



APR 28 2011

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

SUBJECT: Implementation of the Healthy, Hunger-Free Kids Act of 2010, SNAP
Education (SNAP-Ed) Provision

TO: Financial Management Directors
SNAP Program Director
All Regions

The purpose of this memorandum is to provide guidance regarding Supplemental Nutrition Assistance Program Education (SNAP-Ed) nutrition education funding provided under the authority of Section 241 of the Healthy Hunger-Free Kids Act of 2010 (Public Law 111-296). The funding provisions of this legislation are retroactive to the beginning of FY 2011 (October 1, 2010). It allows for 100% Federal funding through two-year grants. Previous financial guidance was provided to the Regions under the February 24, 2011, financial management (FM) correspondence. This guidance package contains additional information for both the Regional Office staff and State agency staff to assist in transitioning the SNAP-Ed related expenditures from the regular SNAP administrative funding stream to the new 100% federal funding stream, as provided in Section 241 of Public Law 111-296.

Recording the New Funding (Regional Offices)

- Set up new Grant Award Document (GAD) and Letter of Credit (LOC) for the new two-year grant period. (if this has not been done)
- Establish the new funding using the new GAD/LOC and Program Cost Account (PCA).
- Begin using the new GAD/LOC and PCA Q3903 to obligate new funds.
- Instruct State agencies to process a book entry adjustment in the Automated Standard Application for Payment (ASAP) from the old PCA S2514 to the new PCA Q3903 for all related and/or applicable expenditures incurred YTD.
- Funds remaining under S2514 after the book entry adjustment has been processed can remain under this PCA and may be used for other valid SNAP administrative costs.
- Regional Office Staff are to monitor current outlays.

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State Agency Actions for Transferring to the New Funding

- States are to begin using the new GAD/LOC and PCA Q3903 to obligate new outlays and obligations.
- State agencies process a book entry adjustment in ASAP from the old PCA S2514 to the new PCA Q3903 for all related expenditures incurred YTD.
- State agencies must complete all adjustments by **May 31, 2011**.

Food Program Reporting System (FPRS) Reporting Through the FY 2011 Second Quarter

- States are not required to report the State matching funds on an SF-269. However, since the new funding was not provided until April; many States have already incurred expenditures in the first and second quarters. States should continue to report their first and second quarter expenditures on the SF-269 for FY 2011.
- First and second quarter reports must be posted no later than June 1, 2011. Starting June 2, 2011, the FY 2011 SNAP-OP SF-269 form in FPRS will be temporarily locked from data entry to allow for system implementation of the 100 percent SNAP-Ed reporting to the SF-425.
- The 100 percent SNAP-Ed system implementation will include an automatic transfer of the first and second quarters SF-269s, column 17 expenditures to the SF-425 first and second quarter reports, respectively. States will be allowed to revise their SF-425 first and second quarter submissions if necessary. Data reflected in Column 17 of the SF-269 will be deleted after the transfer and the column will be blocked from further reporting.
- States do not need to revise the Nutrition Education projections on their FY 2011 FNS-366A. Data reflected on Line 17 of the FNS-366A will be automatically deleted after the SF-269 transfer to the SF-425. Line 17 will be blocked from data entry from FY 2011 forward. For future years, Nutrition Education planned expenditures will not be reported on the FNS-366A.

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- State and regional FPRS users who have access to the SNAP-OP SF-269 will automatically be granted access to the SNAP-ED SF-425 form. Upon the completion of the SNAP-Ed 100 percent SF-425 implementation, all users will be notified of such via a “FPRS System Upgrade” e-mail.
- Please note that States are expected to continue to collect and report State and private contributions to their SNAP-Ed activities through the Education and Administration Reporting System (EARS) FNS-759.

FPRS Reporting for the FY 2011 Third Quarter and Beyond

- States shall start using the new SF-425 SNAP-Ed to report all outlays and obligations on the new funding.

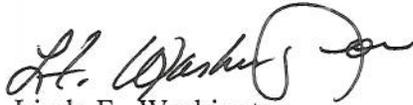
Procedures for Close-out

- The close-out for SNAP-Ed will follow the general closeout guidance in IPAS-671, Annual Financial Reconciliation (Close-out) of Program Grants, General Procedures
- The close-out process must be completed in accordance with the time frames established in IPAS-670, Schedule for Completion (Grants) which will be updated in November 2011 to include SNAP-Ed. Since SNAP-Ed is a two-year grant, it will not be closed until 1st quarter FY 2013.
- After the 4th quarter report has been submitted, states can mark any of the remaining reports as final; however, the final close-out statements will be completed in accordance to the schedule provided in IPAS – 670.

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If you have questions please contact Jane Duffield or Regina Lau via e-mail.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Washington". The signature is fluid and cursive, with a large loop at the end.

Linda F. Washington
Director
Program Accounting Division

cc: Regional SNAP Directors
Jane Duffield, Chief State Administration Branch, PAAD
David Burr, Director, PAAD
Lisa Greenwood, Director, Budget Division
Maeve Myers, Chief, Program Data Branch, Budget Division