

Financial Recordkeeping Checklist for the CACFP

- ✓ Accrual/Cash Accounting System in place
- ✓ Clearly identify CACFP **Food (F)**, **Kitchen Supplies (K)** and **Non-CACFP/Unallowable (U)** items on receipts and invoices.
- ✓ Keep a **weekly** file (not shoebox) of the following:
 - Timesheets w/ CACFP time
 - Receipts/Invoices of food program supplies. Highlight non-CACFP items.
 - CACFP general ledger forms (if not retaining own documentation)
- ✓ Be able to generate **monthly** financial reports:
 - Profit/Loss Statement
 - General Ledger/Check Register
- ✓ Separate respective revenue received:
 - CACFP Reimbursement
 - W-2 / Tuition
 - Other Federal Programs (Headstart, NSLP, SFSP)
- ✓ Keep a **monthly** file (not shoebox) of the following:
 - Receipts paid/incurred
 - Bank statements
 - Cancelled Checks
 - Acknowledgements of funds received
 - Timesheets (including payroll documentation)
 - Travel logs (if applicable)
 - Copies of monthly reimbursement claims and acknowledgement of online claim submissions
- ✓ **Annually** keep the following:
 - Tax form 990
 - Tax forms
 - Audit report (if applicable)
- ✓ Maintain a Nonprofit Food Service Program
 - Verify to DPI by submitting Quarterly/Annual CACFP Financial Report(s) by required due dates

CACFP Financial Report Due Dates:

Submit the CACFP Financial Report on or before the due date after the last claim for the report is processed.

- **Independent agencies** annual due date is **November 1st**.
- **Sponsoring Organizations** the quarterly due dates are: 1st Quarter – **March 1st**; 2nd Quarter – **June 1st**; 3rd Quarter – **September 1st**; and 4th Quarter – **December 1st**.

Five Nuggets of CACFP Financial Management

1. All Food Program Costs Paid with CACFP Reimbursement must have received PRIOR DPI approval.
2. Know where everything is pertaining to your CACFP reimbursement. Where are funds deposited? What center account is used to pay for Food Program expenses? Where are receipts, invoices, ledgers, bank statements and payroll records kept?
3. CACFP is a federal program. The funds will not cover 100% of the expenditures incurred in your agency's food program. Must have another source of income to cover the program costs.
4. Not all food supplies can be donated. Fresh fruits/vegetables, milk and dairy products are very rarely included in a "donation" and these are usually the most expensive and greatly needed components to the CACFP meal service
5. Attach a copy of the support documentation to a copy of the submitted CACFP financial report(s) that was submitted so you remember how you arrived at the figures. Maintain on-site for 3 years plus the current year.

Financial Management Resource Links

Budget Form, Contract, Aids Register:

<http://dpi.wi.gov/community-nutrition/cacfp/contract-info>

Financial Guidance, Regulations, Forms, Resources (Guidance Memo #11):

<http://dpi.wi.gov/community-nutrition/cacfp/guidance-memo>

CACFP Reimbursement Rates (GM #2):

<http://dpi.wi.gov/community-nutrition/cacfp/pay>

CACFP Financial Report Instructions:

Sponsors:

http://dpi.wi.gov/sites/default/files/imce/community-nutrition/pdf/quarterly_cacfp_fin_train_sponsors.pdf

Independent:

http://dpi.wi.gov/sites/default/files/imce/community-nutrition/pdf/annual_cacfp_fin_train_indep_cntr.pdf

CACFP Financial Management Summary

Frequent CACFP Costs (in order of importance)

Cost	Is it Allowable? ¹	Support Documentation Required	What is Unallowable? ²
Food Supplies	Yes, if used in CACFP reimbursable meals	<ul style="list-style-type: none"> Dated and itemized receipt and/or invoice. Must show method of payment or account code charged Co-mingled receipts must have food purchased for CACFP highlighted or marked in some way <i>Recommend</i> 40-50% of reimbursement be used for food costs 	<ul style="list-style-type: none"> Coffee and other items for staff Food purchased for non-CACFP activities (i.e. Family Night; Holiday party; Art Projects; Cooking activities outside of CACFP meal) Personal food supplies
Kitchen Supplies (Nonfood)	Yes, if primary use is for the CACFP food service Costs must be included in the approved CACFP budget	<ul style="list-style-type: none"> Dated and itemized receipt and/or invoice. Must show method of payment or account code charged Co-mingled receipts must have kitchen supplies purchased for CACFP items highlighted or separately identified in some way 	<ul style="list-style-type: none"> Center supplies (i.e. Toilet paper; supplies for classroom activities) Personal items
Contract/Vended Meals	Yes, if CACFP vendor contract has been approved by DPI. <i>If using a Food Service Management Company (FSMC) must use approved FSMC company contract including CACFP language</i>	<ul style="list-style-type: none"> Monthly invoice from vendor showing the number of reimbursable meals ordered/delivered. Must show method of payment Delivery/Fuel charge is allowable and can be included in total cost On CACFP Financial Report: report total costs on <i>Operational Contracted Services</i> line (Sponsor) or on <i>Other Food Service Costs</i> line; specify the cost is a vendor cost (Independent) 	<ul style="list-style-type: none"> Unapproved Vendor Related party vendor if not disclosed to DPI
Wages/Salary for Food Program Operational Personnel (Kitchen Staff)	Yes, if it is an employee of the organization and is directly funded with CACFP reimbursement	<ul style="list-style-type: none"> Timesheets documenting the number of hours worked in a time period If employee works in other areas of the center, a log of number of hours worked in the kitchen for the CACFP must accompany the timesheet. Only those CACFP hours can be paid with CACFP funds 	<ul style="list-style-type: none"> Employees not performing CACFP operational labor Individuals not employed by the organization Volunteers Wages for time spent on non-CACFP work (i.e. 100% of wages if only work 50% time on CACFP) Employees paid in cash
Kitchen Equipment Purchase/Rental	Yes	<ul style="list-style-type: none"> Dated and itemized receipt and/or invoice Must show method of payment or account code charged Documentation that proper procurement procedures were followed per Federal Regulations 	<ul style="list-style-type: none"> Not approved in budget Unnecessary item for agency Unreasonable cost

¹ Allowable – Can be paid with CACFP Funds. All costs must have received prior approval from DPI on the CACFP Budget. Refer to Guidance Memo #11 for more information.

² Unallowable – Cannot be paid with CACFP funds.

Frequent CACFP Costs (in order of importance) - continued

Cost	Is it Allowable? ¹	Support Documentation Required	What is Unallowable? ²
Employee CACFP Travel/ Mileage	Yes, if travel is CACFP related	<ul style="list-style-type: none"> Travel log which includes (at a minimum): date(s) of travel; employee name; purpose (i.e. grocery shopping); # of miles traveled Mileage reimbursement/allocation cannot exceed the current federal rate Agency-written policy on employee reimbursement of mileage 	<ul style="list-style-type: none"> Personal travel Gas receipts Mileage reimbursement in excess of federal rate
Wages/Salary for Food Program Admin. Personnel	Yes, if it is an employee of the organization	<ul style="list-style-type: none"> Timesheets documenting the number of hours worked in a time period If employee works in other areas of the center, a log of number of hours worked on CACFP administration must accompany the timesheet. Only those CACFP hours can be paid with CACFP funds No more than 15% of CACFP Meal Reimbursement can be used for administrative costs 	<ul style="list-style-type: none"> Employees not performing CACFP administrative labor Individuals not employed by the organization Volunteers Wages for time spent on non-CACFP work (i.e. 100% of wages if only work 50% time on CACFP) Employees paid in cash
Other Food Program Costs (less frequent) Kitchen Rental Utilities Single Audit Cost	Yes	<ul style="list-style-type: none"> Kitchen Rental: Copy of rental agreement; documentation of square footage of kitchen space to entire space Utilities: Copy of bills; documentation of square footage of CACFP space to entire space Single Audit Cost: Receipt/invoice from accountant. Only the percentage of CACFP dollars to overall dollars can be charged 	<ul style="list-style-type: none"> Costs not included or specified in the approved CACFP budget Unsupported or undocumented costs Costs unnecessary or unreasonable to the CACFP

Additional Required Financial Documentation to be Maintained by Organization

- General ledger (monthly reporting of CACFP costs and income) – *can use DPI General Ledger form or accounting software program*
- Profit and Loss statement – accounting form that reports total expenses and revenue in the organization during a given period of time (i.e. monthly, annually)
- *CACFP Financial Report (Annually for Independent centers; and Quarterly for Sponsoring Organizations)* must be completed by required deadline(s)
- CACFP Budget Summary – part of the CACFP online contract for all agencies. *Note: Sponsoring organizations are required to complete and maintain the CACFP detailed budget (Attachment G)*

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