



**NORTH SLOPE BOROUGH SCHOOL DISTRICT
M E M O R A N D U M**

TO: Nancy Rock, President
Members of the School Board
THROUGH: Rich Carlson, Interim Superintendent
THROUGH: Fadil Limani, Chief Financial Officer
FROM: Craig Jones, M&O Director
DATE: April 1, 2022
SUBJECT: USDA Food Distribution Program-Outstanding Invoices

DocuSigned by:
Richard Carlson
A8BA63D77D5644E

Memo No: SB22-168
(Action Item)

2020-2025 STRATEGIC PLAN SUMMARY

1.7 STUDENT WELL-BEING: Support the physical, nutritional, mental, and social-emotional health of all students.

4.0 FINANCIAL & OPERATIONAL STEWARDSHIP: Effectively employ our operational and financial resources to support our strategic goals and long-term stability of the district.

4.2 FINANCIAL STEWARSHIP: Ensure financial management based on what is best for our students.

Issue Summary:

In accordance with applicable Board policy, contracts and MOA's \$10,000 or greater require Board approval. BP 3312.

Background:

The US Department of Agriculture (USDA) purchases commodity foods through direct appropriations from Congress, and under surplus-removal and price support activities for the Food Distribution Program. The USDA Food Distribution Program provides two vital national services. The program provides nutritious foods to our children and helps American farmers by supporting domestic agriculture and removing surpluses from the market.

Commodities are distributed to State Agencies for use by eligible outlets. In Alaska the State Department of Education & Early Development acts as the Distributing Agency for the USDA Commodity Program. Eligible outlets include schools and residential child care institutions participating in the National School Lunch Program, child care centers participating in the Child Care Food Program, approved sponsors of a Summer Food Service Program, food banks, food pantries, soup kitchens, etc., participating in the Emergency Food Assistance Program (TEFAP).

USDA offers a wide variety of commodities for distribution to eligible outlets. The department strives to buy foods that support the Dietary Guidelines for Americans These guidelines are a set of Federal recommendations that promote healthful eating. USDA continually improves its commodities to ensure that the foods are nutritious and acceptable to children.

The North Slope Borough School District has participated in the Food Commodities Program for a number of years and over the last couple of years the School District has gone through a significant turnover in an array of departments especially at Maintenance and Operations including the Food Service Program.

During the FY21 Federal Single Audit surrounding the Food Service Program and review of the FY20 Food Program eligibility and related meal count sheets, District staff found outstanding invoices from Odyssey American Fast Freight from the previous Food Service Administrator in which they had not been submitted for payment and or processing.

The underlying purchases was budgeted through the grant funds and the purchases of such commodities was within the discretion of the Superintendent or designee, however considering the dollar amount of the purchases including lapsing into two fiscal years, the District Administration wanted to bring this forward to the Board of Education for consideration and approval.

Funding Source and Purchase/Contract Amount:

The identified funding source is derived from the Food Service budget.

Account Code:
255.300.790.000.459

The total amount of the outstanding invoices is \$28,888.70. See attached supporting invoice summary for further details.

Available Budget:

Budget Code 255.300.790.000.459 has an available budget of \$724,528.97*

Note: The Food Prepays that were processed in June 2021, the underlying expense has not yet been recorded in FY22 as of yet. As such, the available budget will be substantially reduced when such expenditures are recorded.

Grant Funding:

The underlying food purchase commodities are covered under the Food Distribution Program and are considered intergovernmental revenues passed through the State of Alaska Department of Education and Early Development.

Compliance with BP 3311:

N/A-The purchases of the food commodities was sporadic throughout FY20 and FY21 and anyone invoice was less than \$20K.

Proposed Motion:

“I move that the NSBSD Board of Education approve the above outstanding invoices from Odyssey American Fast Freight in the amount not to exceed \$28,888.70 as described in this memo and attached supporting documents.”

Moved by _____ Seconded by _____

Vote _____