



United States
Department of
Agriculture

Food and
Nutrition
Service

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

TO: Regional Financial Management Directors
All Regions

The Healthy, Hunger-Free Kids Act of 2010 (Public Law 111-296), which reauthorized the Child Nutrition and WIC Programs, was signed into law by President Barack H. Obama on December 13, 2010. Operations of Supplemental Nutrition Assistance Program Education (SNAP-Ed) are affected by implementation of a provision of this law, Section 241, which establishes a Nutrition Education and Obesity Prevention Grant Program.

Although the funding provisions of this legislation are retroactive to the beginning of FY 2011, a transition period will be necessary to ensure the orderly conversion of SNAP-Ed related expenditures between the current and newly established funding streams while maintaining program operations. Financial Management (FM) will be establishing new accounting structures including Program Cost Account (PCA) to accommodate these changes. **Until we provide additional guidance on the changes, please continue to use the existing process to record the current SNAP-Ed.**

After the new PCA has been established by FM, the following steps will be necessary to move the funds from the current funding streams to the newly established streams:

- Set up new Grant Award Documents (GAD) with a two-year grant period and update the related maintenance tables
- Set up new Letter of Credit (LOC)
- Establish the new funding using the new GAD/LOC records and PCA
- Instruct the State Agencies to process a book-entry adjustment in ASAP between the old and new PCA
- De-obligate funds from the old GAD/LOC records and PCA
- Begin using the new GAD/LOC and PCA to obligate new funds and the States for new related draw-downs

With respect to required reporting of State nutrition education expenditures, States should continue to report on the SF-269 (SNAP) until otherwise directed. We ultimately expect the expenditures to be reported on the SF-425. However, the Act did convert funding for these

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activities to a 100 percent basis, eliminating the previously required State match. As a result, it will no longer be required that States report State and private contributions.

Additional guidance will follow by March 31, 2011 to address the timing and actions necessary to implement the change. In the meantime, Regions should be in contact with their State agencies to ensure they are aware of these changes and are preparing for the necessary actions.

If you have questions please contact Regina Lau or Jennifer Phillips via e-mail.

Sincerely,



Linda Washington, Director
Program Accounting Division

cc: Regional SNAP Directors
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