### CACFP Financial Management Summary

#### Frequent CACFP Costs (in order of importance)

<table>
<thead>
<tr>
<th>Cost</th>
<th>Is it Allowable?</th>
<th>Support Documentation Required</th>
<th>What is Unallowable?</th>
</tr>
</thead>
</table>
| **Food Supplies**           | Yes, if used in CACFP reimbursable meals | • 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  
• *Recommend* 40-50% of reimbursement be used for food costs | • 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 | • 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 | • 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. *If using a Food Service Management Company (FSMC) must use approved FSMC company contract including CACFP language* | • 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 *Operational Contracted Services* line (Sponsor) or on *Other Food Service Costs* line; specify the cost is a vendor cost (Independent) | • 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 | • 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 | • 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 | • 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 | • Not approved in budget  
• Unnecessary item for agency  
• Unreasonable cost |

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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.
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| **Employee CACFP Travel/Mileage**  | Yes, if travel is CACFP related | • 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 | • 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 | • 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 | • 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 | • 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 | • 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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