CNP Directors’ Conference Fall 2025

SONJA PEASPANEN
STATE OF ALABAMA DEPARTMENT OF EDUCATION
NOVEMBER 13, 2025

Pass-Thru Calculation

Pass-Thru Legislation

ACT #2025-27 – Page 112 – Lines 2877 to 2883

Section 12. The State Superintendent of Education may approve a request by a local board of education for redirecting Other Current Expense funds designated for pass-through calculations to their local Child Nutrition Program if the redirected funds do not prevent the Child Nutrition Program of that local board of education from maintaining a one-month fund balance.

Other Current Expense (OCE)

TOTAL FOUNDATION PROGRAM

- The cost of the Foundation Program is computed using five areas:
  - Salaries, Fringe Benefits, Classroom Instructional Support, Other Current Expense, & Student Growth
- The total of the cost in the five categories is defined as the cost of the Foundation Program for each school.
- Other Current Expense is calculated as a fixed amount (determined annually by the legislature) and multiplied times the number of Foundation Program units in your system. This money has more flexibility than some of the other items listed on the allocation sheet and can be expended for operating expense or salary expense.

Memo – 4/29/19 – FY19-3034

FY19-3034 memo
- April 29, 2019
- Child Nutrition Program Pass-Thru Calculation Procedures

Actual reduction will be recording during the year

Approval for reduction will be requested as part of the financial statement submission
- You are requesting approval for what you have already done

Budgeted Pass-thru does not have to equal the Spreadsheet calculation amount.

Memo – 4/29/19 – FY19-3034

As your school system's budget, amendments, and financial statements are prepared, the one-month fund balance should be calculated and compared to the ending fund balance.

At Financial Statement year end (9/30)

- If the ending CNP fund balance is greater than the one-month fund balance, a waiver may be requested for the difference between the Calculated Spreadsheet Pass-Thru amount and the Actual Pass-Thru amount.
- If the ending fund balance is less than the one-month fund balance, additional funds must be passed through to CNP – up to 100% of the Calculated Spreadsheet Pass-Thru amount.

Memo – 4/29/19 – FY19-3034

1. The CSFO and CNP Director should collaborate to ensure an appropriate ending fund balance is retained for CNP operations.
2. Consideration should be given to maintaining a fund balance sufficient to supporting emergencies, long-term equipment needs, and state/local raises.
3. We recommend maintaining a fund balance at a level that will support the ongoing success of the CNP program.

Memo – 4/29/19 – FY19-3034

1. The Pass-Thru Transfer spreadsheet from the ALSDE CNP section will continue to be completed.
2. During the year, the CNP fund balance should be monitored on a monthly basis to ensure that an appropriate fund balance is maintained.
3. A monthly trial balance report by cost center should be provided to the CNP Director.
4. Based on the anticipated pass-thru amount, funds should be passed through as needed, but at least quarterly, to the CNP fund source.

Memo – 4/29/19 – FY19-3034

As your school system evaluates what is a sufficient fund balance for the CNP program please keep in mind the following.

- If CNP revenues are consistently less than expenditures, the general fund will eventually have to increase the pass-thru amount.
- During the years that a portion of the CNP pass-thru is retained, caution should be taken in the types of general fund expenditures incurred.
- If the CNP fund balance no longer meets the required threshold, additional funds are required to be passed through to CNP. If necessary, reductions to anticipated General Fund expenditures may be required.
- If the CNP fund balance, based on the CNP Financial Profile, is greater than three months, ALSDE CNP can waive the Paid Lunch Equity (PLE) price increase.

Memo – 4/29/19 – FY19-3034

At the end of the school year, the CNP fund balance should be sufficient to cover summer expenditures (salaries, benefits, startup purchases, etc.) without, or with less, revenue for meal reimbursements during those months.

LEA # __________

School System: ____________________

Child Nutrition Program Operating Balance
Pass-Thru Relief Request
FY 2025

Did the FY 2025 Ending CNP Fund Balance (Fund Source 5101) exceed one month of Expenditures, including Other Fund Uses? Yes No

If "Yes"
Required to be completed if you wish to retain funds.

<u>Fund Source 5101</u>

Pass-Thru Spreadsheet Calculation ____________________

Actual Pass-Thru (Special Use 0034) ____________________

Difference (Pass-Thru Relief Requested) ____________________

CNP Director Signature	Printed Name	Date
CSFO Signature	Printed Name	Date
LEA Superintendent Signature	Printed Name	Date
State Superintendent Signature	Printed Name	Date

Calculation – Financial Statements

		5101
Total Expenditures		2,496,873.16
		12
1-month requirement		208,072.76
Beginning Fund Balance		506,137.83
Total Revenue		2,492,548.79
Total Expenditures		2,496,873.16
Ending Fund Balance		501,813.46
# of months		2.41

1 month = Total Expenditures / 12

Beginning Fund Balance = Fund Type 3

Ending Fund Balance = Beginning Fund Balance + Total Revenue – Total Expenditures

# of months = Ending Fund Balance / 1-month requirement

Calculation – Financial Statements – Fiscal Period 10

	5101
Total Expenditures	1,747,657.17
	10
1-month requirement	174,765.72
Beginning Fund Balance	501,813.46
Total Revenue	1,757,039.90
Total Expenditures	1,747,657.17
Ending Fund Balance	511,196.19
# of months	2.93

1 month = Total Expenditures / 10

Beginning Fund Balance = Fund Type 3

Ending Fund Balance = Beginning Fund Balance + Total Revenue – Total Expenditures

# of months = Ending Fund Balance / 1-month requirement

Calculation – Budget

	5101
Total Expenditures	2,264,855.91
	12
1-month requirement	188,737.99
Budgeted Beginning Fund Balance	630,668.10
Total Revenue	2,532,560.59
Total Expenditures	2,264,855.91
Estimated Ending Fund Balance	898,372.78
# of months	4.76

1 month = Total Expenditures / 12

Beginning Fund Balance = Fund Type 3

Estimated Ending Fund Balance = Budgeted Beginning Fund Balance + Total Revenue – Total Expenditures

# of months = Estimated Ending Fund Balance / 1-month requirement

Calculation – Budget

Budgeted Pass-thru $407,867.17

Calculation if pass thru reduced

Budgeted pass thru should not be zero

Budgeted pass thru is not required to equal the Spreadsheet calculation amount

	Budget	Pass-thru	Revised
Total Expenditures	2,264,855.91		2,264,855.91
			12
1-month requirement			188,737.99
Budgeted Beginning Fund Balance	630,668.10		630,668.10
Total Revenue	2,532,560.59	(407,867.17)	2,124,693.42
Total Expenditures	2,264,855.9		2,264,855.91
Estimated Ending Fund Balance			490,505.61
# of months			2.60

Budget Analysis Report

MCAI BUDGETARY ACCOUNTING SYSTEM
[redacted]ET ANALYSIS REPORT
[redacted] CITY BOARD OF EDUCATION
THRU FISCAL YEAR-PERIOD-MONTH: 2020-4-January

Description Fd-C-Func-Obj-CCtr-SFnd-Y-Prog-Spec	2019 BUDGET	2019 ACTUAL	2020 BUDGET	2020 YTD ACT	2020 YTD ENC	% OF BUD	VAR
CCTR: 0005 Meadow View Elementary School							
*** REVENUES ***							
SCH LUNCH PROG-SEC11, Default Object Value							
12-4-5110-000-0005-5101-0-0000-0000	195,000.00	208,028.04	207,204.77	59,983.27	0.00	28.95	147,221.50
USDA-Severe Need Bre, Default Object Value							
12-4-5135-000-0005-5101-0-0000-0000	63,000.00	69,504.35	69,246.06	20,637.92	0.00	29.80	48,608.14
FOOD DONATION PROGRA, Default Object Value							
12-4-5160-000-0005-5101-0-0000-0000	28,000.00	32,192.78	28,000.00	0.00	0.00	0.00	28,000.00
Donated Food Rebates, Default Object Value							
12-4-5161-000-0005-5101-0-0000-0000	2,600.00	0.00	1,900.00	2,168.92	0.00	114.15	-268.92
CHILD AND ADULT CARE, Default Object Value							
12-4-5199-000-0005-5101-0-0000-5199	76,000.00	75,341.99	63,997.81	25,824.29	0.00	40.35	38,173.52
DAILY SALES- LUNCH, Default Object Value							
12-4-6710-000-0005-5101-0-0000-0000	118,000.00	129,815.00	141,540.00	46,858.50	0.00	33.11	94,681.50
DAILY SALES-BREAKFST, Default Object Value							
12-4-6720-000-0005-5101-0-0000-0000	21,000.00	23,791.15	22,141.55	8,694.80	0.00	39.27	13,446.75
DAILY SALES-A LA CAR, Default Object Value							
12-4-6730-000-0005-5101-0-0000-0000	44,000.00	55,881.01	54,191.00	19,538.75	0.00	36.06	34,652.25
DAILY SALES-CONTRACT, Default Object Value							
12-4-6740-000-0005-5101-0-0000-0000	1,500.00	1,384.69	1,537.44	144.83	0.00	9.42	1,392.61
Other Local Sources, Default Object Value							
12-4-6990-000-0005-5101-0-0000-0000	0.00	222.33	0.00	0.00	0.00	0.00	0.00
CNP Rebates, Default Object Value							
12-4-8993-000-0005-5101-0-0000-0000	11,000.00	7,446.78	9,246.78	36,842.50	0.00	398.44	-27,595.72
INTERFND OPER TRA IN, Default Object Value							
12-4-9210-000-0005-5101-0-0000-0034	123,267.17	110,940.45	73,384.83	18,346.21	0.00	25.00	55,038.62
*** TOTAL REVENUES:	683,367.17	714,548.57	672,390.24	239,039.99	0.00	35.55	433,350.25

Budget Analysis Report

Description Fd-C-Func-Obj-CCtr-SFnd-Y-Prog-Spec	2019 BUDGET	2019 ACTUAL	2020 BUDGET	2020 YTD ACT	2020 YTD ENC	% OF BUD	VAR
SUMMER FEEDING SERV, PURCHASED FOOD 12-5-9340-461-0050-5101-0-8420-0000	0.00	2,141.36	0.00	0.00	0.00	0.00	0.00
SUMMER FEEDING SERV, FOOD SERV SUPPLIES 12-5-9340-463-0050-5101-0-8420-0000	0.00	269.66	0.00	0.00	0.00	0.00	0.00
CACFP At Risk Supper, CNP MGR 12-5-9341-115-0050-5101-0-8420-0000	0.00	0.00	2,000.00	0.00	0.00	0.00	2,000.00
CACFP At Risk Supper, COOK/BAKER 12-5-9341-172-0050-5101-0-8420-0000	0.00	0.00	7,000.00	0.00	0.00	0.00	7,000.00
CACFP At Risk Supper, OVERTIME 12-5-9341-194-0050-5101-0-8420-0000	0.00	0.00	2,200.00	0.00	0.00	0.00	2,200.00
CACFP At Risk Supper, STATE RETIREMENT 12-5-9341-220-0050-5101-0-8420-0000	0.00	0.00	1,601.60	0.00	0.00	0.00	1,601.60
CACFP At Risk Supper, SOCIAL SECURITY 12-5-9341-230-0050-5101-0-8420-0000	0.00	0.00	694.40	0.00	0.00	0.00	694.40
CACFP At Risk Supper, FEDERAL MEDICARE 12-5-9341-240-0050-5101-0-8420-0000	0.00	0.00	162.40	0.00	0.00	0.00	162.40
CACFP At Risk Supper, ST UNEMP COMP INS 12-5-9341-250-0050-5101-0-8420-0000	0.00	0.00	2.24	0.00	0.00	0.00	2.24
CACFP At Risk Supper, PURCHASED FOOD 12-5-9341-461-0050-5101-0-8420-0000	0.00	60,099.71	84,000.00	0.00	0.00	0.00	84,000.00
*** TOTAL EXPENDITURES:	1,311,916.00	1,456,024.58	1,424,377.67	388,183.63	93,333.67	33.81	942,860.37
*** SFund 5101 ***							
TOTAL REVENUES:	1,320,850.94	1,474,720.17	1,424,377.67	479,594.34	0.00	33.67	944,783.33
TOTAL EXPENDITURES:	1,311,916.00	1,456,024.58	1,424,377.67	388,183.63	93,333.67	33.74	942,860.37
DIFFERENCE:	8,934.94	18,695.59	0.00	91,410.71	-93,333.67	0.00	1,922.96
*** CCTR 0050 ***							
TOTAL REVENUES:	1,320,850.94	1,474,720.17	1,424,377.67	479,594.34	0.00	33.67	944,783.33
TOTAL EXPENDITURES:	1,311,916.00	1,456,024.58	1,424,377.67	388,183.63	93,333.67	33.81	942,860.37
DIFFERENCE:	8,934.94	18,695.59	0.00	91,410.71	-93,333.67	0.00	1,922.96
*** GRAND TOTALS ***							
TOTAL REVENUES:	4,478,951.02	4,830,325.44	4,754,510.61	1,619,836.32	0.00	34.07	3,134,674.29
TOTAL EXPENDITURES:	4,481,497.00	4,882,356.26	4,754,510.61	1,314,234.65	327,742.40	34.54	3,112,533.56
DIFFERENCE:	-2,545.98	-52,030.82	0.00	305,601.67	-327,742.40	0.00	22,140.73

Calculation

	5101
Total Expenditures	4,754,510.61
	12
1-month requirement	396,209.22
Budgeted Beginning Fund Balance	607,382.03
Total Revenue	4,754,510.61
Total Expenditures	4,754,510.61
Estimated Ending Fund Balance	607,382.03
# of months	1.53

1 month = Total Expenditures / 12

Beginning Fund Balance = Fund Type 3

Estimated Ending Fund Balance = Budgeted Beginning Fund Balance + Total Revenue – Total Expenditures

# of months = Estimated Ending Fund Balance / 1-month requirement

Balance Sheet Report

RUN DATE: 1/17/2020
RUN TIME: 7:45AM

MCAI BUDGETARY ACCOUNTING SYSTEM
BALANCE SHEET REPORT
[redacted]

	Description	CURRENT YEAR	PRIOR YEAR
*** ASSETS			
12-1-0111-000-0000-5101-0-0000-0000	CASH/OPERATING ACCT	-92,009.54	0.00
12-1-0111-000-0000-5101-0-8420-0000	CASH IN BANK (OPERATING ACCT)	268,037.85	205,533.27
12-1-0115-000-0000-5101-0-8420-0000	CHANGE CASH	214.35	214.35
12-1-0134-000-0000-5101-0-8420-0000	INTERGOVERNMENTAL RECEIVABLE	105,657.18	97,043.07
12-1-0143-000-0010-5101-0-8420-0000	INVENTORIES-FOOD	17,122.51	17,118.72
12-1-0143-000-0025-5101-0-8420-0000	INVENTORIES-FOOD	11,391.27	12,991.52
	TOTAL ASSETS:	310,413.62	332,900.93
*** LIABILITIES			
12-2-0271-000-0000-5101-0-8420-0000	DEFERRED REVENUE	10,460.40	10,318.52
	TOTAL LIABILITIES:	10,460.40	10,318.52
*** EQUITY			
12-3-0342-000-0000-5101-0-8420-0000	RESERVED FOR INVENTORIES	28,513.78	30,110.24
12-3-0350-000-0000-5101-0-0000-0000	UNRESERVED FUND BALANCE	297,939.13	218,743.58
12-3-0350-000-0000-5101-0-8420-0000	UNRESERVED FUND BALANCE	[illegible]	-5,466.96
	TOTAL EQUITY:	322,582.41	243,386.86
*** REVENUES			
	TOTAL REVENUES:	1,307,450.66	1,286,966.00
*** EXPENDITURES			
	TOTAL EXPENDITURES:	1,330,079.85	1,207,770.45
*** SFund 5101 OPERATIONS			
	REVENUE SUMMARY:	1,307,450.66	1,286,966.00
	EXPENDITURE SUMMARY:	1,330,079.85	1,207,770.45
	TOTAL OPERATIONS:	-22,629.19	79,195.55
	TOTAL LIABILITIES, EQUITY & OPERATIONS:	310,413.62	332,900.93
*** GRAND TOTAL OPERATIONS			
	REVENUE SUMMARY:	1,307,450.66	1,286,966.00
	EXPENDITURE SUMMARY:	1,330,079.85	1,207,770.45
	TOTAL OPERATIONS:	-22,629.19	79,195.55
	TOTAL LIABILITIES, EQUITY & OPERATIONS:	310,413.62	332,900.93

Calculation

	5101
Total Expenditures	1,330,079.85
	12
1-month requirement	110,839.99
Budgeted Beginning Fund Balance	322,582.41
Total Revenue	1,307,460.66
Total Expenditures	1,330,079.85
Estimated Ending Fund Balance	299,953.22
# of months	2.71

1 month = Total Expenditures / 12

Beginning Fund Balance = Fund Type 3

Estimated Ending Fund Balance = Budgeted Beginning Fund Balance + Total Revenue – Total Expenditures

# of months = Estimated Ending Fund Balance / 1-month requirement

QUESTIONS

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