



MEMORANDUM

TO: State Leaders

FROM: Janey Thornton, SNS, President *Janey Thornton, SNS*

DATE: April 13, 2007

RE: USDA Letter Regarding CN Program Funds Being Used to Pay for Memberships

Attached is a letter that the School Nutrition Association (SNA) received from Stan Garnett, Director, Child Nutrition Division, United States Department of Agriculture (USDA). Stan's letter was in response to SNA's inquiry whether state agencies and/or school districts could use Child Nutrition Program funds to pay for the cost of memberships in professional organizations such as SNA. SNA posed this question to USDA based on inquiries from several state associations on whether CN funding could be used to pay for memberships.

The good news is yes, the cost of memberships in professional organizations such as SNA is permitted in accordance with the Federal government's Office of Management and Budget (OMB) Cost Circulars. It is important to note, however, that memberships are permitted as long as the membership is incurred on behalf of a government or organization unit such as a school district, as opposed to an individual, and the membership fee is related to the program content.

This news couldn't have come at a better time! As you know, SNA has been looking at the Association's membership structure as we continue to see a decrease in the employee and manager members. Currently, SNA's Bylaws do not provide for institutional memberships owned by a school district. However, a number of proposed amendments to SNA's Bylaws that is being brought forth to the House of Delegates this year will allow SNA to begin offering institutional memberships that can be owned by the school district. In addition, to providing for institutional memberships, SNA is also pleased to introduce a school based membership that packages membership with certification and training.

This is a very exciting time to be a leader of SNA. I hope you find the information attached in Stan's memo helpful in building membership in your state. If you have any questions about the attached letter, or SNA's proposed Bylaw amendments, please do not hesitate to contact SNA's headquarters office and ask to speak with Ellen Wilson or Patti Montague who will be more than happy to help you.



United States
Department of
Agriculture



Nov 30 2006

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22:302-1500

Ms. Cathy Schuchart Staff Vice President
School Nutrition Association
700 South Washington Street Suite 300
Alexandria, Virginia 22314

Dear Ms. Schuchart:

I am writing in response to your inquiry regarding whether State agencies and school food authorities (SFAs) can use Child Nutrition Program funds to pay for the cost of memberships in business, technical, and professional organizations such as the School Nutrition Association. Such costs are allowable in accordance with the governing Office of Management and Budget (OMB) Cost Circulars (i.e., OMB A-87, Cost Principles for State, Local and Indian Tribal Governments, and A-122, Cost Principles for Nonprofit Organizations) as long as the membership is incurred on behalf of the governmental unit, as opposed to an individual employee, and the membership fee is related to the program content. Basically this means that a State agency or SF A may only purchase an organization- level ("unit") membership. That membership, however, could encompass three different governmental levels (i.e., national, state, or local).

There are, however, two exceptions to this basic rule. One exception exists in cases where the business, technical, or professional organization does not offer an organization-level membership. In such cases, the State agency or SF A may purchase one individual membership for use by its entire organization. The other exception exists when individual memberships, as opposed to a unit membership, are allowable under an employer's fringe benefit package or the fringe benefits package allows for the payment of local, state and/or national dues for one organization. In either case, allowing such costs is only acceptable if all similarly classified (federally funded and nonfederally funded) employees receive the same benefit in accordance with the State agency or SF A's established personnel policies.

In all of the scenarios discussed above the membership must be necessary and reasonable, which would require that the membership be related to program administration.

Please let me know if you have any questions.

Sincerely,


STANLEY C. GARNETT

Director
Child Nutrition Division