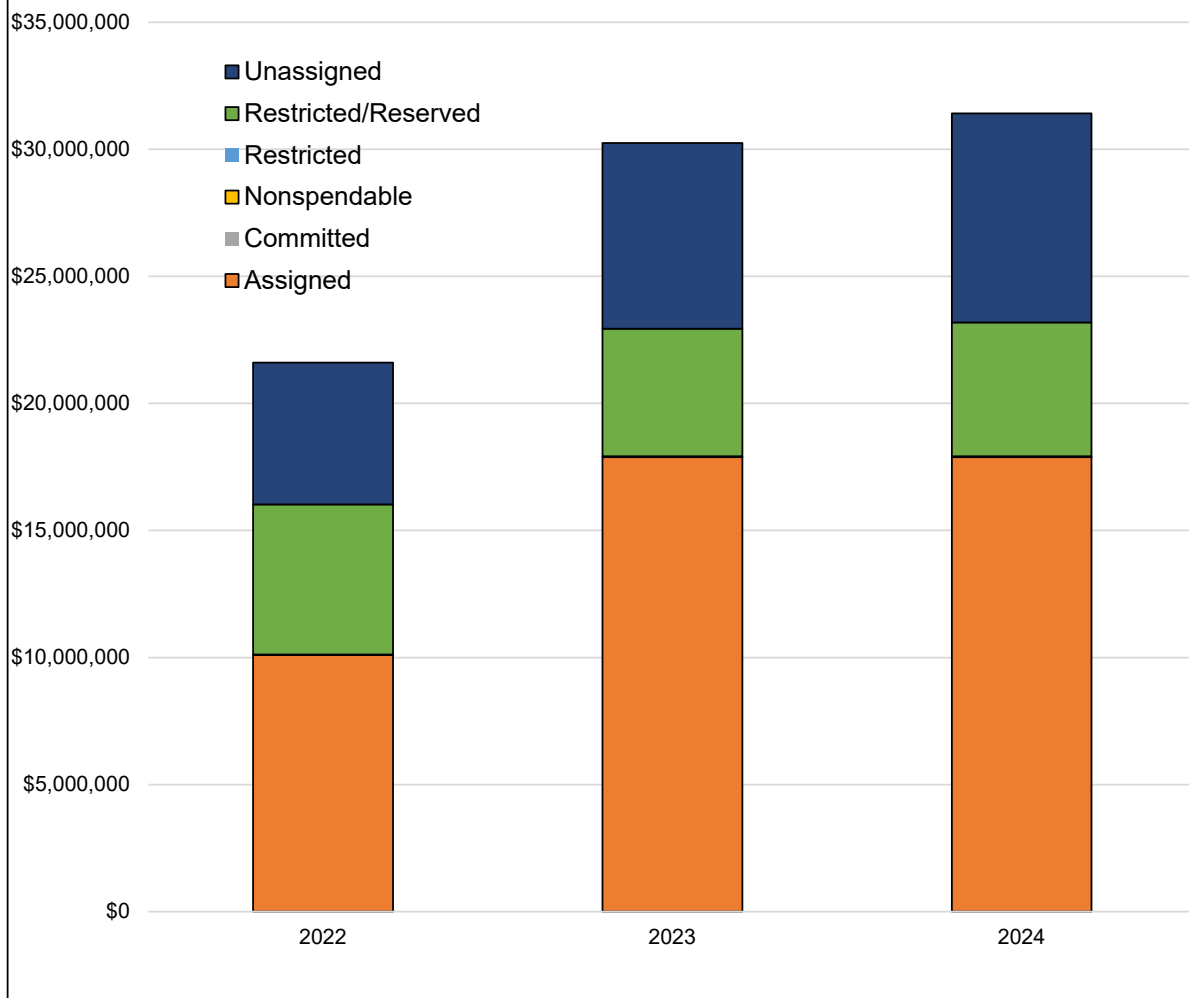


General Fund | Fund Balance Analysis

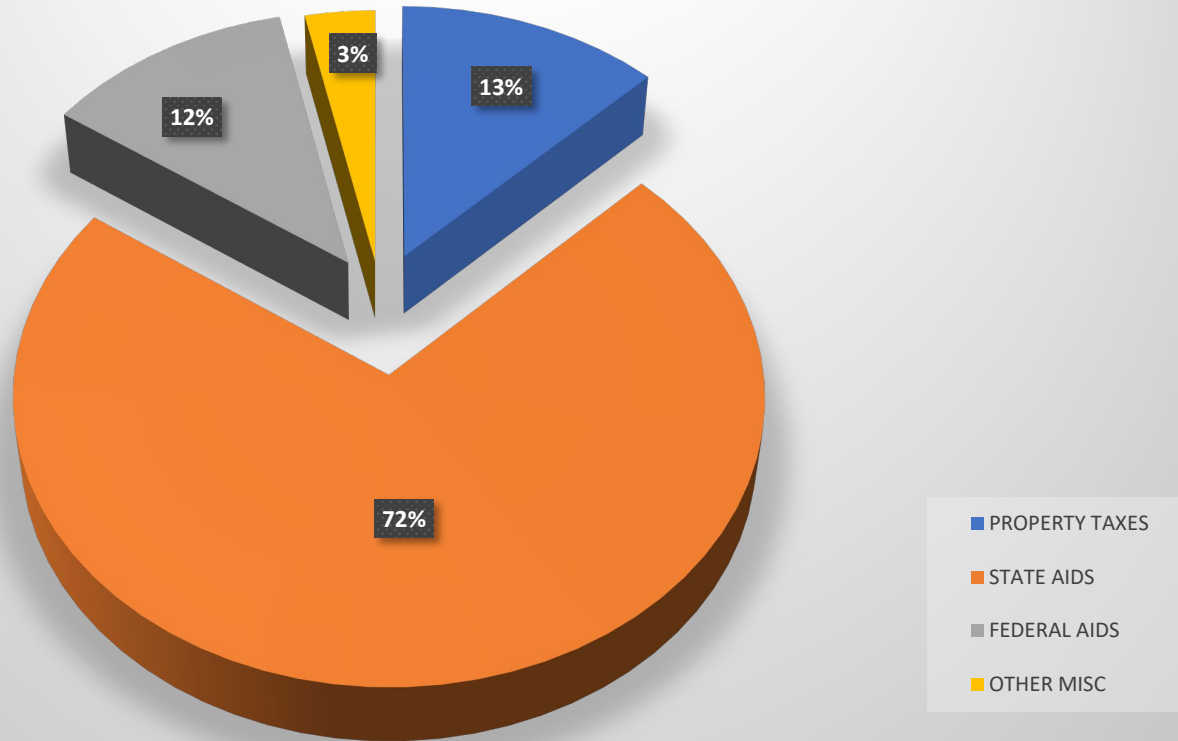
Fund Balance History and Projection

		Budget	Proposed Budget
	2022	2023	2024
Assigned	\$10,090,319	\$17,890,319	\$17,890,319
Committed	0	0	0
Nonspendable	24,293	24,293	24,293
Restricted	0	0	0
Restricted/Reserved	5,908,646	5,029,490	5,268,684
Unassigned	5,589,289	7,305,368	8,230,497
Total Fund Balance	\$21,612,547	\$30,249,470	\$31,413,792

General Fund - Fund Balance Analysis



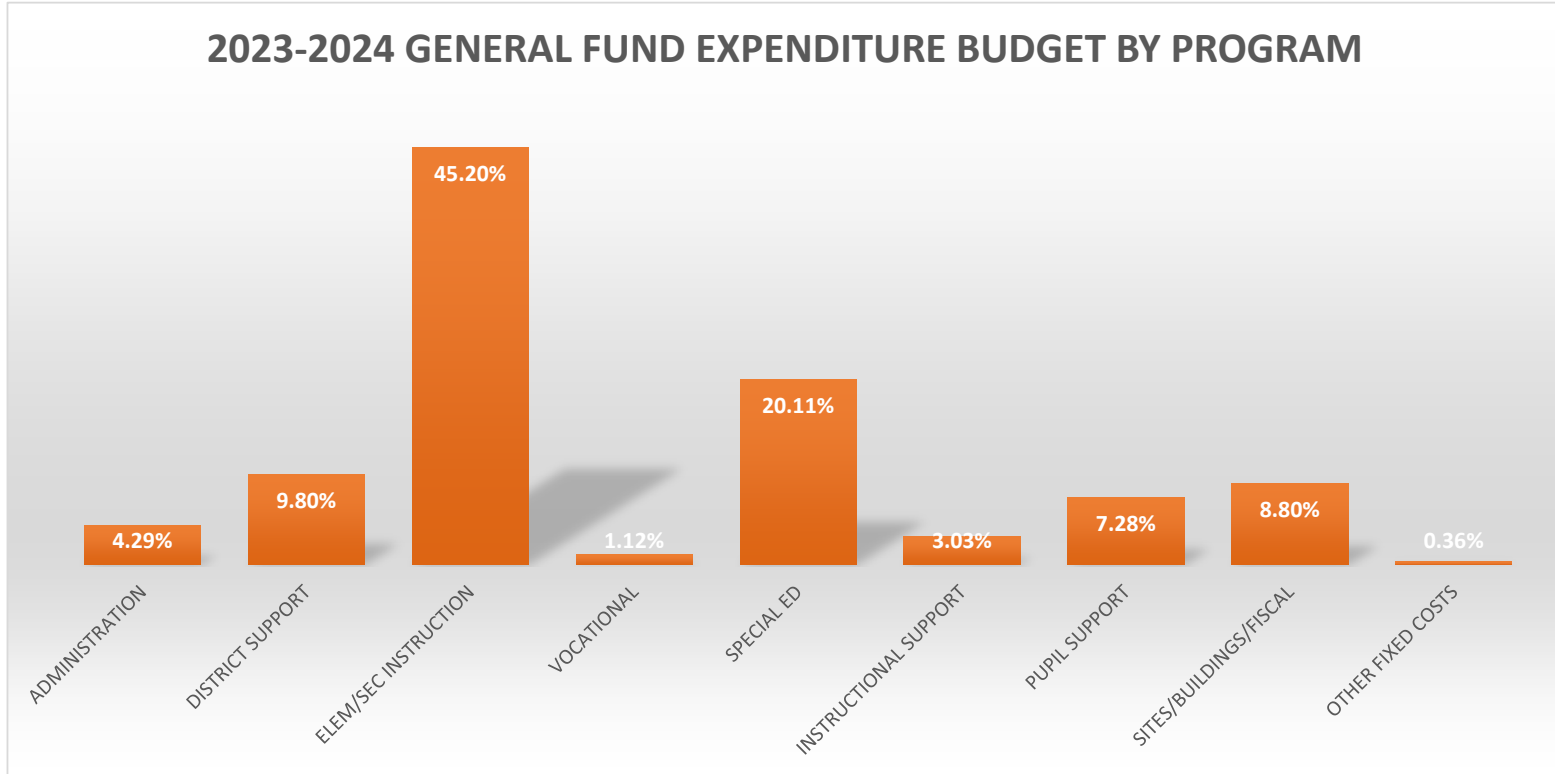
2023-2024 GENERAL FUND REVENUE BUDGET



2023-24 Preliminary Budget General Fund Budgeted Revenues and Percentage by Source

REVENUE SOURCES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
PROPERTY TAXES	18,110,967	14.15%	20,078,806	14.41%	17,157,611	12.61%
STATE AIDS	86,474,390	67.58%	90,240,736	64.74%	98,042,595	72.08%
FEDERAL AIDS	16,719,924	13.07%	16,482,905	11.83%	16,252,905	11.95%
OTHER MISC	6,655,846	5.20%	12,577,304	9.02%	4,569,706	3.36%
TOTAL REVENUE SOURCES	127,961,127	100.00%	139,379,751	100.00%	136,022,817	100.00%

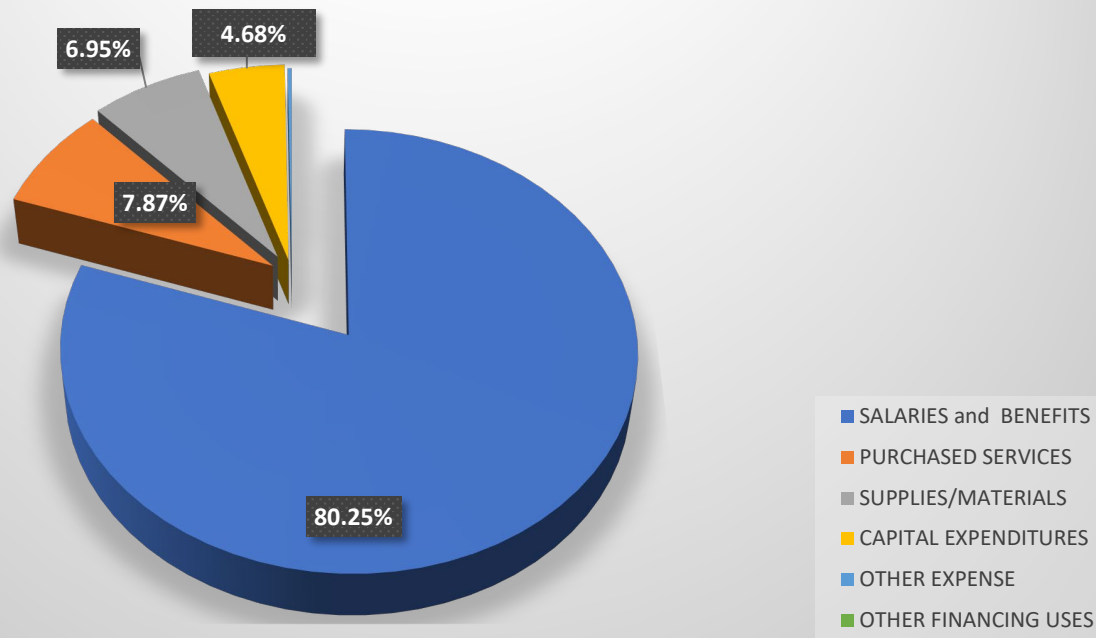
2023-2024 GENERAL FUND EXPENDITURE BUDGET BY PROGRAM



2023-24 Preliminary Budget General Fund Budgeted Expenditures and Percentage by Program

PROGRAM EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
ADMINISTRATION	5,521,419	4.39%	5,592,039	4.28%	5,789,811	4.29%
DISTRICT SUPPORT	10,163,107	8.08%	10,711,608	8.19%	13,210,738	9.80%
ELEM/SEC INSTRUCTION	53,888,916	42.84%	59,265,812	45.33%	60,957,979	45.20%
VOCATIONAL	1,308,838	1.04%	1,433,464	1.10%	1,504,148	1.12%
SPECIAL ED	27,126,152	21.56%	26,016,772	19.90%	27,123,119	20.11%
INSTRUCTIONAL SUPPORT	5,423,456	4.31%	3,955,221	3.03%	4,091,769	3.03%
PUPIL SUPPORT	10,326,963	8.21%	9,571,906	7.32%	9,821,861	7.28%
SITES/BUILDINGS/FISCAL	11,460,309	9.11%	13,716,006	10.49%	11,869,468	8.80%
OTHER FIXED COSTS	573,711	0.46%	480,000	0.37%	489,600	0.36%
TOTAL PROGRAM EXPENSES	125,792,870	100.00%	130,742,828	100.00%	134,858,493	100.00%

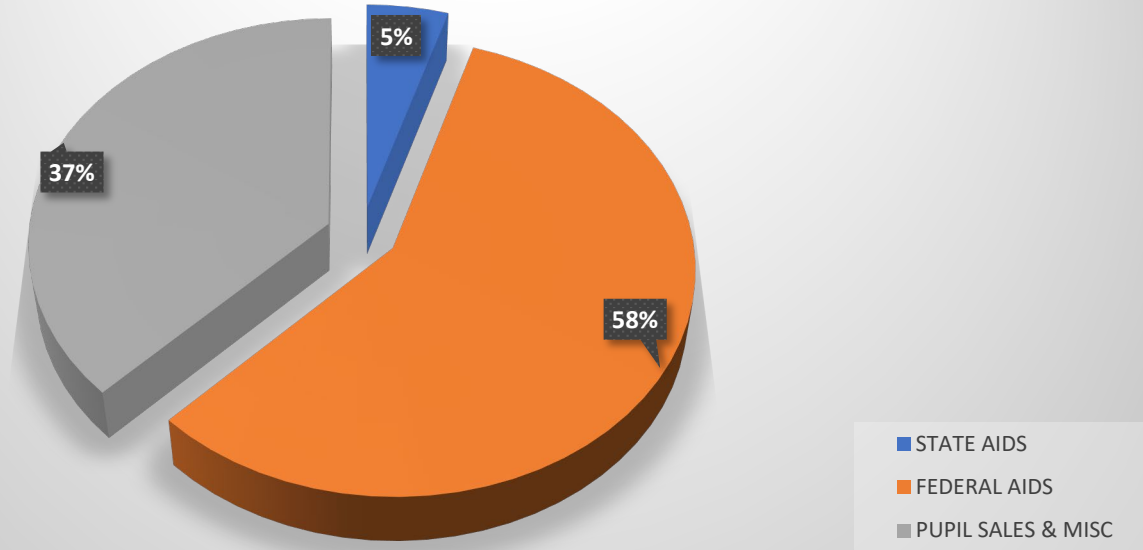
2023-2024 GENERAL FUND EXPENDITURE BUDGET BY OBJECT



2023-24 Preliminary Budget General Fund Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
SALARIES	71,369,579	56.74%	72,961,088	55.81%	73,879,599	54.78%
EMPLOYEE BENEFITS	30,921,253	24.58%	32,677,935	24.99%	34,340,817	25.46%
PURCHASED SERVICES	12,500,568	9.94%	10,948,344	8.37%	10,618,236	7.87%
SUPPLIES/MATERIALS	5,463,999	4.34%	9,001,007	6.88%	9,376,433	6.95%
CAPITAL EXPENDITURES	5,695,464	4.53%	4,812,698	3.68%	6,305,830	4.68%
DEBT SERVICE	-	0.00%	-	0.00%	-	0.00%
OTHER EXPENDITURES	(157,993)	-0.13%	341,757	0.26%	337,578	0.25%
TOTAL OBJECT EXPENSES	125,792,871	100.00%	130,742,828	100.00%	134,858,493	100.00%

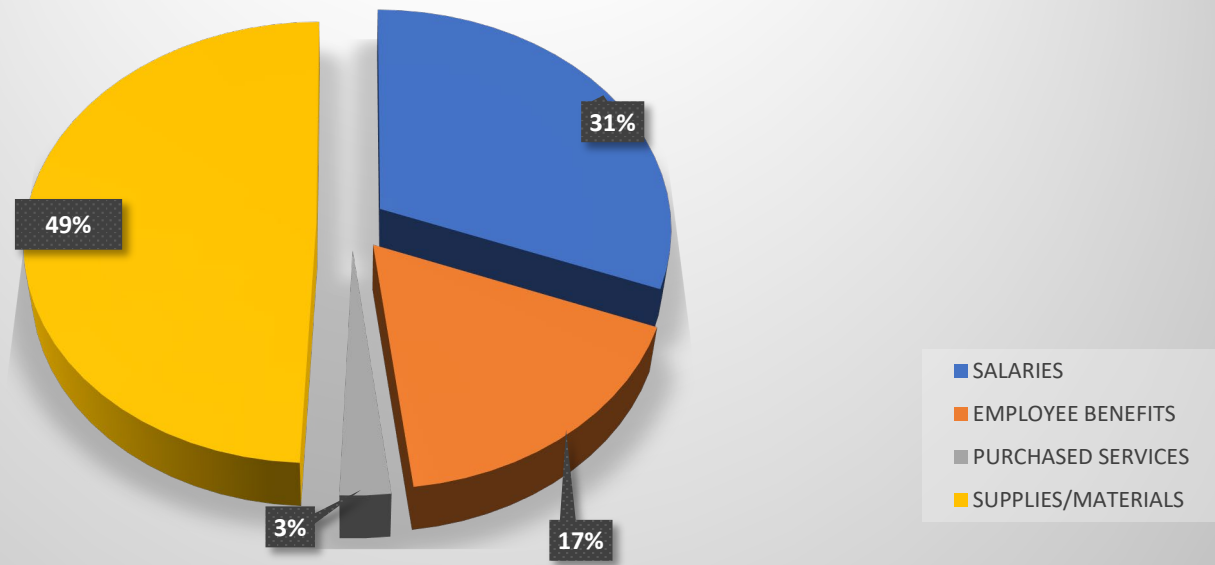
2023-2024 FOOD SERVICE REVENUE BUDGET



2023-24 Preliminary Budget Food Service Fund Budgeted Revenues and Percentage by Source

REVENUE SOURCES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
STATE AIDS	148,227	2.87%	191,800	4.81%	191,800	4.75%
FEDERAL AIDS	4,901,902	94.91%	2,295,800	57.61%	2,350,000	58.18%
PUPIL SALES & MISC	114,530	2.22%	1,497,400	37.58%	1,497,400	37.07%
TOTAL REVENUE SOURCES	5,164,659	100.00%	3,985,000	100.00%	4,039,200	100.00%

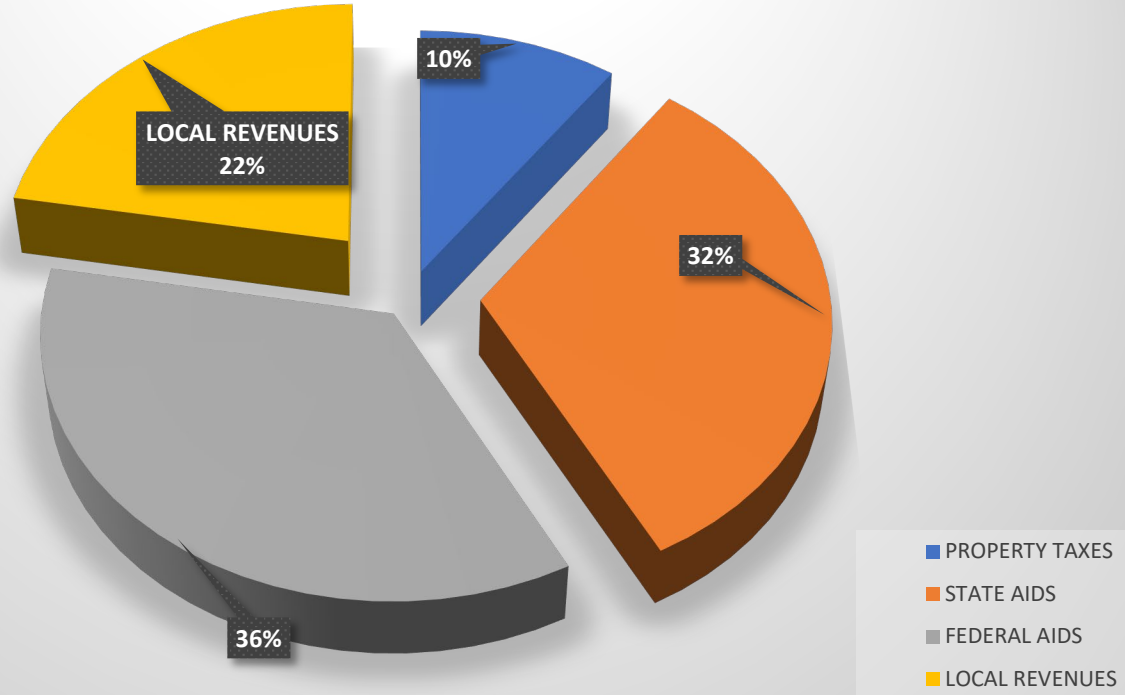
2023-2024 FOOD SERVICE EXPENDITURE BUDGET BY OBJECT CODE



2023-24 Preliminary Budget Food Service Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
SALARIES	1,247,200	30.04%	1,334,143	30.13%	1,360,826	33.91%
EMPLOYEE BENEFITS	660,547	15.91%	764,766	17.27%	700,000	17.44%
PURCHASED SERVICES	30,887	0.74%	113,450	2.56%	113,450	2.83%
SUPPLIES/MATERIALS	2,196,571	52.91%	2,176,388	49.16%	1,800,000	44.86%
CAPITAL EXPENDITURES	3,695	0.09%	25,000	0.56%	25,000	0.62%
OTHER EXPENSE	12,291	0.30%	13,600	0.31%	13,600	0.34%
TOTAL OBJECT EXPENSES	4,151,190	100.00%	4,427,347	100.00%	4,012,876	100.00%

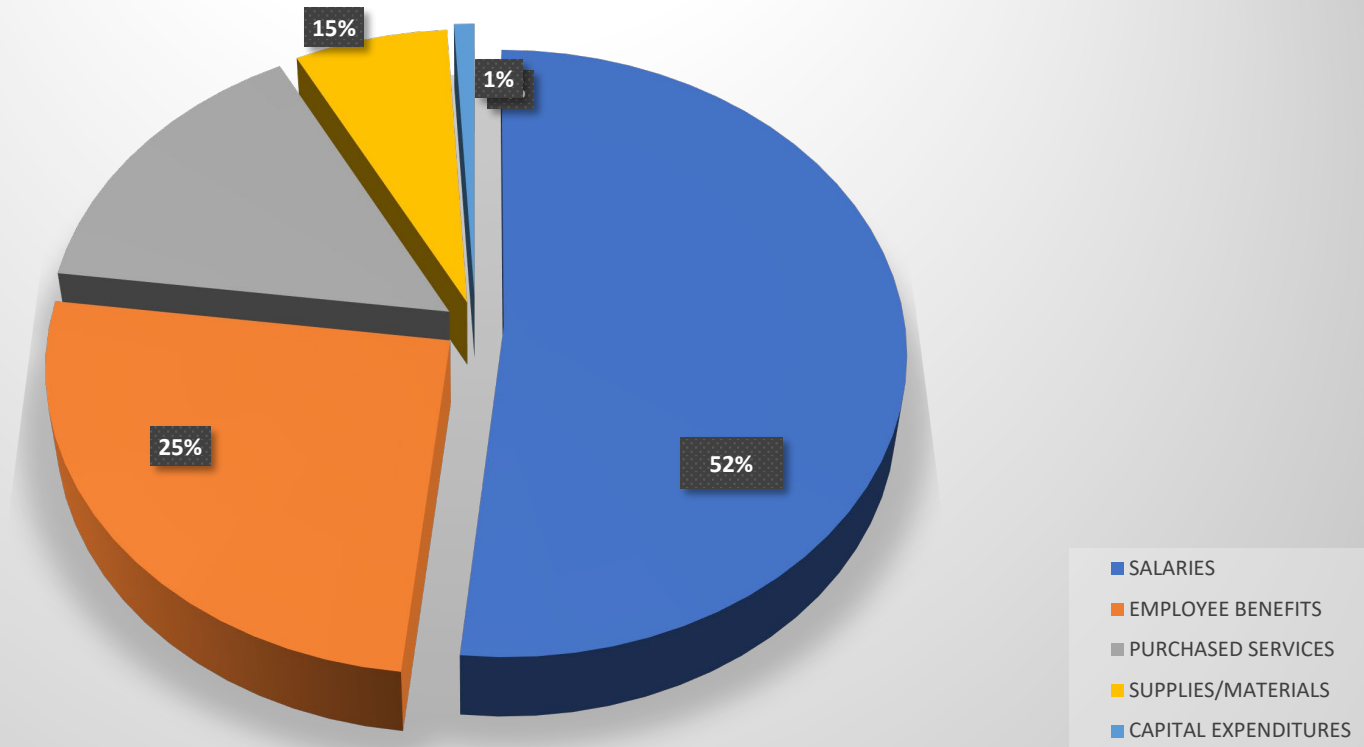
2023-2024 COMMUNITY SERVICE REVENUE BUDGET



2023-24 Preliminary Budget Community Service Fund Budgeted Revenues & Percentage by Source

REVENUE SOURCES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
PROPERTY TAXES	1,083,371	12.61%	938,472	11.18%	843,544	9.93%
STATE AIDS	2,728,565	31.77%	2,660,152	31.69%	2,750,000	32.37%
FEDERAL AIDS	2,892,386	33.68%	2,968,876	35.37%	3,012,000	35.45%
LOCAL REVENUES	1,884,196	21.94%	1,826,840	21.76%	1,890,000	22.25%
TOTAL REVENUE SOURCES	8,588,518	100.00%	8,394,340	100.00%	8,495,544	100.00%

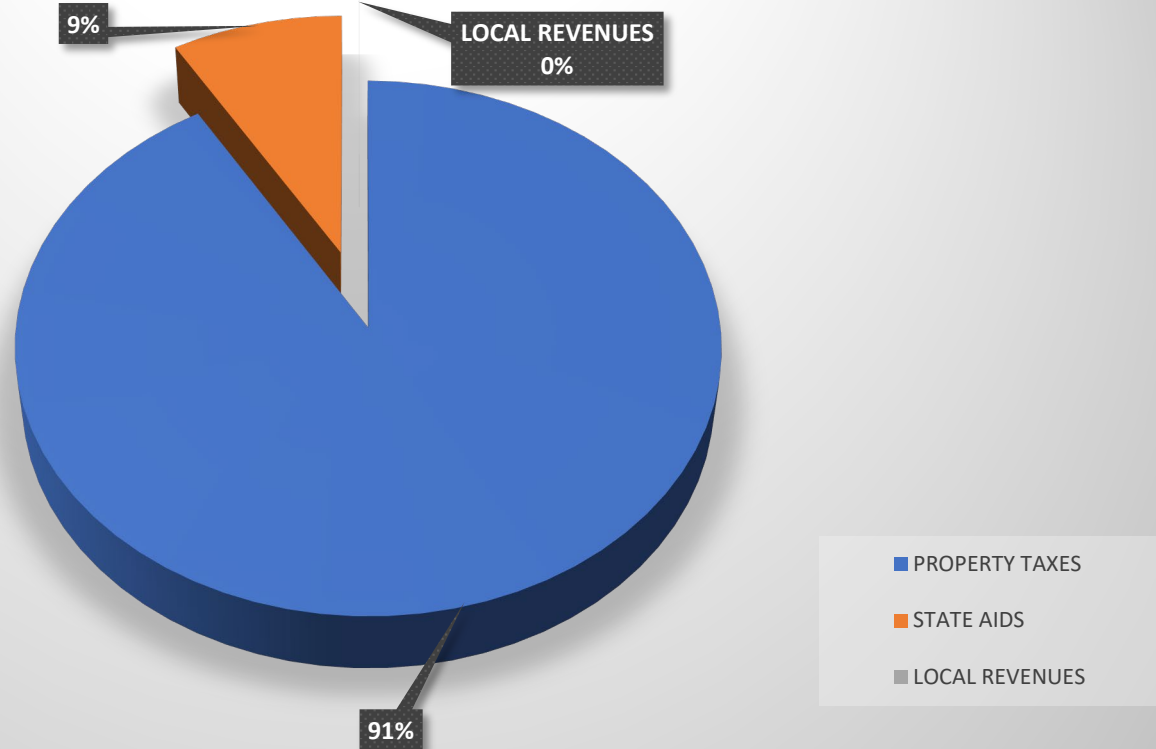
2023-2024 COMMUNITY SERVICE EXPENDITURE BUDGET BY OBJECT CODE



2023-24 Preliminary Budget Community Service Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
SALARIES	3,763,255	45.96%	4,505,160	50.41%	3,915,290	47.12%
EMPLOYEE BENEFITS	1,791,117	21.88%	2,195,718	24.57%	1,862,762	22.42%
PURCHASED SERVICES	1,805,267	22.05%	1,373,595	15.37%	1,825,000	21.96%
SUPPLIES/MATERIALS	408,118	4.98%	607,415	6.80%	450,000	5.42%
CAPITAL EXPENDITURES	176,692	2.16%	81,020	0.91%	81,020	0.98%
OTHER EXPENSE	243,128	2.97%	174,612	1.95%	174,612	2.10%
TOTAL OBJECT EXPENSES	8,187,576	100.00%	8,937,521	100.00%	8,308,684	100.00%

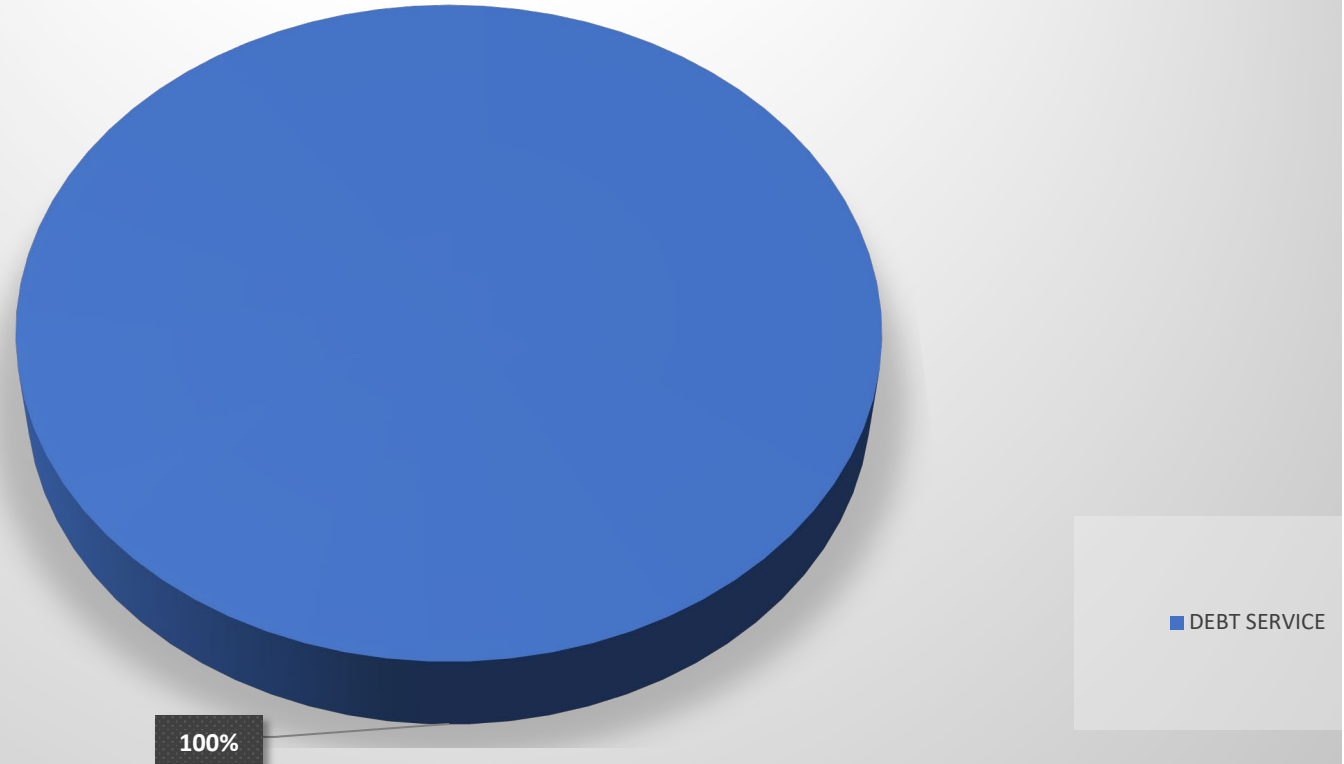
2023-2024 DEBT SERVICE REVENUE BUDGET



2023-24 Preliminary Budget Debt Service Fund Budgeted Revenues & Percentage by Source

REVENUE SOURCES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
PROPERTY TAXES	22,759,558	90.79%	20,851,327	90.74%	21,616,223	91.41%
STATE AIDS	2,309,775	9.21%	2,127,064	9.26%	2,030,000	8.58%
FEDERAL AIDS	-	0.00%	-	0.00%	-	0.00%
LOCAL REVENUES	-	0.00%	1,000	0.00%	1,000	0.00%
TOTAL REVENUE SOURCES	25,069,333	100.00%	22,979,391	100.00%	23,647,223	100.00%

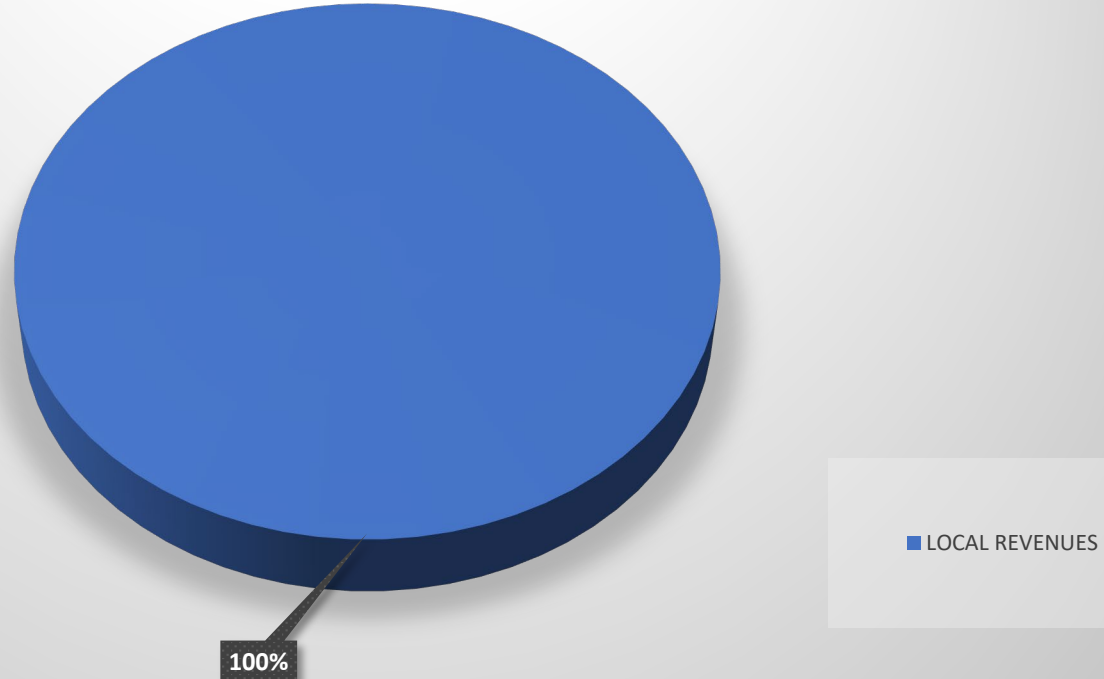
2023-2024 DEBT SERVICE EXPENDITURE BUDGET BY OBJECT CODE



2023-24 Preliminary Budget Debt Service Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
DEBT SERVICE	25,062,403	100.00%	24,691,485	100.00%	23,640,000	100.00%
TOTAL OBJECT EXPENSES	25,062,403	100.00%	24,691,485	100.00%	23,640,000	100.00%

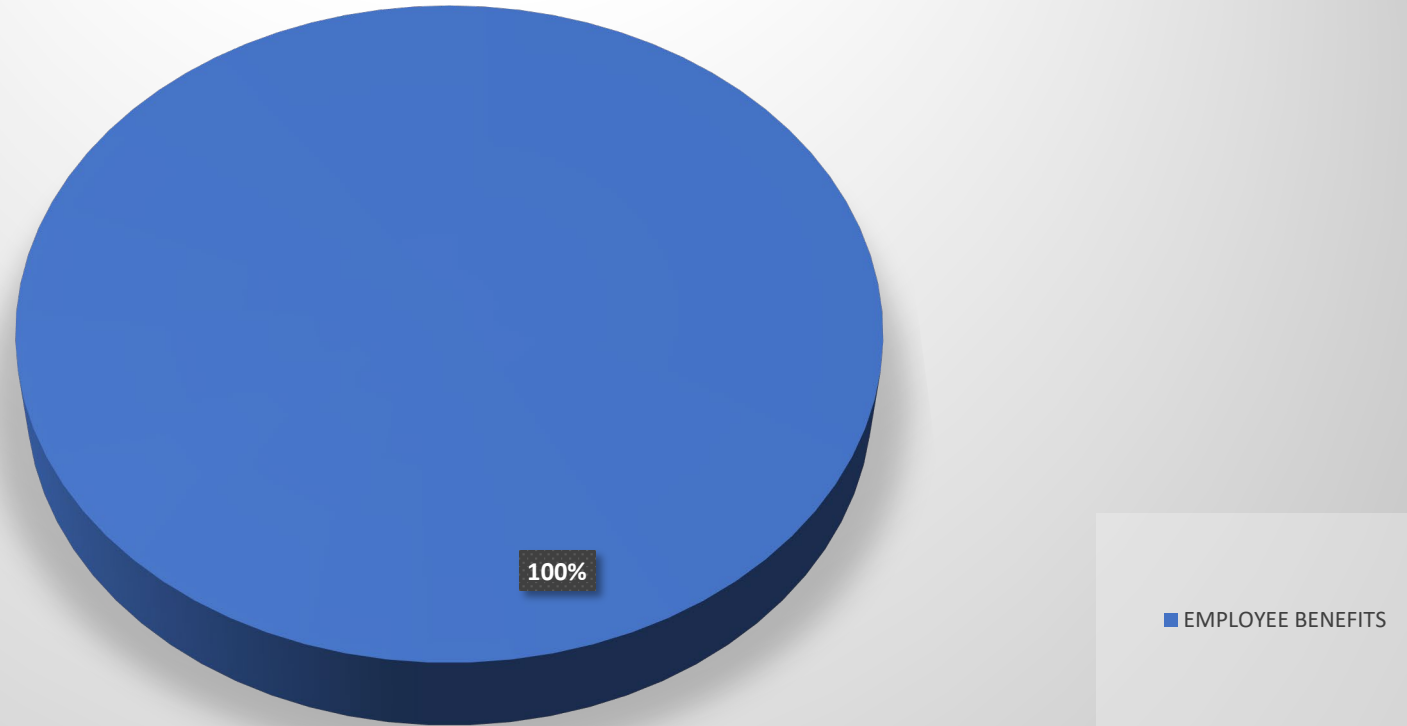
2023-2024 TRUST FUND REVENUE BUDGET



2023-24 Preliminary Budget Trust Fund Budgeted Revenues & Percentage by Source

REVENUE SOURCES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
LOCAL REVENUES	236,094	100.00%	258,575	100.00%	276,100	100.00%
TOTAL REVENUE SOURCES	236,094	100.00%	258,575	100.00%	276,100	100.00%

2023-2024 TRUST SERVICE EXPENDITURE BUDGET BY OBJECT CODE



2023-24 Preliminary Trust Fund Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
EMPLOYEE BENEFITS	250,000	100.00%	250,000	100.00%	253,750	100.00%
TOTAL OBJECT EXPENSES	250,000	100.00%	250,000	100.00%	253,750	100.00%

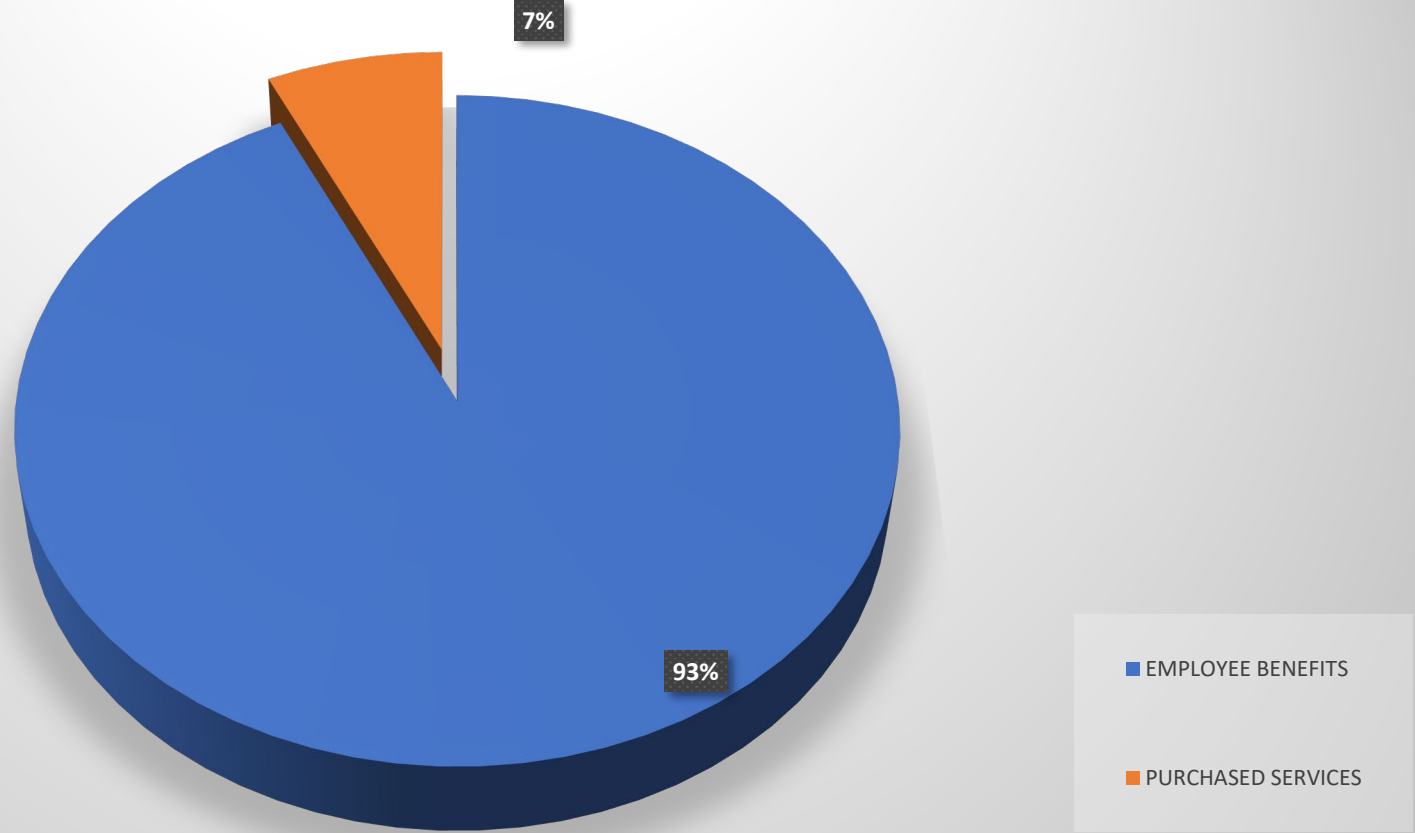
2023-2024 INTERNAL SERVICE REVENUE BUDGET



2023-24 Preliminary Internal Service Fund Budgeted Revenues & Percentage by Source

REVENUE SOURCES	21-22 ACTUAL	%	22-23 REV BUDGET	%	23-24 PRE BUDGET	%
LOCAL REVENUES	850,475	100.00%	917,000	100.00%	950,000	100.00%
TOTAL REVENUE SOURCES	850,475	100.00%	917,000	100.00%	950,000	100.00%

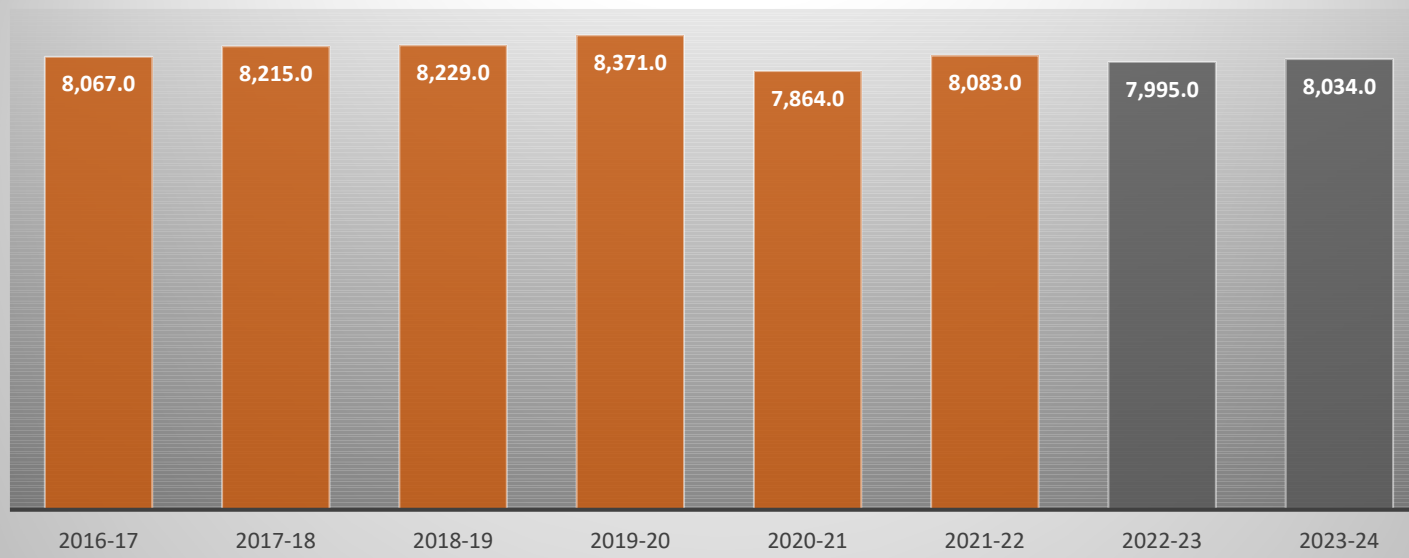
2023-2024 INTERNAL SERVICE EXPENDITURE BUDGET BY OBJECT CODE



2023-24 Preliminary Budget Internal Service Budgeted Expenditures and Percentage by Object

OBJECT EXPENSES	21-22		22-23 REV		23-24 PRE	
	ACTUAL	%	BUDGET	%	BUDGET	%
EMPLOYEE BENEFITS	709,529	93.13%	865,000	93.61%	850,000	92.90%
PURCHASED SERVICES	52,338	6.87%	59,000	6.39%	65,000	7.10%
TOTAL OBJECT EXPENSES	761,867	100.00%	924,000	100.00%	915,000	100.00%

Pre K-12 Adjusted Average Daily Membership (ADM)



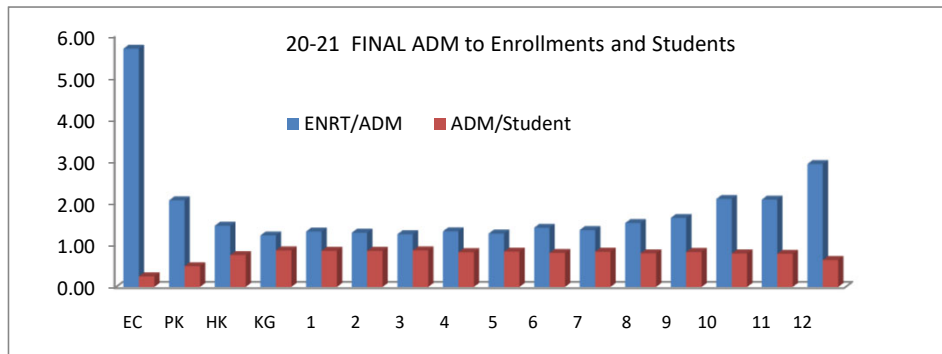
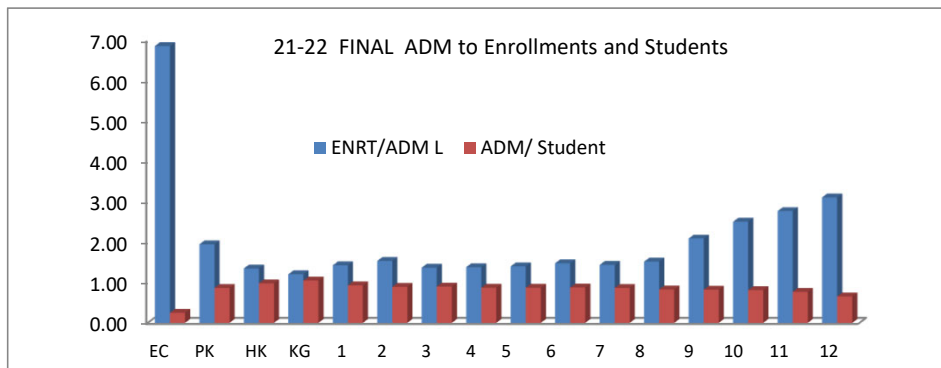
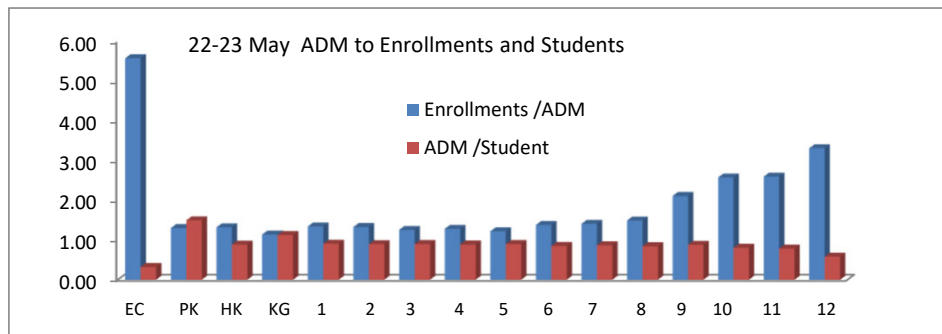
	Actuals						Estimated	
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
EC	95.09	100.31	106.79	114.46	95.45	114.57	102	101
Vol Pre-K	28.85	38.4	35.96	45.12	41.58	40.57	43	40
K-6	4247.97	4315.02	4301.12	4341.61	3951.01	4089.14	4103	4203
7-12	3694.91	3761.64	3785.29	3869.82	3776.06	3838.83	3747	3690
Total ADM	8066.82	8215.37	8229.16	8371.01	7864.1	8083.11	7995	8034
Percent Change	-	1.84%	0.17%	1.72%	-6.06%	2.78%	-1.09%	0.49%

**Duluth Public Schools: Enrollments, Students and Projected Average Daily Membership (ADM)
May 2023**

Grade	Total Number of Enrollments	Unique Student Count	Current Enrollments	Projected ADM	Budgeted ADM	Enrollments /ADM	ADM /Student
EC	794	444	376	142.41	102.00	5.58	0.32
PK	68	35	82	52.31	42.65	1.30	1.49
HK	166	142	133	125.84	90.00	1.32	0.89
KG	570	445	490	500.93	522.00	1.14	1.13
1	775	638	588	577.49	605.00	1.34	0.91
2	799	673	612.66	601.71	602.00	1.33	0.89
3	732	649	594	583.39	586.00	1.25	0.90
4	757	665	600.66	590.43	585.00	1.28	0.89
5	731	667	609.83	599.45	604.00	1.22	0.90
6	682	582	502.78	494.22	509.00	1.38	0.85
7	820	670	595.33	582.72	559.00	1.41	0.87
8	861	685	590.22	577.72	585.00	1.49	0.84
9	1528	824	722.17	724.47	648.00	2.11	0.88
10	1697	818	656.93	659.02	650.00	2.58	0.81
11	1805	889	693.67	695.87	680.00	2.59	0.78
12	1844	959	555.54	557.31	625.00	3.31	0.58
PS	662	661					
Total:	14629	9785	8402.79	8065.30	7994.65	1.81	0.82

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70.65



2022-2023	Total	Total	K	1	2	3	4	5	6	7	8	9	10	11	12	
School	Enroll	Gr 1-5														
Congdon Park 435	460.00	394.00	66.00	65.00	70.00	90.00	85.00	84.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Homecroft 475	405.00	331.00	74.00	73.00	71.00	70.00	65.00	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lakewood 500	252.00	212.00	40.00	40.00	47.00	40.00	39.00	46.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lester Park 510	578.00	468.00	110.00	83.00	86.00	87.00	92.00	120.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lowell 520	275.00	228.00	47.00	48.00	47.00	55.00	42.00	36.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lowell Sp Immersion 521	322.00	258.00	64.00	67.00	54.00	50.00	54.00	33.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
MacArthur 525	295.00	252.00	43.00	52.00	48.00	45.00	50.00	57.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Myers Wilkins 540	319.83	268.83	51.00	54.00	65.00	52.00	48.33	49.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Piedmont 550	411.00	330.00	81.00	63.00	70.00	58.00	71.00	68.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Stowe 565	235.00	194.00	41.00	35.00	44.00	37.00	34.00	44.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Lincoln Middle 225	590.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	174.90	203.40	212.00	0.00	0.00	0.00	0.00	
Ordean East Middle 335	1057.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	315.45	380.15	362.23	0.00	0.00	0.00	0.00	
AE Online 650	168.87	576 students							0.00	0.00	0.00	0.00	29.37	41.14	61.75	36.61
Denfeld 215	896.70	85 Open Enrolled, 53 FT Residents, 438 PT Residents							0.00	0.00	0.00	0.00	289.35	209.20	229.30	168.85
East 220	1391.05	average enrollment 0.29 or 2 classes							0.00	0.00	0.00	0.00	377.05	365.80	354.45	293.75
Merritt Creek Academy 81	80.88	42.00	5.00	5.00	5.00	7.00	9.00	16.00	3.10	4.45	7.00	8.00	5.33	4.00	2.00	
ALC 611	89.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.85	31.85	37.00	
Chester Creek Academy 575	47.33	18.00	1.00	2.00	4.00	2.00	7.00	3.00	7.00	5.00	4.00	5.00	5.33	2.00	0.00	
Rock Ridge Academy 580	25.38	7.00	0.00	1.00	1.00	1.00	4.00	0.00	1.00	2.00	3.00	3.75	4.63	2.00	2.00	
Arrowhead Academy 605	16.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	4.00	3.00	7.00	1.00	
Bethany Crisis Shelter 615	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Hospitals 630	14.92	2.32	0.00	0.00	0.66	0.00	0.33	1.33	1.33	0.33	0.99	5.65	1.65	1.32	1.33	
The Bridge 950	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.00	
Total:	7944.79	3005.15	623.00	588.00	612.66	594.00	600.66	609.83	502.78	595.33	590.22	722.17	656.93	693.67	555.54	

Free School Meals Program Frequently Asked Questions (FAQ)

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Questions and responses will continue to be added to this FAQ. Check back often for updates.

Updated: 5/23/2023

New in This FAQ

Can we offer incentives to families to fill out the Applications for Educational Benefits?

No. Incentives and gifts are not allowable costs to the Food Service Fund or the General Fund.

Is there any training scheduled for schools that want to start operating the National School Lunch Program and School Breakfast Program in the 23-24 school year?

Additional New School Nutrition Program Sponsor Application Process Training is being scheduled for May and June. For more information, email mde.fns@state.mn.us with the subject line: New School Nutrition Program Sponsor Training. Include your school name, address, and contact information in the email.

Our school has only operated the National School Lunch Program this school year, but we are going to add the School Breakfast Program next school year. If we have a vended meal contract, do we need to go out for bid again or can we just do an addendum to add the breakfast service to our contract?

If adding the breakfast service to a school's vended meals contract will increase the total value of the contract by 10% or more, the school is required to rebid the contract for SY 2023-24. Sponsors should refer to the [MDE Meal Service Contracts](#) webpage for resources and templates and send questions to MDE.FSMC@state.mn.us.

In the 23-24 school year, will we need to continue to send meal counts to School Readiness for the Voluntary Prekindergarten (VPK) Program meal reimbursement?

If a school is participating in the National School Lunch Program and the School Breakfast Program, meals served to students in VPK can be counted and claimed on the CLiCS reimbursement claim in the appropriate category of eligibility (free, reduced-price, or paid) at the school where they are served.

Schools that do not claim meals served to VPK students in CLiCS may continue to claim their meals through the current process with School Readiness.

In the 23-24 school year, will we still need to enter the breakfasts served to kindergarteners in the paid eligibility category in the "Kindergarten Paid Meals Served" column in the monthly claim in CLiCS?

No. There is no need to claim the breakfasts served to paid eligible kindergarten students in the "Kindergarten Paid Meals Served" column when participating in the MN Free School Meals Program.

All students must be correctly listed on meal eligibility rosters according to their actual federal school meal eligibility status: free, reduced price, or paid. In addition, meals served to students must be claimed in the student's correct federal eligibility category to receive correct federal and state reimbursements.

If there is a late start due to weather or professional development, can we skip serving breakfast?

Schools should plan to serve breakfast on all in-person academic school days – even if there is a late start.

Our school operates a before school child care program that includes a fee for breakfast in the tuition. Can we continue to charge this fee?

No. Programs that charge tuition or fees for service, such as private schools or school run child care centers, may not charge for the breakfasts or lunches claimed for reimbursement.

With meals being available at no cost, should schools continue to complete the Paid Lunch Equity tool to determine the cost of a meal?

No. The MN Free School Meals Program is considered non-pricing so there is no requirement for participating schools to evaluate the need to raise the student paid meal lunch price using the PLE tool. Sponsors should report their paid lunch price as zero.

If students go on a field trip as part of the academic school day, can the meals be claimed for reimbursement if they are not eaten at the school?

Yes, meals can be claimed for reimbursement if the field trip is part of the academic school day. Field trip meals must be counted at the point of service (e.g. at the field trip location if lunches are distributed there)

and must meet reimbursable meal pattern requirements. Field trip meals must be eaten in a congregate setting with other students attending the field trip.

Students attending a program at the same off-site location every day are not considered to be on a field trip.

Can meals served to students participating in Postsecondary Enrollment Options (PSEO) be claimed for reimbursement?

PSEO students enrolled in a high school participating in the School Breakfast Program and the National School Lunch Program can eat a breakfast and/or lunch at their high school. They can eat those meals on the campus outside of the regular meal times as long as the lunch is served between 10 a.m. – 2 p.m. and breakfast is served at or near the beginning of the school day.

For example, if a school starts serving lunch at 11:30 a.m., but the student leaves at 11:00 a.m. for their PSEO location, the student can be served a reimbursable meal to eat at the high school at 10:30 a.m. and the meal can be claimed.

Non-congregate meals cannot be claimed for reimbursement.

Can homeschooled students participate in the National School Lunch Program and School Breakfast Program?

No. Students must be enrolled in a school that is eligible for the National School Lunch Program. Homeschool programs are not eligible to participate in the National School Lunch Program.

General Questions

How is the Free School Meals Program different than the National School Lunch Program?

The Free School Meals Program is a state funded program that provides reimbursement for meals served to students who do not qualify for free or reduced-price meals so all students receive the meals at no cost. Schools participating in the Free School Meals Program must participate in the National School Lunch Program and the School Breakfast Program and adhere to the regulations of those programs.

Is the Minnesota Free School Meal Program a temporary program?

No. The funding for the Minnesota Free School Meals Program is permanent.

When does this program start?

The Free School Meals Program begins on July 1, 2023.

Can my school participate?

School districts, charter schools, nonpublic schools, or other participants approved for the National School Lunch Program and School Breakfast Program may participate in the Free School Meals Program.

Can an online school participate?

No. Students must be enrolled in a school that is eligible for the National School Lunch Program.

Do I need to operate the National School Lunch Program (NSLP) in order to receive free meals?

Yes, a school will need to operate both the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) in order to participate in the Free School Meals Program.

Do I need to operate the School Breakfast Program (SBP) in order to receive free meals?

Yes, a school will need to operate both the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) in order to participate in the Free School Meals Program.

Is there any way to participate in the Minnesota Free School Meals Program and operate only the National School Lunch Program and NOT the School Breakfast Program?

No.

Can a school remain on the federal national school lunch program only and NOT participate in the free school meal program that requires breakfast and lunch?

The United States Department of Agriculture's (USDA) National School Lunch Program (NSLP) is a voluntary program (i.e., schools can choose whether or not to participate). If a school participates in the NSLP and has an Identified Student Percentage (ISP) <62.5%, the school must participate in the Free School Meals Program. If a school participates in the NSLP and has an ISP \geq 62.5%, the school may participate in the Free School Meals Program but only if they participate in the Community Eligibility Provision (CEP).

Can our school operate the National School Lunch Program and/or the School Breakfast Program only some of the days that school is in session?

No. The National School Lunch Program and the School Breakfast Program must operate on all academic school days that students are on campus.

Is there a minimum percentage of free and reduced-price eligible students that our school must have to participate in the Free School Meals Program?

No, there is not a minimum percentage of free and reduced-price eligible students required for a school to participate in the Free School Meals Program.

Can we participate in the MN Kindergarten Milk Program if our kindergarten students are participating in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP)?

Yes, kindergarten students participating in the NSLP and SBP may receive a milk at snack time and that milk can be claimed for reimbursement. This milk must be served at a snack time separate from breakfast and lunch.

Is the After School Snack Program included in the MN Free School Meal Program?

No. The After School Snack Program is not part of the MN Free School Meals Program.

Do I still need to collect Applications for Educational Benefits?

Yes, federal regulations require applications to be distributed. Schools should continue to collect Applications for Educational Benefits to determine if a student qualifies for free or reduced-price meals.

Applications for Educational Benefits are not needed to determine eligibility for students on the direct certification list.

Students who receive meals at no charge, but who are not approved for free meals through federal school nutrition programs, must be correctly listed on meal eligibility rosters and the Minnesota Automated Reporting Student System (MARSS) data according to their actual school meal eligibility status – either reduced-price or paid. Meals served to these students must be correctly claimed as reduced-price or paid meals to receive the correct federal and state reimbursements.

Why is important to continue to collect Applications for Educational Benefits?

A school's eligibility for programs such as the Summer Food Service Program (SFSP), the Seamless Summer Option (SSO), and federal after school snack and supper programs is based on free and reduced-price eligibility.

Additional federal meal reimbursement is available to schools/districts that meet severe need criteria based on free and reduced-price eligibility.

Students and families may qualify for other program fee reductions based on their eligibility for free or reduced-price meals.

If a family refuses to complete an Application for Education Benefits, are we supposed to refuse to serve them a meal?

No. A family is not required to complete an Application for Educational Benefits. A student may not be refused a meal because a family has not completed an Application for Educational Benefits.

Can a private school or charter school participate in the Free School Meals Program by teaming up with a public school district?

Yes. A private school or charter school may work with their local school district to become a joint agreement site under the school district. The school district is not required to take on joint agreement sites. The private school or charter school looking to become a joint agreement site should contact their local school district as soon as possible to determine if the school district is willing and able to take on this responsibility.

Will meals be free for teachers and staff?

No. School Nutrition Programs funds may not subsidize meals served to nonprogram adults. The adult meal price must be set high enough so that the cost of the meal is fully paid by the customer. For school year 22-23, the minimum price for a breakfast served to an adult is \$2.25 and the minimum price for a lunch served to an adult is \$4.95. Updated minimum adult meal prices for the 23-24 school year will be on the MDE website this summer once reimbursement rates are received from the U.S. Department of Agriculture (USDA).

Where can I find a list of the schools that are participating in the Free School Meals program?

The MN Department of Education has not yet started the process for schools to apply to participate in the Free School Meals Program; therefore, there is no list of participating schools available at this time.

Can we provide meals to our students through this program on weekends, during the summer, or on other school breaks?

The National School Lunch Program and the School Breakfast Program can only operate on academic school days. Other federal child nutrition programs such as the Summer Food Service Program (SFSP), Seamless Summer Option (SSO), and Child and Adult Care Food Program (CACFP) may be available for schools to operate on non-academic days.

During school breaks (Winter Break, Spring Break, etc.), can we claim meals served to children attending childcare programs under the National School Lunch Program (NSLP) and the School Breakfast Program (SBP)?

No. Meals can be claimed under the NSLP and the SBP on academic school days only. Schools interested in providing meals during breaks such as Winter Break or Spring Break may apply for the Child and Adult Care Food Program (CACFP).

New Sponsors

Our school has never participated in the National School Lunch Program, but we would like to participate now that meals will be free. How can we sign up our school?

Instructions for becoming a new sponsor are found in the document [Application Process for the School Nutrition Program](#). This process can take six to nine months to complete and should be started a minimum of six months prior to the first day of school nutrition operation.

Schools that are not currently participating in the National School Lunch Program (NSLP) may also consider contacting their local school district to determine if the school district is willing and able to add the school as a joint agreement site under their program.

My school participated in NSLP in the past and has not been on the program for several years. How can we sign our school up for the free meal program?

Sponsors who have not participated in the National School Lunch Program for more than one year will need to apply through the new sponsor process.

Instructions for becoming a new sponsor are found in the document [Application Process for the School Nutrition Program](#). This process can take six to nine months to complete and should be started a minimum of six months prior to the first day of school nutrition operation.

Schools that are not currently participating in the National School Lunch Program (NSLP) may also consider contacting their local school district to determine if the school district is willing and able to add the school as a joint agreement site under their program.

We currently participate in the Special Milk Program and would like to switch to the National School Lunch Program and the School Breakfast Program. What do we need to do?

While schools participating in the Special Milk Program are already set up in CLiCS, there are several other steps necessary to operate the National School Lunch Program and School Breakfast Program. Schools on

the Special Milk Program should follow the instructions for becoming a new School Nutrition Program sponsor.

Instructions for becoming a new sponsor are found in the document Application Process for the School Nutrition Program. This process can take six to nine months to complete and should be started a minimum of six months prior to the first day of school nutrition operation.

Schools that are not currently participating in the National School Lunch Program (NSLP) may also consider contacting their local school district to determine if the school district is willing and able to add the school as a joint agreement site under their program.

Current Sponsors

Our school/school district is currently participating in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) in the 2022-23 school year. What do we need to do to participate in the Free School Meals Program that begins in the 2023-24 school year?

Current Sponsors of the National School Lunch Program will be notified when it is time to complete the application for the Free School Meal Program in CLiCS for the 2023-24 school year.

Our school already participates in the National School Lunch Program and is adding the School Breakfast Program for the 2023-24 school year. What steps do we need to take to add the School Breakfast Program?

Sponsors that are not yet operating the School Breakfast Program, but are already operating the National School Lunch Program, will be able to add the School Breakfast Program in CLiCS as part of the School Nutrition Program application process for the 2023-24 school year.

When can I complete my application in CLiCS for the 23-24 school year?

The applications in CLiCS will be available to complete in late May. When you complete your sponsor and site applications in CLiCS for the 23-24 school year, review all information for accuracy and update any items that are incorrect or inaccurate.

Community Eligibility Provision (CEP)

Is my school required to participate in the Community Eligibility Provision (CEP)?

A school's participation in CEP is not mandatory.

If a school's Identified Student Percentage (ISP) is $\geq 62.5\%$, the school must participate in CEP in order to participate in the free school meals program.

If a school's ISP is $<62.5\%$, the school is not required to participate in CEP; however, the school must participate in the Free School Meals Program.

What if my school is already participating in the Community Eligibility Provision (CEP)?

If your school is already participating in the Community Eligibility Provision (CEP), you can continue to participate on your current 4-year cycle or establish a new 4-year cycle. Sponsors are encouraged to review the ISP based on April 1, 2023 data and establish a new base year for 2023-24 if their new ISP is higher. A higher ISP will maximize the amount of federal reimbursement and reduce the state's cost.

Our school was planning to apply for the Community Eligibility Provision (CEP) for the 23-24 school year. With the Free School Meal Program in Minnesota, should we still consider applying for CEP?

Yes. Schools with an ISP \geq 62.5% must participate in the CEP to participate in the Free School Meals Program. Schools with an ISP $<$ 62.5% should consider participating in CEP.

Schools with a high ISP can utilize CEP to maximize their federal reimbursement and reduce the state's cost.

Where can I find the Identified Student Percentages (ISPs) for the schools in my district?

Proxy ISPs are available on the MDE website. Actual ISPs are used to determine eligibility and claiming percentages for the Community Eligibility Provision (CEP). Use the following calculation to determine your ISP:

$$\text{ISP} = \frac{\text{the number of identified students as of April 1}}{\text{the number of students enrolled in that site as of April 1}}$$

Identified students include:

- Directly certified students with the exception of students certified as Medicaid-Reduced (and household members of directly certified students).
- Homeless, migrant or runaway students.
- Head Start/Even Start/Early Start participants.
- Recipients of the Food Distribution Program on Indian Reservations (FDPIR).
- Foster children certified through means other than a free/reduced-price application.

Enrolled students are those enrolled as of April 1 who have access to either breakfast or lunch at the site(s). This would include preschool students if they have access to breakfast or lunch.

Meal Pattern

Since the Free School Meals Program is a State of Minnesota program, do we still need to follow the Federal National School Lunch Program (NSLP) and School Breakfast Program (SBP) meal patterns?

Yes. Schools participating in the Free School Meals Program must participate in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). Schools must follow the federal meal patterns and all other federal requirements for these programs.

How can a parent or student advocate for improved meal quality at their school?

Parents and students should first contact the school's food service director with concerns related to meal quality. While meal pattern requirements are set at the federal level, school menus are set at the local school or school district level.

Federal requirements include minimum servings for vegetables, fruits, milk, grains, and meat or meat alternate components. In addition, schools must adhere to requirements for calories, fat, saturated fat, and sodium content.

USDA recently proposed updates to the meal standards and is collecting comments until May 10, 2023.

Comments can be submitted at [Proposed Updates to the School Nutrition Standards | Food and Nutrition Service \(usda.gov\)](https://www.usda.gov/food-nutrition-service/proposed-updates-to-the-school-nutrition-standards).

Meal Service

Can the free meals be sent home like we did during the pandemic?

No. Congregate meal service is required in the National School Lunch Program and the School Breakfast Program. Meals may not be taken off campus, sent home, delivered, or picked up by parents or others.

On distance learning days, can we serve meals to students who choose to come to the school?

Meals can only be claimed if they are served and consumed at the school on an academic school day in a congregate setting.

Our school will be under construction and we will be providing classes through distance learning. Can we provide meals to our students during this time?

Meals can only be claimed if they are served and consumed at the school on an academic school day in a congregate setting.

Can students enrolled in a virtual school in our district eat meals at one of our school buildings?

Students must eat meals at the school where they are enrolled. Virtual schools are not eligible to participate in the National School Lunch Program or the School Breakfast Program.

While schools may provide and claim meals served to visiting students when they are visiting another school for a scheduled special event (e.g. district band concert), schools may not act as open sites under the National School Lunch Program or School Breakfast Program in order to feed any student that shows up at meal time.

Can a school use a clicker to count the meals?

Only schools on CEP or in a non-base year of Provision 2 may use a clicker to count total reimbursable meals served. Although clickers are allowed for total counts for these provision schools, all schools must have proper controls in place to ensure that students are not being counted and claimed for more than one reimbursable breakfast and one reimbursable lunch per day.

Schools that are not on CEP or are in a Provision 2 base year must count and claim meals based on the eligibility of the student receiving the meal. Students who receive meals at no charge, but who are not approved for free school meals, must be correctly listed on meal eligibility rosters according to their actual school meal eligibility status – either reduced-price or paid. Meals served to these students must be correctly claimed as reduced-price or paid meals to receive correct federal and state reimbursements.

Can students get second meals for free?

This legislation provides a maximum of one free breakfast and one free lunch per day to students at participating schools. A second breakfast and/or a second lunch is considered an a la carte item and must be priced at the adult meal rate.

Can schools sell a la carte items?

Yes, schools may sell a la carte items that meet the federal Smart Snacks requirements. In addition, the prices charged for a la carte items must continue to meet federal nonprogram food sales requirements. A second breakfast and/or a second lunch is considered an a la carte item and must be priced at the adult meal rate.

We sell second entrees as an a la carte item. Is there a minimum price that I must charge for a second entrée? Is there a minimum price that I must charge for a la carte items?

The prices charged for a la carte items must continue to meet federal nonprogram food sales requirements. USDA requires SFAs to determine if the percent of total revenue generated from their nonprogram food sales is equal to or greater than the percent of total food costs attributable to the SFA's purchase of nonprogram food. For example, if the cost of nonprogram foods is 20 percent of the SFA's total food costs, then the amount of revenue generated from the sale of the nonprogram foods must be at least 20 percent of the total revenue in the school food service account. Schools planning to sell second entrees or other a la carte items are advised to read through [USDA Memo SP 20-2016](#) for further guidance.

Can a school deny a second meal, second entrée, or a la carte item if the student does not have money in their account to pay for it?

Yes. Schools are not required to provide second meals, second entrees, or other a la carte items if a student does not have the funds available to pay for the item(s).

It is a best practice for the school to avoid situations that may result in a student being denied a la carte item(s) at the point of service due to a lack of funds. For example, the school could sell a la carte items separately from the reimbursable meal serving lines and ensure that the student's account has the funds available before the item is provided to the student.

If a student brings their own lunch and only wants a milk, do we charge them for the milk or can we claim this milk for reimbursement?

A meal must meet the meal pattern requirements in order to be claimed for reimbursement. A milk by itself does not meet the minimum requirements to be claimed for reimbursement.

If a school participates in offer versus serve, a student must take at least the minimum number of components or items under offer versus serve for the meal to be claimed for reimbursement.

If a school does not participate in offer versus serve, a student must take all meal components or items for the meal to be claimed for reimbursement.

If a student does not take a meal that meets the requirements above, the milk must be purchased at the a la carte milk price.

What are the hours that breakfast can be served?

Breakfast must be served at or near the beginning of the school day.

Is there a minimum number of students necessary to operate the School Breakfast Program?

No.

PreK Programs

Will preschool students be included in the Free School Meals Program?

If a program is federally eligible for both the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and operates under the school or school district, they are eligible to participate in the MN Free School Meals Program.

If a program is not operated under the school or school district, whether or not it is located in the same location, they are not eligible to participate in the NSLP, the SBP, or the MN Free School Meals Program.

Additional examples are included below.

Our school participates in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and operates a PreK Program. Can we claim the breakfasts and lunches that we serve to the PreK children enrolled in this program?

Yes, the meals can be claimed as long as they meet all of the requirements (meal pattern, point of service meal counts, etc.) of the NSLP and the SBP.

Our school participates in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and operates a childcare center in our elementary school. Can we claim the breakfasts and lunches that we serve to PreK and younger children in this childcare program?

Yes, the meals can be claimed as long as they meet all of the requirements (meal pattern, point of service meal counts, etc.) of the NSLP and SBP.

Our school participates in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and rents/provides space to another entity that operates a childcare center in our elementary school. Can we claim the breakfasts and lunches that we serve to children in this childcare program?

No. If a program is not operated under the school or school district, whether or not it is located at the same location, they are not eligible to participate in the NSLP, SBP or the MN-FSM.

The childcare program may apply for the Child and Adult Care Food Program (CACFP).

Our school participates in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and rents space in our elementary school to a Head Start Program that is not operated by our school district. Can we claim the breakfasts and lunches that we serve to children in this childcare program?

No. If a program is not operated under the school or school district, whether or not it is located at the same location, they are not eligible to participate in the NSLP, SBP or the MN-FSM.

The Head Start program may apply for the Child and Adult Care Food Program (CACFP).

If PreK or Kindergarten students attend a half day program, are they eligible to participate in the Free School Meal Program if they are not at school for both breakfast and lunch?

Yes. An individual student is not required to participate in both the School Breakfast Program and the National School Lunch Program.

If our district has a joint agreement with a private school that has children in grades PreK-8, can the meals served to PreK students be claimed for reimbursement?

If the school is eligible to participate in the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) and the PreK program is operated by that school, then the meals served to PreK students can be claimed for reimbursement under the NSLP and SBP.

Can we claim meals for a PreK Program in our district under the National School Lunch Program (NSLP) and the School Breakfast Program (SBP) if the PreK Program is in its own building?

If the PreK program is operated by the district and the meals meet all of the requirements (meal pattern, point of service meal counts, etc.) of the NSLP and SBP, they can be claimed for reimbursement. The site will need a CLiCS site ID and the meals must be claimed at this site.

What meal pattern should we use for meals that we serve to PreK students?

PreK students eating in the cafeteria with other elementary students can be served the meal pattern that is used for the other elementary students.

PreK students eating meals separately from the other elementary students should follow the infant and/or preschool meal pattern applicable to the age of the student.

Summer

We are operating an academic summer school program at several of our schools in July. Can we operate the National School Lunch Program (NSLP) and School Breakfast Program (SBP) at these sites? Will our district be able to claim these meals under the Free School Meals Program?

Yes, you can operate the NSLP and the SBP at an academic summer school. The CLiCS application for the School Nutrition Programs must be submitted and approved for all months that you are planning to claim meals at the site(s).

Reimbursable meals served under NSLP and SBP can be claimed only for students enrolled in the academic summer school. Meals must be counted at the point of service. Meals must be claimed by the student's eligibility category. The Free School Meal Program reimbursement rates begin on July 1, 2023.

Our school is planning an academic summer school program for a couple of hours each morning. Is it possible to operate only the School Breakfast Program for our summer school program after July 1?

Federal regulations and Minnesota statutes allow the School Breakfast Program to be operated at a site without the National School Lunch Program.

Schools participating in the Community Eligibility Provision (CEP) must operate both the School Breakfast Program and the National School Lunch Program.

Beginning July 1, 2023, Minnesota schools participating in the Minnesota Free School Meals Program must operate both the National School Lunch Program and the School Breakfast Program.

What summer programs can operate the National School Lunch Program and the School Breakfast Program?

Academic summer school programs can operate the National School Lunch Program and the School Breakfast Program. Academic summer school programs include classes that provide credits and extended school year (ESY) programs.

Summer camps, summer enrichment, and summer day care programs may not participate in the National School Lunch Program and School Breakfast Program.

Financial

How are the free meals reimbursed?

Claims for reimbursement are submitted in CLiCS. Schools must have an approved application in CLiCS before a claim can be submitted. Additional information will be provided in future FAQ's regarding claims for reimbursement in CLiCS. It will be important to ensure that meals are claimed in the correct federal eligibility category to receive correct federal and state reimbursements.

Can our school claim reimbursement for all of the meals that we prepare? Can our school claim reimbursement for all of the meals that we order from our vendor?

No. Meals can only be claimed if they are served to eligible students and meet reimbursable meal requirements. Meals must be counted at the point of service and claimed in the correct federal eligibility category. Up to one reimbursable breakfast and one reimbursable lunch may be claimed per student per day.

Could you please provide a breakdown of the reimbursement from the Federal and State portions for the paid meals for SY 2023-24?

Federal reimbursement rates for school year 2023-24 are not yet available. MDE will post the reimbursement rates once they are available.

It will be important to ensure that meals are claimed in the correct federal eligibility category to receive correct federal and state reimbursements.

The state reimbursement equals the difference between the applicable federal reimbursement rate at that school site for a free meal, as determined annually by the United States Department of Agriculture, and the actual federal reimbursement received by the participating school for the breakfast or lunch served to the student.

How will compensatory funding be impacted by the Free School Meals Program?

The Free School Meals Program legislation contains a "hold-harmless" provision for the next two years.

MDE is working with the legislature to put a long-term solution in place.

How will the Free School Meal Program affect our Title I funds?

ESEA Title funds and services are not dependent on free or reduced-price meal eligibility status for traditional school districts. Additionally, the FFY23/SFY24 calculations use October 1, 2022 data, so there are no immediate (SFY24) implications for any ESEA Title program, including traditional public school districts, public charter schools, and nonpublic equitable services.

More information about Title I, Part A allocations can be found on the [ESEA Title Programs website](#) or by contacting mde.esea@state.mn.us.

Students in our district have prepaid accounts that they have used to pay for meals, a la carte milk, and/or a la carte snack items. Will we need to refund the money on these accounts next school year?

If your school/school district will sell a la carte items or second meals next school year, funds can remain on students' prepaid accounts to pay for these a la carte items. Refunds should be made if a la carte will not be available for students to purchase and/or if a parent requests a refund of funds on the account.

Many students in our school/district have negative balances. Can those negative balances be deleted?

No. A debt owed to the nonprofit school food service account remains on the accounting documents until it is either collected or determined to be uncollectable. Unpaid meal debt can be paid with nonfederal funds, including the General fund or donations.

What can reimbursement funds be used for?

All revenue from foodservice operations must be retained solely for the operation and improvement of school meal programs. This includes expenses such as food, labor, supplies, and equipment used to prepare and serve reimbursable meals.

More students are going to eat meals now that they are available at no cost. Is there any money available for facility upgrades for our kitchen?

A sponsor's nonprofit school foodservice account may be used to purchase needed equipment and supplies for the purpose of upgrading kitchens to accommodate an increase in meals being prepared and served. MDE has developed a Child Nutrition Programs equipment list of items that will receive automatic state agency approval. The SFA may purchase those equipment items, following proper federal, state or local procurement procedures, as applicable, without submitting a written request to MDE for approval. If an SFA chooses to select equipment that was not included on the MDE-approved list, it must submit a request for approval to the state agency prior to purchasing the item as required at 2 Code of Federal Regulations (CFR) Part 225 Appendix B, section 15. Refer to [MDE's Equipment Purchase Policy and Pre-approved Equipment List](#) for further information.

Please be aware that the following expenses are considered capital expenses that would add to the permanent value of the school building and are therefore unallowable: Supplies, equipment, and labor costs associated with facility improvement, rearrangement, and/or reconversion; Costs associated with remediation or repair to a school building (i.e., plumbing, heating, air conditioning, ventilation). These costs should be borne by the SFA's general fund or another nonfederal fund source.

Other

My question was not answered in this FAQ, who should I contact?

Additional questions can be submitted to the MN Department of Education, Nutrition Program Services division by emailing mde.fns@state.mn.us.