

# Financial Management

## Part II

### Claim Submission

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[mdek12.org](https://mdek12.org)



MISSISSIPPI  
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EDUCATION

July 2024



## Areas covered:

- Reimbursement & Claims – The 60 day rule
- Monthly Claim Submission in MARS
- How to File?

# Claims Process

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A little information on the process!

- An Organization submits a reimbursement claim to the State for every month in which one or more sites participate in the School Nutrition Programs.
- Organizations may enter Organization and site information into the monthly claim form beginning at the first of every month

- Claims cannot be created for a month if there is no approved Application Packet in effect for that period.
- If you **cannot** access claims for a specific month, be sure your Application Packet has been approved.
- If your Application Packet has been approved and you still cannot enter a claim for a specific month, contact your Program Specialist.

- At the time claims are submitted, they are checked by the system to ensure they conform to established business rules governing reimbursement claim eligibility and approval.
- Reminder-Your claim should always say “Accepted” or “Processed”. It should never read “Error” or “Incomplete”!

# Claim Review Process

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What is an edit check?

- Each school site daily count must be compared to attendance and compare to the adjusted eligible and total eligible students by category.
- Any meals served over their respected category should be investigated. Start by checking the absentee reports.
- If counts are determined to be valid, documentation must be maintained to support the claim. Keep any documentation if the meals are justified by any means (i.e. student came in later).
- The claims review process must be completed monthly prior to submission of a monthly claim for reimbursement.

- Batch on Wednesday by 3pm
- Claims paid the next following Friday

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Feb 28	<b>Mar 1</b>	2	3	4	5	6
7	8	9	10 	11	12	13
14	15	16	17	18	19 	20
21	22	23	24	25	26	27
28	29	30	31	<b>Apr 1</b>	2	3

- Happens when a Sponsor has failed to submit a claim within the 60-day time period.
- One-time exception every 36 months for one monthly original or revised claim submitted after the 60-day deadline.
- Must submit to the SA an explanation in writing describing the events and circumstances.
- Must submit a corrective action plan (CAP).

# MARS Claim Submission

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A walk through and helpful tips!



- File original claims and adjusted claims- must contain actual data and must be supported by documentation.
- (i.e. Daily cash reports and edit checks)

- Details and reasons for all adjustments made to claims must also be maintained.

- No later than 60 days following the last day of the full month covered by the claim. All final and adjustments should follow these guidelines.



Even though federally you have 60 days to submit your claim after the end of the month, the **State of Mississippi has a deadline to be submitted by the 10<sup>th</sup>.**

# MARS Claim Submission Steps

## School Nutrition Programs



Applications | Claims | Compliance | Reports | Security | Search | Programs | Year | Help | Log Out

Applications > Application Packet > School Year: 2020 - 2021

### 2020 - 2021 Application Packet

00219 Status: Active  
[Redacted]  
Packet Submitted Date: 09/23/2020  
Packet Approved Date: 09/29/2020  
Packet Original Approval Date: 09/29/2020  
Packet Status: Approved

Packet Assigned To: Rodney Miller

Action	Form Name	Latest Version	Status
View   Revise	✓ Organization Application	Original	Approved
View   Admin   Revise	✓ Community Eligibility Provision (CEP) Schedule	Original	Approved
Details	✓ Meal Pattern Compliance Dashboard		Approved
Details	✓ Checklist Summary (2)		
Details	Application Packet Notes (3)		
View	Application Packet Notes for Organization (2)		
Details	Attachment List (7)		

Site Applications	Approved	Pending	Return for Correction	Denied	Withdrawn/Closed	Error	Total Applications
School Nutrition Program	6	0	0	0	0	0	6
Seamless Summer Option	0	0	0	0	0	0	0

< Back Submit for Approval Approve Return Deny

Show Packet History

In order to create a claim in a given month, an **approved** Application Packet must be in effect for the period.

- Click on Claims at the top of the menu options!

The screenshot shows the 'School Nutrition Programs' web application interface. At the top, the title 'School Nutrition Programs' is displayed in a large, bold, blue font. To the right of the title is the logo for the Mississippi Department of Education, which includes a graduation cap and the text 'MISSISSIPPI DEPARTMENT OF EDUCATION'. Below the title and logo is a dark blue navigation bar with white text for the following menu items: 'Applications', 'Claims', 'Compliance', 'Reports', 'Security', 'Search', 'Programs', 'Year', 'Help', and 'Log Out'. A yellow banner across the middle of the page contains the text: 'Your password will expire in 14 days. Please change your password before it expires.' Below the banner is an illustration of three school lunch trays, each with a hamburger, a carton of milk, and a glass of juice, surrounded by yellow confetti. At the bottom of the page, the text 'Welcome to the School Nutrition Program module!' is displayed in a bold, black font. A green arrow points upwards from the bottom of the page towards the 'Claims' menu item in the navigation bar.

Click on the respected option you are trying to file under.



**SNP-is for the NSLP/SBP**

Item	Description
Claim - SNP	School Nutrition Program Claims
Claim - SSO	Seamless Summer Option Claims
Claim - FFVP	Fresh Fruit and Vegetable Program Claims
Claim Rates	View current claim rates
Payment Summary	Summary of payments made to this Organization

The next step is click  
“Add Original Claim”!

**School Nutrition Programs**

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Applications | Claims | Compliance | Reports | Security | Search | Programs | Year | Help | Log Out

Claims > Claim Year at a Glance - SNP > School Year: 2020 - 2021

### 2020 - 2021 SNP Claim Month Details

00219 Status: Active

Type of Agency: Educational Institution  
Type of SNP Organization: Public

**Claim Month: January 2021**

Claim Items	Adj Number	Date Received	Date Accepted	Date Processed	Earned Amount	Status
There are no claims for this month.						
<b>Total Earned</b>					\$0.00	

**Add Original Claim**

You will need to click on your individual site and add/modify before you get here.

Remember to submit all the way through!

If you **do not** get a confirmation, You **did not** submit the claim.

Let's review for a minute the information on the right.....

## School Nutrition Program General Information

G1. Number of Children Approved for Free Meals:	615
G2. Number of Children Approved for Reduced Price Meals:	129
G3. Number of Enrolled Children:	1,660

## National School Lunch Program

L1. Authorized Sites Participating:	1
L2. Total Monthly Attendance:	35,295
L3. Number Operating Days:	22
L4. Reimbursable Lunches Served	
a. Free Lunches Served:	11,139
b. Reduced Price Lunches Served:	2,117
c. Paid Lunches Served:	8,951
d. Total Lunches Served (a + b + c):	22,207

## School Breakfast Program (Severe Need Reimbursement)

N1. Authorized Sites Participating:	1
N2. Total Monthly Attendance:	35,295
N3. Number Operating Days:	22
N4. Reimbursable Breakfasts Served	
a. Free Breakfasts Served:	5,332
b. Reduced Price Breakfasts Served:	779
c. Paid Breakfasts Served:	2,080
d. Total Breakfasts Served (a + b + c):	8,191

When determining the number of eligible paid children for the current month, take current enrolled children and subtract the current free and reduced-price children.

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# MARS claim Submission Steps

Remember to click on claims at the top.

Click on the correct month.

File by the 10<sup>th</sup> of each month!

You are able to modify/add/delete a claim after you pick your month!

**School Nutrition Programs**

Applications | **Claims** | Compliance | Reports | Security | Search | Programs | Year | Help | Log Out

Claims > Claim Year at a Glance - SNP > School Year: 2019 - 2020

### 2019 - 2020 SNP Claim Year Summary

00157 Status: Active  
**Test Organization**  
DBA:  
122 N. Elm St.  
Glendale, MS 65545  
Type of Agency: Educational Institution  
Type of SNP Organization: Public

Claim Month	Adj Number	Claim Status	Date Received	Date Processed	Earned Amount
Jul 2019					\$0.00
Aug 2019	0	Processed	09/05/2019	09/11/2019	\$125,375.05
Sep 2019	0	Processed	10/08/2019	10/09/2019	\$168,666.11
Oct 2019	0	Processed	11/08/2019	11/13/2019	\$175,297.71
Nov 2019	0	Processed	12/04/2019	12/11/2019	\$132,648.40
Dec 2019	0	Processed	01/13/2020	01/15/2020	\$112,482.01
Jan 2020	0	Processed	02/10/2020	02/12/2020	\$151,407.60
Feb 2020	0	Processed	03/05/2020	03/11/2020	\$156,892.72
Mar 2020	0	Processed	04/06/2020	04/08/2020	\$40,929.52
Apr 2020					\$0.00

# Procurement 101

## New Administrators Orientation

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Sources of Funds



Allowable Expenses



Types of procurement transactions



Procurement tips



Financial Audit tips

**Federal Funds-Meal Reimbursements, USDA Grants, FFVP**

**State Funds-State Matching Grants and Rebates**

**Local (District) Funds-Extra Food Items, Adult Sales, Catering, Special Functions**

**Miscellaneous Funds-Donations**

## What rules Apply?

In Child Nutrition, three sources govern procurement decisions:

- Federal Regulations
- State Regulations
- Local Rules (Board Policy)

All expenditures made with federal funds (including USDA reimbursements) must be “allowable.” Is the cost:

**Reasonable?** *“Prudent person” standard*

**Necessary?** *Generally recognized as ordinary/necessary for program operation*

**Allocable?** *(If applicable)*

What is a threshold?

- The dollar amount at which the requirements change for how you make a purchase

There are state thresholds and federal thresholds. Child Nutrition is subject to both.

## State procurement thresholds:

- Apply to purchases of commodities (goods, equipment)
- Perishable food/supplies for use in the National School Lunch Program are exempt from State guidelines
  - Purchases up to \$5,000.00 – No quotes required
  - Purchases \$5,000.01-\$50,000.00 – Two written quotes (“quote bids”)
  - Purchases \$50,000.01+ -- RFP/IFB-Reverse Auction (publicly advertised)

STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR  
SHAD WHITE  
AUDITOR



PURCHASE LAW  
SUMMARY  
September, 2018

Department of Technical Assistance  
Post Office Box 956  
Jackson, Ms. 39205  
1-800-321-1275  
1-601-576-2750  
[www.osa.ms.gov](http://www.osa.ms.gov)  
[tech@osa.ms.gov](mailto:tech@osa.ms.gov)

Toll Free In-State  
FAX  
Web Site  
E-mail

- Construction
- Reverse auction
  - \$50,000+
  - Exemptions may be available
- Sole source
- Emergency

Resource: State Purchase Law Summary

- Additional information on quotes/bids, construction, sole source, emergencies
- **Does not take into account federal requirements**

[https://www.osa.ms.gov/sites/default/files/Resources/Purchasing/Purchase\\_Law\\_Update.pdf](https://www.osa.ms.gov/sites/default/files/Resources/Purchasing/Purchase_Law_Update.pdf)

**Federal Thresholds** apply to **all** purchases, including services

Micro-purchasing - under \$10,000.00

Small purchasing procedures - \$10,000 - \$249,999.99 Quotes

Formal purchasing procedures - \$250,000+ RFP/sealed bids

- Aggregate total cannot exceed threshold.
  - What does “aggregate total” mean?
  - Purchase over a period of time (e.g. spending \$2000 each school month on a service would exceed the threshold) or
  - Purchase of an item made to multiple sellers (e.g. buying fresh blueberries from two farmers market vendors)
- Equitably distribute among suppliers.
  - Do I have to drive 50 miles, pay more, etc. in order to equitably distribute our purchases?
  - No; only reasonable efforts must be made. Document your process.
- Price must be reasonable.

- \$500 for 10 pints of blueberries

Allowable?

Under \$10,000.00 ✓

Not allowable because **NOT REASONABLE.**

- Buy 100 aprons at \$10/apron from Restaurant Supply in March.
- Buy 100 aprons at \$10/apron from Restaurant Supply in August.

Allowable?

Under \$5,000.00 (state threshold for commodities)



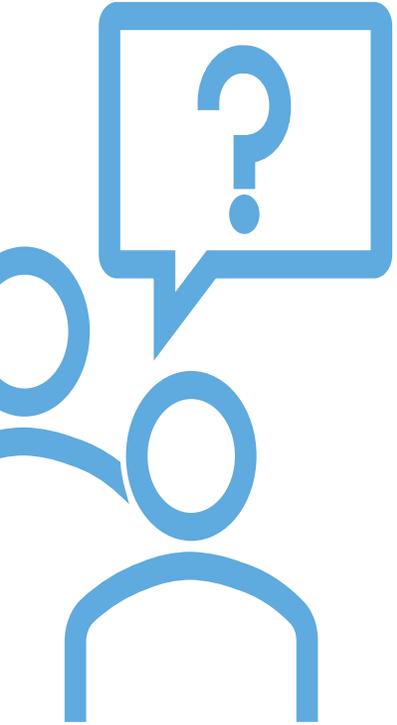
Reasonable



May be allowable. Are other vendors available?



## What rules apply?



**Q. What to do when federal and state guidelines conflict?**

**A. Utilize the more restrictive**

*Local* rules can be stricter, but not weaker than state/federal requirements.

Ex. Local rule may require 3 quotes instead of 2



For **commodities** except perishable food/supplies:

State thresholds are more restrictive than federal

Up to \$5,000 – Micro-purchase

\$5,000.01-\$50,000.00-Quotes

Over \$50,000.01–RFP/IFB/Reverse Auction



For **services** and **perishable food/supplies**:

Under \$10,000.00 – Micro-purchase

\$10,000.00 - \$249,999.99 – Quotes

\$250,000.00+ - RFP / IFB

**REMINDER:** Your District may impose stricter thresholds

- You may choose to use more competitive means of procurement for any purchase (e.g. you may get quotes on a \$1,000 item).
- Your District may impose more restrictive thresholds/requirements.
- Always follow your Procurement Plan!
- Review your Procurement Plan annually!

## CHILD NUTRITION PROCUREMENT PLAN

The \_\_\_\_\_ (School Food Authority) will purchase food and other items for use in the Child Nutrition Program in compliance with 2 CFR Part 200, Subpart D and USDA implementing regulations, 2 CFR part 400 and part 415, as applicable, and Mississippi State Law, using the procedures outlined in this document and the Chart of Procedures.

**A. Purchases of SERVICES or COMMODITIES (including perishable food or supplies)**

1. For purchases between \$0.01 and \$5,000.00, ~~Micro~~purchasing may be utilized.
  - i. The cost must be reasonable.
  - ii. Purchases should be spread equitably among suppliers to the extent practicable.
2. For purchases between \$5,000.01 and \$50,000.00, small purchase procedures are required to be utilized (unless the SFA elects to utilize formal purchasing procedures).
  - i. Develop specifications for the services, food, or supplies to be procured.
  - ii. Obtain price quotes from an adequate number of suppliers.
  - iii. Prepare price quote documentation sheet and note supplier awarded.
3. For purchases exceeding \$50,000.00, formal purchasing procedures are required to be utilized.
  - i. Work with District's Business Officer to utilize the proper method (e.g. RFP, IFB, Reverse Auction/Exemption).
  - ii. Procurement must be advertised to and open to the public.
  - iii. Submit lowest or most responsive bid to School Board for approval.

**B. Non-competitive Purchases**

Non-competitive purchases may only be made when an emergency arises that threatens continued service of the Child Nutrition Program, or when the service/commodity being purchased is available from only one vendor (i.e. sole source). If it is necessary to make a non-competitive purchase in order to continue service, the purchase shall be made and a log of all such purchases shall be maintained and reviewed by the review official listed in Column E of the Chart of Procedures. The log shall show:

1. Item name;
2. Dollar amount;
3. Vendor; and
4. Reason for emergency/justification of sole source designation.

C. All purchases will be conducted in accord with the attached Chart of Procedures.

D. The following records will be maintained for a period of three (3) years, plus the current year:

1. Written records of all quotes obtained via telephone;
2. Log of all emergency and sole source purchases;
3. All written quotes and bid documents;
4. Comparison of all price quotes and bids with the effective dates shown;
5. Price comparison will show bids or quote award; and
6. Log of approved substitutions.

E. Each SFA must develop an established procedure to handle any dispute resulting from a competitive process (Bid Protest Policy).

F. The following conduct will be expected of all people who are engaged in the award and administration of contracts supported by school food and nutrition program funds:

- No employee, officer or agent of the \_\_\_\_\_ (School Food Authority) shall participate in selection or in the award or administration of a contract supported by program funds if a conflict of interest, real or apparent, would be involved.

# What is a Procurement Plan?

- State templates available
- Can modify template so long as minimum standards are met
- Example-Your district may require formal procurement on anything above \$25,000
- Check with your district on your **Bid Protest Policy!**
- Recommendation: review annually

- Request contains specifications
- Response can be on vendor's letterhead or School District's form
- Signed by vendor

**“Lowest and best” prevails.**



# Capital Expenditures

40

- Purchases of equipment exceeding \$5,000 requires State Agency pre-approval.
1. Check the pre-approved equipment list on the MDE/OCN website (under “Child Nutrition Resources”)
  2. If the equipment **is not** listed, send a request via e-mail to School Support with the following information:
    - The equipment and approximate cost; whether the equipment will be used in a shared space (for example, tables that will also be used for after-school tutoring)

Home > DFA Offices > Purchasing, Travel and Fleet Management > Bureau of Purchasing and Contracting > Contracts

Ross Campbell, Director  
 501 North West Street, Jackson, MS 39201

**Competitive contracts** are established on the basis of written specifications and sealed competitive bids with a contract being awarded to the vendor that has submitted the lowest bid that meets the specifications.

**Negotiated contracts** are entered into when a commodity is used by multiple state agencies and a standard specification fails to meet the needs of a majority of the state agencies.

**The Statewide Agency Contracts** are established on the basis of competitive bids or negotiation by a specific agency. These agency contracts are approved by the Office of Purchasing and Travel for use by all state agencies and governing authorities to purchase specific products from the vendor.

**Cooperative Contracts** are procurement conducted by, or on behalf of, more than one Public Procurement Unit, or by a Public Procurement Unit with an External Procurement Activity.

The Mississippi Industries for the Blind is a state agency and body politic and corporate. Miss. Code Ann. Section 43-3-101. It was created to establish industries, businesses and shops for the employment of the blind and other persons, to employ blind persons whose training is not otherwise provided for and to market their products, and to furnish materials, tools and books for use in rehabilitating blind persons for employment, and to do any and all other things for blind persons as it deems advisable. Sections 43-3-107. Miss. Code Ann.

Miss. Code Ann. Section 31-7-13 (m) (xiv) exempts from advertising and bidding requirements set forth in the statute, purchases made by state agencies or governing authorities involving any item that is manufactured, processed, or produced by the Mississippi Industries for the Blind. <http://shop.msblind.org>

**The Office of Personal Service Contract Review (OPSCR) Service Contracts** are provided to assist in the procurement process for use by state agencies and entities under the purview of the Mississippi State Personnel Board. Use of the preapproved lists is strictly optional and is not intended to replace agencies' currently active contracts.

**Minority Participation Contracts** are approved minority vendor contracts. These negotiated contracts are entered into when a commodity is used by multiple state agencies and a standard specification fails to meet the needs of a majority of the state agencies.

Competitive Contracts

Negotiated Contracts

Statewide Agency Contracts

Cooperative Contracts

Make Mine Mississippi Program

PSCR Service Contracts

# More Procurement Tips

- Buying from “State Contract” vendors (DFA)
  - **Competitive contracts- OK**
  - **Other contracts – get 2<sup>nd</sup> quote**
- If on Statewide Purchasing, buying items “off bid” (must procure)
- Geographic preference for locally-grown products



# What Questions Do You Have?





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