

**POWAY UNIFIED SCHOOL DISTRICT
ADMINISTRATIVE PROCEDURE**

Originator: Director of Food and
Nutrition

Issue No: 1

Date: 12/20/10

Page: 1 of 2

Reference: EC 38090, 38091, 38093,
41020, 84040

ARTICLE: 6.0 BUSINESS SUPPORT SERVICES

6.60 FOOD AND NUTRITION

6.63 FOOD AND NUTRITION FUNDS

SECTION 6.63.1 Control of Food and Nutrition Funds

Pursuant to Education Code sections 38090–38093, the District shall establish a food and nutrition fund/account independent of the District's general fund to account for federal, state, and local resources to operate the food and nutrition program.

Federal and State Funds: The Food and Nutrition Department shall operate on a self-supporting basis using federal, state, and local revenues. Federal and state funds are received based on the number of free, reduced-price, and paid meals served. The reimbursement rates for these meals vary for each eligibility category of students and for each type of meal service (breakfast, lunch, etc.).

Accountability System: A computerized meal accountability system shall be used in all schools to document participation data, standardize operational procedures, provide an audit trail of cash control, and record meals claimed for reimbursement.

Deposit of Funds: All proceeds from food sales and other services offered by the Food and Nutrition Department shall be deposited in the food and nutrition fund/account as provided by law. The income and expenditures of the account shall be recorded as income and expenditures of the food and nutrition fund. (EC 38090, 38091, 38093)

Use of Funds: Food and nutrition funds shall be used only for Board-authorized expenditures necessary for the operation of school food and nutrition as provided by law. Any charges to, or transfers from, the food and nutrition program shall be dated and accompanied by a written explanation of the expenditure's purpose and basis. (EC 38101)

Monthly Financial Statements: The Food and Nutrition Department shall use Balance Sheets, Statement of Revenue and Expenditures (Profit and Loss), Net Cash Resource Reports, and other statements to analyze the effectiveness of program operations.

Income and Expenditure Records: Records and receipts documenting income and expenditures shall be maintained by the Director of Food and Nutrition, or designee. All income and expenditures shall be supported by source documents and properly receipted and reported as provided by law.

Cash Reports: Daily cash reports shall be prepared for all meals served and for all monies received and deposited. Any differences in cash collections reported and actual cash receipts should be entered in the accounting records as "Cash Over and Short." Significant and/or continuing differences should be investigated.

Petty Cash and Change Funds: Pursuant to District policy, petty cash and change funds may be established at each school. These funds shall be used only for their intended purposes and may not be co-mingled. Each fund must be physically segregated so that the accountability of each can be immediately ascertained. These funds shall not be used to cash checks, make loans, pay individuals (other than for reimbursement of goods only), or pay for vending machine items.

SECTION 6.63.1 Control of Food and Nutrition Funds

Cash Collections: All funds must be safeguarded at all times and amounts properly recorded in the Food and Nutrition accounting records. Personal checks may be accepted for payment and prepayment of meals. Cashing checks or providing change from a check is strictly prohibited. The entire dollar amount of checks must be used for food purchases.

Cash Reconciliation: All cash must be verified prior to meal service periods. The actual cash collected shall be counted and recorded at the end of the meal service period. A second person must verify the cash count and initial the deposit sheet. An unannounced verification and cash count will be conducted periodically to ensure that all cash collected from the sale of meals, being retained before turn-in, are physically present with the responsible person.

Banking Procedures: When practicable, funds in excess of petty cash and change funds will be deposited daily with the bank. Itemized duplicate deposit slips should be prepared for each bank deposit and kept on file. Separate daily deposits shall be made for each school site. Procedures shall be developed to safely transport monies to and from collection points and the bank.

Record Retention: Records must be retained for a period of three years after the submission of the fiscal year's final claim for reimbursement. If audit findings have not been resolved, records shall be retained beyond the three-year period until the audit issues are resolved.

Audit: The Food and Nutrition account shall be included in the annual audit of funds and accounts under the control or jurisdiction of the District. (EC 41020, 84040)