



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

September 26, 2024

Karl Meeske, Board President
Chase County Schools
520 East 9th Street
Imperial, NE 69033

Dear Mr. Meeske:

As you know, the Nebraska Auditor of Public Accounts (APA) has received concerns regarding possible misuse of school nutrition funds at the Chase County School District (District). Specifically, it is alleged that the District has improperly expended school nutrition funds to purchase scoreboards for the gymnasium. As a result, the APA began limited preliminary planning work to determine if a full financial audit or attestation would be warranted. Pursuant thereto, the APA obtained financial records and other relevant documentation from the District.

Based on the outcome of this preliminary planning work, including an analysis of the information obtained, the APA has determined that a separate financial audit or attestation is unnecessary at this time because the District is audited on an annual basis. The School Lunch Fund is included in the annual District audit with the following information contained in the notes:

School Nutrition Fund - The School Nutrition Fund is used to accommodate the financial activities of the Child Nutrition Programs. These include the School Lunch, School Breakfast, After School Snack, Special Milk, Child and Adult Care Food, and the Summer Food Service Programs. The fund accounts for all receipts and disbursements of all Child Nutrition Programs. Receipts in this fund include the federal and state program cost reimbursements received by the District and General Fund support of the lunch program. All food purchases and other supplies are accounted for as disbursements of the School Nutrition Fund; accordingly, no inventories are maintained in this fund.

Nevertheless, during the course of the preliminary planning work, the APA noted certain issues that merit corrective action. The following comment and recommendation, which has been discussed with the appropriate members of the District and its management, is intended to improve internal control or result in other operating efficiencies.

Comment and Recommendation

Questionable Purchase Using School Lunch Funds

On February 15, 2024, the Nebraska Department of Education (Department) sent a letter to the District stating that it was out of compliance with Federal net cash resource requirements, as the District's nonprofit foodservice account's net cash resources exceeded the allowable maximum amount. See **Attachment A** herein for a copy of the correspondence – which suggested strategies for spending down the excessive balance, including improving the quality of meals, introducing new or improved salad bar options, or upgrading point of sale (POS) systems.

In response to this letter, the District Superintendent, Adam Lambert, sent an email to the Department on February 22, 2024, asking if the District could purchase a “digital menu board,” among other items, to decrease the account balance. Mr. Lambert followed up with Department staff on February 29, 2024, asking for guidance on the potential purchases. Shortly thereafter, a Department staff member responded as follows regarding the “digital menu board”:

yes, yes, allowable so long as this will be used exclusively in the cafeteria; if used for a purpose other than school nutrition communication, the cost of it would have to be shared with a non-federal source.

(Emphasis Added.) The APA has included the original email from Mr. Lambert, including the Department’s response in green, below:

Dear NDE,

Thank you for making us aware that we are over in our school lunch account.

There are some items that we are looking to purchase to bring down our account balances and would appreciate some guidance to make sure that these purchases are in compliance.

Some Current Items

1. New Lunch Tables *yes, allowable*
2. New Floor Scrubber for the cafeteria *yes, allowable so long as this will be used exclusively in the cafeteria; if used elsewhere in the school, the cost of it would have to be shared with a non-federal source.*
3. A digital menu board *yes, yes, allowable so long as this will be used exclusively in the cafeteria; if used for a purpose other than school nutrition communication, the cost of it would have to be shared with a non-federal source.*
4. Kitchen appliances *yes! Definitely allowable.*

Our goal is not to have the school lunch program be a profitable entity in our district, but we do want it to be a self-sufficient program, which can be hard to balance at times.

We did make a significant investment in equipment and then ended up getting those dollars back in profit through COVID relief essentially making it a wash, which was a little out of our hands. We will continue to monitor this account and try to work our way back into compliance.

Sincerely,
Adam Lambert
Chase County Schools

A quick Google or Amazon internet search provides several reasonable options for a lunchroom “digital menu board,” costing from a few hundred to a little over a thousand dollars.

On March 25, 2024, however, Mr. Lambert received a quote directly from ScoreVision, an Omaha, Nebraska, company that specializes in scoreboard and fan engagement software, for the purchase of two 16-foot by 9-foot light-emitting diode (LED) gymnasium video scoreboards. The quote included the displays, hardware, iPad controllers, basketball shot clocks, backboard lights, engineering, installation, costs to remove the existing scoreboards, and annual software and support subscription, totaling \$169,695. A copy of the quote has been included as **Attachment B** herein.

On April 9, 2024, the District Board of Education (Board) voted to approve the following agenda item, “VI.7. Discuss, consider, and take necessary action on the purchase of new ScoreVision boards in the Longhorn gym,” as shown below:

VI.7. Discuss, consider, and take necessary action on the purchase of new ScoreVision boards in the Longhorn gym.

Motion to approve the purchase of new ScoreVision boards in the Longhorn gym not to exceed \$169,695. Passed with a motion by Linsey Foote and a second by Steve Wallin.

Jeff Olsen: Nay, Cindy Arterburn: Yea, Linsey Foote: Yea, Karl Meeske: Yea, Dan Reeves: Yea, Carrie Terryberry: Yea, Steve Wallin: Yea

Neither the minutes nor the agenda specify that Mr. Lambert was planning to use excess school nutrition funds for the purchase of the scoreboards. In addition, there was no mention of the email correspondence with Department staff. Nevertheless, it was clear from the Department, per the staff member’s responses shown on the previous page herein, that such expenditure of school nutrition funds would be allowable only if the “digital menu board” about which the inquiry was supposedly made – as opposed to two gymnasium scoreboards actually purchased – were used “exclusively in the cafeteria.”

On June 11, 2024, a payment of \$124,695 out of the District’s School Lunch Fund was included within the June 2024 Bill Report approved by the District Board; no discussion was mentioned in the minutes regarding the specific use of the School Lunch Fund money. The following is an image of the claim as it was listed in that June 2024 Bill Report:

CCS Depreciation	Scorevision	\$ 124,695.00
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Based on the school gymnasium picture below, which shows one of the two scoreboards purchased, the APA questions how any good-faith argument could possibly be posited that the acquisitions made with the school nutrition funds at issue were either “digital menu boards” or used “exclusively in the cafeteria.”



According to guidance from the Department, expenditures from the nonprofit school foodservice account must be allocable, reasonable, and necessary for the school nutrition program; the guidance also includes examples of specific allowable and unallowable costs. One of the items included as an unallowable cost is to “Replace, repair or purchase of equipment not used exclusively for the operation of Child Nutrition Programs.”

The following image is a table showing the specific allowable and unallowable cost items provided in the Department’s guidance on nonprofit school foodservice account expenditures:

Allowable Costs	Unallowable Costs
Offering a greater variety of fresh fruits and vegetables to improve the quality of the meals	Replace, repair or purchase of equipment not used exclusively for the operation of Child Nutrition Programs*
Replace, repair, or purchase equipment used exclusively in the operation of the Child Nutrition Programs*	Capital outlay, land, or system improvements, including utility work for renovations done purely for aesthetic reasons
Purchase items to enhance/improve meal service (e.g., salad bars or mobile carts)	Costs incurred prior to the current school year
Engage in Farm to School activities to promote local food	Communication upgrades including telephone or internet service
Improve food service employee benefits: increase salaries, provide internal training opportunities or funds for travel to conferences	Promotional items
Purchase or update Point of Sale (POS) systems	Costs of improperly procured products/services*

Any school lunch fund purchase in excess of \$5,000 must be pre-approved by the Department, the guidance explains, if not on a pre-approved list. An electronic menu board or television monitor is included on that list; however, such items would be allowable only if used exclusively for the operation of Child Nutrition Programs.

The guidance from the Department goes on to state the following:

All equipment purchases using Federal funds must be properly procured by following the Federal procurement regulations, should be cost prorated if shared with other programs, and should be reasonable and necessary for the school food service program.

(Emphasis added.) Department staff could not recall another school district requesting to purchase a digital or electronic menu board – as, per the guidance, such a request would be required only if the cost exceeded \$5,000.

With the District’s school lunch menu being available continually on the myschoolmenus.com website, not to mention numerous other far less costly options for actual “digital menu boards,” the APA questions how such an extravagant expenditure of \$124,695 for two gymnasium scoreboards could conceivably be considered “reasonable and necessary for the food service program.”

On August 23, 2024, the APA emailed the Department, asking about its initial communication with the District regarding the expenditure of the excess school nutrition funds. The APA wanted to confirm if the District would have asked Department staff if they could use the excess nutrition funds to replace their gymnasium scoreboards, not located in the cafeteria, with two new 16’x 9’ LED scoreboards, including annual software and support for sports apps (basketball, volleyball, wrestling, etc.).

The Department responded unequivocally (actually highlighting the words in yellow, exactly as shown here, for emphasis): “**Absolutely not.**”

The APA has summarized below the activity within the District’s School Lunch Fund from fiscal year 2020-2021 to the present:

	School Lunch Fund By Fiscal Year (September through August)			
	2020-2021	2021-2022	2022-2023	2023-2024
<i>Receipts:</i>				
Interest	\$20	\$60	\$1,070	\$1,404
State Aid	\$321	\$0	\$1,827	\$0
Federal Receipts	\$331,302	\$341,024	\$201,480	\$196,662
Sale of lunches and milk	\$107,643	\$116,177	\$213,901	\$211,034
Total Receipts	\$439,286	\$457,261	\$418,278	\$409,100
<i>Disbursements:</i>				
Professional/Tech Services	\$263	\$1,168	\$3,278	\$2,688
Other Purchased Services	\$372,063	\$353,247	\$331,637	\$388,435
Supplies	\$2,121	\$585	\$0	\$411
Capital Outlay	\$24	\$72,223	\$4,722	\$150,424
Total Disbursements (Food Program Services)	\$374,471	\$427,223	\$339,637	\$541,958
Excess Receipts Over Disbursements	\$64,815	\$30,038	\$78,641	(\$132,858)
Beginning Fund Balance	\$137,547	\$202,362	\$232,400	\$311,041
Ending Fund Balance	\$202,362	\$232,400	\$311,041	\$178,183

On August 26, 2024, the APA reached out to several members of the Board of Education (Board) for the District to inquire about the recent approval and purchase of the scoreboards for the gymnasium. During its meeting on April 9, 2024, these members explained, the Board had a lengthy discussion with the Superintendent regarding the School Lunch Fund and its excessive balance; however, the meeting minutes do not reflect what was discussed. It was noted also that splitting the cost of the scoreboards between both the General Fund and the School Lunch Fund was discussed during a subsequent Board meeting, but details of those deliberations were not found in the minutes for either the May or June meetings.

None of the Board members had seen the actual correspondence from the Department, but they were all told that the Department had pre-approved the use of the school lunch funds for the intended purpose. The rationale they received from the Superintendent was that some students would walk through the gymnasium before lunch, and the video boards would display the menu and nutritional facts. None of the Board members were aware of the Department’s guidance regarding unallowable costs.

Instead of using excess school nutrition funds for expenses in line with guidance provided by the Department, the District expended over \$124,000 of those restricted moneys for gymnasium scoreboards. The use of District funds in apparent contravention of both Department guidelines and Federal regulation is a serious concern.

7 CFR § 210.14(a) (January 1, 2024) provides the following regarding a school district’s nonprofit school food service:

School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, except that, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings. Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under § 210.19(a) of this part. School food authorities may use facilities, equipment, and personnel supported with nonprofit school food revenues to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

(Emphasis added.) Good internal controls require procedures to ensure that District monies, including school nutrition funds, are used only as provided by law and within the guidelines established by the Department, as applicable.

Without such procedures, there is an increased risk for not only loss or misappropriation of public monies but also violation of Federal regulation.

We recommend the District work with the Department to determine how much money should be returned to the School Nutrition Fund as reimbursement for the apparent improper use of those restricted funds. Because the issue addressed herein gives rise to concerns regarding possible violation of Federal regulation, we are referring this information to the Nebraska Department of Education and the Nebraska Attorney General for further review.

Chase County School District Response:

My [Jordan Johnson] office represents Chase County Schools. I am writing in response to your email to Superintendent Lambert dated August 27, 2024 and your draft letter of recommendations received on September 12, 2024. In your communications, you indicated that your office received a report to your anonymous hotline from an individual concerned about the District's purchase of display used as both menu-boards and scoreboards using, in part, funds from the District's "lunch fund." You requested that the District provide any input or response to your inquiry or resulting recommendations on or before September 23, 2024. This letter and the [documents available at this secure link](#) are in response to that request and demonstrate that the District appropriately utilized public funds for a public purpose consistent with the decision made by the majority of the board of education at a public meeting. However, the District remains amenable to making any adjustments to the accounting of this transaction required by the Nebraska Department of Education or the United States Department of Agriculture if either agency takes any issue with the manner in which the transaction was allocated across funds and requests such action.

Prior to addressing specific issues contained within your draft letter of recommendations, I want to note the draft's general tone is inappropriately critical towards the school and relies upon several pieces of information that are misleadingly taken out of context or inaccurate. Unfortunately, this is not a surprise given that the individual who reported concerns and provided information to your office was not acting in good faith but instead was a disgruntled board member dissatisfied after the transaction at issue was approved by an 8 to 1 vote in which he was the sole dissenting opinion. While the complainant was purportedly seeking to ensure that public processes were followed, the complaint was in actuality an attempt to misuse the resources of your office to subvert the lawfully exercised authority of the Chase County Schools Board of Education which appropriately relied upon guidance from the Nebraska Department of Education in approving the purchase of video display boards to be used for both sports and displaying information for the nutritional program.

***As this correspondence and the documentation attached will demonstrate, the District's purchase of the display boards fully complied with the decisions of the Board of Education made in public at a lawfully convened meeting.** The meeting minutes reflect the Board's decision to authorize the purchase. While the minutes do not provide a detailed accounting of the granular discussion surrounding that decision, the text of the Nebraska Open Meetings Act provides little insight as to the level of detail required for meeting minutes. However, I have attached meeting minutes for the last several meetings of the board of education, which are a representative example demonstrating that the minutes related to the decision at issue were created with the same level of detail as is customary for this board of education. Notably, the individual who reported concerns to your office regarding the purchase of the display boards is a disgruntled board member who has never voted against the approval of the board's minutes due to the level of specificity contained therein.*

***The attached documentation further demonstrates that the District's purchase of the display boards was made after consultation with the Nebraska Department of Education and was not inconsistent with the general guidance provided by the Department.** As your draft notes, on February 15, 2024 the Nebraska Department of Education sent a letter to the District advising the District to spend-down its net cash resources for the food services account. Your draft continues to state that the Department included various suggestions as to how to potentially spend the reserves, including "improving the quality of meals, introducing new or improved salad bar*

options, or upgrading point of sale (POS) systems.” However, your draft fails to recognize that Chase County Schools contracts with a food services company that establishes the quality of the meals, sets the salad bar and other menu options, and operates the already up to date POS systems, and therefore was practically unable to utilize the funds for the suggested areas of expenditure.

For many years, the District has had a long-standing practice of having all students line up on the walking track of the gymnasium (where the display boards are seen) for lunch because the cafeteria area where food is served is not large enough to hold the students as they eat and line up for lunch. This is important because the image included in your draft letter is misleading as it fails to show that the boards communicate nutrition information on a daily basis to each and every student utilizing the lunch program. The assertion in your draft letter of recommendations that there is no “good faith” to the assertion that these boards are used as “digital menu boards” is representative of the issues with the letter on the whole; it reflects a lack of knowledge of the practices of Chase County Schools and an assumption of bad faith that is as unwarranted and inappropriate. There is no dispute or question that the display boards are used for the lunch program on a daily basis and enhance and improve the meal service through that use. For this District, the food service program does not start and end at the cafeteria doors in Chase County Schools.

In the months prior to receiving this notification from the Department of Education, the District had been inquiring about upgrading its display boards in the auditorium and had met with Scorevision about available options. Consequently, when Superintendent Lambert was informed of the overage in the account of the food services program, he inquired with the Department of Education as to whether these could be considered an appropriate expenditure of program funds.

In response, the Nebraska Department of Education advised that the purchase of a digital menu board would be “yes, yes, allowable so long as this will be used exclusively in the cafeteria; if used for a purpose other than school nutrition communication, the cost of it would have to be shared with a non-federal source.” While your draft letter adds emphasis to the language related to exclusivity, no such emphasis was included in the Department’s communication, and the addition of that emphasis takes away from the fact that the totality of the communication clearly indicates that the purchase can still be made even if the equipment was to be used non-exclusively for the foodservice program, so long as costs were prorated.

The District’s understanding of the Department’s advice was consistent with the written guidance from the Department of Education discussed in your draft letter of recommendations, which provides that, “All equipment purchases using federal funds must be properly procured by the Federal procurement regulations, [and] should be cost prorated if shared with other programs.” Clearly, this guidance does not require that the boards be used “exclusively” for food service program purposes as your draft letter repeatedly suggests.

Further, in subsequent conversations between Superintendent Lambert and Department staff, the Department explained that using the display boards to communicate information regarding the food services program where the student’s lineup could be considered an appropriate use of the equipment for the food service program. Your draft letter fails to note that the District was totally transparent in these conversations with the Department of Education regarding its proposed purchase and the use of the proposed purchase, which is exactly why Ms. Partch responded in her email to Superintendent Lambert discussing how to allocate costs for non-exclusive uses.

Thus, the District understood that it was the advice of the Department that the proposed purchase of display boards to be used in part for the lunch program was an appropriate use of school lunch funds to the extent that the District reasonably appropriated their use for that purpose to the fund. Consistent with that advice, Superintendent Lambert attempted to allocate the expenditure of funds based upon a reasonable estimation of equipment’s expected use. As there are several meals served across grade levels on each day, and only activities requiring the use of the display boards on some days, the display board’s cost were predominantly attributable to their purpose for the lunch program.

This understanding was consistent with Nebraska Department of Education guidance that specifically indicates an “electronic menu board” is a pre-approved purchase that does not require any further approval process. [Nebraska’s Child Nutrition Program Approved Equipment List, Nebraska Department of Education.](#) For your convenience, I’ve highlighted the relevant language from that document:

Nebraska’s Child Nutrition Program Approved Equipment List

The following is a list of kitchen equipment approved by NDE Nutrition Services. When a SFA is considering purchasing a piece of kitchen equipment using money from the non-profit school food service account, the SFA must utilize this list of approved equipment.

If the SFA is in need of purchasing a piece of equipment that is not on the approved list, and the cost of the equipment is more than or equal to the SFA’s district defined per-unit capitalization threshold amount or the Federal defined capitalization threshold amount of \$5,000, an equipment purchase request must be submitted in writing to NDE Nutrition Services for prior approval. (SP 39-2016; 2 CFR 225, Appendix B, Section 15)

Note: All equipment purchases using Federal funds must be properly procured by following the Federal procurement regulations, should be cost prorated if shared with other programs, and should be reasonable and necessary for the school food service program.

<p>Holding and Proofing Cabinets Holding Cabinets - Stationary and/or Mobile Proofing Cabinet Hot Food Storage Cabinet Low Temperature Holding Cabinet</p> <p>Commercial Work Tables Enclosed Base Commercial Work Table Poly Top Work Table</p>	<p>Processing/Packaging Dough line Packaging Machine Commercial Vegetable Peeler Commercial Salad Dryer</p> <p>Misc. Electronic Menu Board TV Monitor (display menu, nutrition, and physical activity information)</p>
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Thus, it is no surprise District was never granted the opportunity to submit the details of this purchase to the Department for a formal “pre-approval” as your letter suggests, as no such formal pre-approval process was required regarding this purchase.

Regardless, the District sought to ensure that this purchase was an appropriate use of funds and engaged in good faith with the Department with full transparency regarding its intentions and reasonably believed the affirmative response from the Department constituted all necessary approval of the purchase. The District’s actions went above and beyond what was required for approval, and the District understood that it had received it. That the Department subsequently has suggested a change in its position in communications to your office is of no regard to appropriateness of the decision at the time it was made, and, notably, to date the Department has not at any time specifically informed the District the manner in which the funds should be reallocated or reattributed for this purchase.

With respect to corrective action, please note that the District remains ready, willing, and able to institute any corrective action directed by either the Nebraska Department of Education or the United States Department of Agriculture; to date, neither agency with enforcement authority has communicated that specific corrective action is required.

Conclusion. *Based upon the foregoing, the District remains confident that it appropriately and transparently initiated the purchase at issue after consultation of the Department of Education and a lawful, publicly discussed decision of the board of education. The District is heartened that its regular annual auditor agreed with this position when consulted about your inquiry. While it is unfortunate that your office was required to expend public resources towards this inquiry which was initiated solely for the private gratification of a board member disgruntled the board otherwise unanimously approved the purchase, I hope this information is helpful to you in concluding your inquiry into these concerns and in revising your draft letter of recommendations.*

APA Response:

We appreciate the Chase County School District’s (District) consideration of, as well as response to, the comment contained in our letter. Despite giving serious consideration to the explanation and documentation provided in that response, the APA continues to question whether it was “reasonable and necessary for the food service program” to have expended \$124,695 of the District’s School Nutrition Fund monies for the purchase of new ScoreVision boards in the gymnasium. The Nebraska Department of Education (Department) representative with whom the APA has been in contact regarding this matter clearly shares our misgivings, stating the following:

[C]osts charged to the food service account must be “reasonable.” \$124,000 for a menu display board is not reasonable. Additionally, the bottom of the document identifies that purchases made above the capitalization threshold must be approved by the NDE prior to purchase. The school did not seek NDE review and prior approval as the guide identifies as a requirement.

Because the Department’s list of pre-approved kitchen equipment includes an “Electronic Menu Board,” the District asserts that prior approval was not required for the purchase at issue. Had the District sought approval to use \$124,695 of the excess food service account funds to purchase the scoreboards, however, the Department would have responded “Absolutely not” – as detailed in our letter. Such a decisive response punctuates the striking difference between a reasonable piece of “kitchen equipment” and two new 16’ x 9’ LED scoreboards for the gymnasium, even if the intended ancillary purpose of the latter was to display nutritional information on a daily basis to each and every student utilizing the lunch program, as the District maintains. It is also the APA’s understanding that students must make their lunch selection early in the day prior to lining up in the gymnasium.

The APA did note that the District Board of Education (Board) approved the purchase of the scoreboards through a six-to-one majority vote of the seven members in attendance at its April 9, 2024, meeting – not “by an 8 to 1 vote,” as described in the District’s response. According to three Board members contacted by the APA, moreover, a lengthy discussion occurred during the meeting regarding the type of funds used to make the purchase; however, none of those members were aware of the Department’s criteria for “Unallowable Costs,” which includes: “Replace, repair or purchase of equipment not used exclusively for the operation of Child Nutrition Programs.” While the District argued their contract with a food service company prevented them from utilizing the funds as suggested for improved quality, there would have likely been options to rebid the contract or acquire other allowable kitchen equipment.

Again, we appreciate not only the forthcoming response to our letter but also the District’s avowed willingness to take any corrective action directed by the Department or the U.S. Department of Agriculture.

* * * * *

Our audit procedures are designed primarily on a test basis and, therefore, may not bring to light all weaknesses in policies or procedures that may exist. Our objective is, however, to use the knowledge gained during our work to make comments and recommendations that we hope will be useful to the District.

Draft copies of this letter were furnished to the District to provide its management with an opportunity to review and to respond to the comments and recommendations contained herein. Any formal response received has been incorporated into this letter. Such response has been objectively evaluated and recognized, as appropriate, in the letter. A response that indicates corrective action has been taken was not verified at this time.

This communication is intended solely for the information and use of the District and its management. It is not intended to be, and should not be, used by anyone other than these specified parties. However, this communication is a matter of public record, and its distribution is not limited.

If you have any questions regarding the above information, please contact our office.

Audit Staff Working on this Examination:

Craig Kubicek, CPA, CFE – Deputy Auditor

Mason Culver – Auditor-In-Charge

Sincerely,



Craig Kubicek, CPA, CFE

Deputy Auditor

Auditor of Public Accounts

Room 2303, State Capitol

Lincoln, NE 68509

Phone (402) 471-3686

craig.kubicek@nebraska.gov

cc. Nebraska Department of Education
Nebraska Attorney General

CHASE COUNTY SCHOOLS
Department Letter to Chase County Schools
February 15, 2024

Attachment A

February 15, 2024

Sherri Wheeler
Chase County Schools
P.O. Box 577
Imperial, NE 69033-3138

Dear Ms. Wheeler,

Federal Regulation [7 CFR 210.19\(a\)\(1\)](#) requires State agencies to monitor each school food authorities' (SFAs') net cash resources ; net cash resources must be limited to three months average expenditures from the nonprofit school foodservice account, according to [7 CFR 210.9\(b\)\(2\)](#). After reviewing your school's SY2022-23 Annual Financial Report (AFR), the nonprofit school foodservice account's net cash resource (closing cash balance minus cash payable) exceeded the maximum three (3) months average food service expenditures by **\$87283**.

Net cash resources may be allowed if a school can prove that the excess amount is needed or will be used for the present or future acquisition of food service equipment or advance volume purchasing. The need for excess net cash resources must be approved by the Nebraska Department of Education (NDE). Reasons for necessary excess funds might include (but is not limited to):

- Anticipated increase in fixed meal prices
- Anticipated increase in staff wages based on federally mandated minimum wage increases
- Upcoming rebid for contract with anticipated increased meal prices

If an excess amount is not necessary, a SFA must take action to spend down the excess. Examples of strategies to spend down the excess include expenses to improve the quality of the meals, introducing new or improving salad bar options, or upgrading point of sale (POS) systems.

[school] is required to submit a Net Cash Resource Justification Plan; this plan must either explain why an excess cash balance is needed or must detail the actions your SFA will take to reduce the excess balance.

Submit your Net Cash Resource Justification Plan using school letterhead by email to the NDE Nutrition Services (nde.nsweb@nebraska.gov) by **5 p.m. on Monday, April 1, 2024**. If your school does not submit a plan by the deadline, reimbursement payments to your school may be held until the plan is received and approved.

The newly-updated [Net Cash Resource Quick Guide](#) can help answer questions you have regarding the net cash resource process.

Sincerely,

Kayte Partch, Director - Nebraska Child Nutrition Programs

402-471-2488



Chase County Schools - Gymnasium Video Scoreboards - (2)16'W x 9'H LED Displays

Quote created: March 25, 2024 Reference: 20240325-175317011

Chase County Schools
PO BOX 577
IMPERIAL, Nebraska 69033-0577
United States

Adam Lambert
adam Lambert@chasecountyschools.org
402-214-6453

Comments

Brett Jensen - "Regional Director" ScoreVision



Products & Services

Indoor LED Displays & Mounts - Samsung 4mm	2 x \$53,097.50
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(2) iB1609 - 15.747' W x 8.858' H dimensions

ScoreVision Pro Rack and Hardware - Indoor	1 x \$18,500.00
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*On-site Rack Hardware Unit

*(2) iPad Controllers

*(1) Handheld Game Timer

CHASE COUNTY SCHOOLS
ScoreVision Quote for Gymnasium Video Scoreboards
 March 25, 2024

Attachment B

OES Shot Clocks & Backboard Lights

1 x \$12,000.00

- *Set of OES shot clocks
- *Handheld shot clock timer
- *Set of backboard light strips

Installation, Freight and Onsite Training

1 x \$12,000.00

- *Power and data cabling needs NOT included
- *Any structural upgrades needed for a non-standard LED install NOT included
- *2-person lift NOT included
- *Removal of existing scoreboards and relocation to auxiliary gym

Engineering & Additional Installation Allowance

1 x \$15,000.00

ScoreVision Software & Support Subscription

1 x \$6,000.00 /year

- ScoreVision Cloud Admin
- Integrated Advertising
- Scorekeeper Apps: basketball, volleyball, wrestling, football, soccer, baseball, softball, tennis, lacrosse, rugby and universal.
- Producer App
- SV Capture App: livestream, highlights, and moments
- Fan App
- Access to our world-class Support Team, new apps, continuous software updates, and future innovations

Scorer's Table Addition

1 x \$0.00

- *Boostr LED Scorer's Table - 8ft. or 10ft. sections
- *3.9 mm Pixel Pitch
- *8ft or 10ft Long x 28.5" Wide
- *Fit Through Standard Doorway
- *Full Front Serviceability
- *360 Degrees Turning & Lockable Wheels
- *Operational via ScoreVision software
- **8ft. Section - \$20,500
- ***10ft. Section - \$23,500

Annual subtotal	\$6,000.00
One-time subtotal	\$163,695.00
Total	\$169,695.00

CHASE COUNTY SCHOOLS
ScoreVision Quote for Gymnasium Video Scoreboards
March 25, 2024

Attachment B

Signature

Before you sign this quote, an email must be sent to you to verify your identity. Find your profile below to request a verification email.

Adam Lambert

adamlambert@chasecountyschools.org

This quote expires on April 24, 2024