



Georgia Department of Early Care and Learning

**BRIGHT FROM THE START:
Georgia Department of Early Care and Learning**

Nutrition Services

POLICY	No.: SFSP/16-18	Effective Date:	5/1/2016
		Revised:	5/20/2016
		Revision Effective:	5/20/2016

SUBJECT: Advance Payments in the Summer Food Service Program (SFSP)

LEGAL AUTHORITY: 7 C.F.R. § 225.9(c); O.C.G.A. § 20-1A-5

Cross Reference/See Also:

I. PURPOSE

The purpose of this policy is to provide procedures for requesting advance payments in the SFSP.

II. APPLIES TO

This policy applies to all sponsors participating in the SFSP.

III. DEFINITION(S)

"Sponsor" means a public or private nonprofit school food authority, a public or private nonprofit residential summer camp, a unit of local, municipal, county or State government, a public or private nonprofit college or university currently participating in the National Youth Sports Program (NYSP), or a private nonprofit organization which develops a special summer or other school vacation program providing food service similar to that made available to children during the school year under the National School Lunch and School Breakfast Programs and which is approved to participate in the Program.

IV. POLICY

A Program advance is a form of financial assistance made available for Summer Food Service Program (SFSP) costs prior to the month in which such cost will be incurred. The advance option is designed to help sponsors maintain a positive cash flow because they will have funds available to meet Program costs as they arise throughout the month. Upon approval and an executed Program agreement, sponsors may request advance payments for their total Program

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Costs, for their operating costs, or for their administrative costs. Although sponsors are no longer required to categorize costs as operational or administrative when submitting claims for reimbursement, advance payments are categorized as such. Therefore, when making a request, sponsors may not request an advance for operating and administrative costs combined, but must make these requests separately.

When determining the amount of the advance payment, DECAL will make the best possible estimate based on the sponsor's request and any other available data. Below are the specific requirements SFSP sponsors must following when seeking to request an advance payment:

Advances for Operating Costs

- Sponsors must request each advance payment for operating costs at least 30 days before the payment dates of June 1, July 15, and August 15.
- Advance payments are issued by June 1, July 15, and August 15, or within 30 days upon receipt of a complete application, and upon execution of the Program Agreement (new sponsors only).
- Sponsors may not receive an advance for operating costs in any month when it will not be operating for at least 10 days.
- Advance payments must be recouped/repaid in full prior to the next request.

Advances for Administrative Costs

- Sponsors must request each advance payment for operating costs at least 30 days before the payment dates of June 1, July 15, and August 15.
- Advance payments are issued by June 1, July 15, and August 15, or within 30 days upon receipt of a complete application, and upon execution of the Program Agreement (new sponsors only).
- If a sponsor operates the Program less than 10 days in June, but at least 10 days in August, they will be issued the second month's payment for advance administrative costs on August 15.
- Sponsors planning to operate the Program for less than 10 days cannot receive advance payments for administrative costs.

In accordance with 7 CFR § 225.9, DECAL calculates advance payments based on the following:

Vended Sponsor:

- 50% of the amount determined by DECAL to be needed for the month of application.

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Self-prep Sponsor:

- 65% of the amount determined by DECAL to be needed for the month of application.
- Each payment will not exceed 1/3 of the total amount in which the DECAL determines the sponsor will need to administer the Program.
- The maximum one time advance payment will not exceed \$40,000.00

In addition to the above criteria, DECAL will consider the following when determining the final approved advance amount:

- Estimated total number of meal sites compared to prior year;
- Estimated total number of meals for current year compared to prior year;
- Estimated total projected SFSP costs for the current year (approved annual SFSP budget);
- Available prior year SFSP excess reimbursement as reported on the SFSP Annual Year End Reconciliation Form; and
- Total amount of outstanding debt owed from prior year.

If a sponsor's request for an advancement is denied, DECAL will offer the sponsor the opportunity to appeal [7 CFR § 225.13(a)].

V. PROCEDURE(S)

SFSP sponsors may request an advance payment electronically via the annual application process in GA ATLAS. The steps to accessing the advance payment feature in GA ATLAS are as follows:

1. Locate the "The Advance Requests" link which is located on the Application Dashboard under the Additional Forms heading.
2. Click on the Advance Request link, then click "Add" next to the requested advance month.
3. Check the type of advance, Operating and/or Administrative, and enter the requested advance amount for each type.
4. Ensure the certification statement box is selected and click "Save" to submit the request.

Subsequent advances may be requested using the same online section of the SFSP application in GA ATLAS and by following the steps mentioned above. Advance payment requests will be considered upon the approval of the annual SFSP application and the execution of the SFSP

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Program Agreement (new sponsoring organizations only). Advance payments can only be used in whole or in part on allowable SFSP costs associated with the administration and/or operation of the summer meal service. Requests for operating and administrative costs cannot be combined, therefore, the sponsors must separate their request by category, operational or administrative.

In accordance with SFSP recordkeeping requirements and DECAL policy No. SFSP/03-5, sponsors must ensure adequate records are maintained to support:

- Reconciliation to earned SFSP reimbursement; and
- Use of funds on allowable costs;

Recovery of all or part of an advance will be made through an adjustment to a subsequent SFSP reimbursement or a demand for full repayment through collection efforts. Recovery of advance payments will first be recouped from all available SFSP claims for reimbursement. If advance monies are still owed after the final claim for a fiscal year, DECAL will initiate collection efforts to recoup the outstanding amount.

VI. COMMENT(S)

Any questions concerning this policy should be directed to the Policy Administrator at (404) 651-8193.