
Compensation Plan "At Will" Work Agreement

Employment at _____ is on an "At Will" work agreement.
Name of Child Care Center

This means that in the absence of a written contract of employment for a defined duration, an employer can terminate an employee for good cause, bad cause or no cause at all, so long as it is not an illegal cause. This employment is expressly for hours of service performed for meal service functions. Earned hours are defined as duties performed for the company in direct relation to functions approved by CACFP policies and FNS Instructions 796-2, Revision 3 as required for program functions.

The Director, in keeping with comparable wages outlined by the Bureau of Labor and Statistics, will assign appropriate pay scales to the staff commensurate with experience, job performance, the specific understanding of program related duties and other economical factors. The Director will determine the specific pay scales at the time of hire and may increase or decrease wage based on performance, increases/decreases in responsibility and or program expansion or contraction.

This plan will reflect the requirements of the United States Department of Labor Fair Labor Standards Act (FLSA) for all of its nonexempt employees.

Cook, Food Preparers, Food Overseer/Servers shall be compensated based on broad knowledge, skill level and specific program functions as related to the overall operation of the program. A Food Preparer is defined as a Cook or a Server, or any employee who handles food throughout the course of operations in a pay period. A Food Preparer may be permanently or temporarily assigned based on the duties of the day.

1. Pay Rates:

a. **Types of Employees: Any of the Daycares Owner, Director, Cook, Food Preparers, Food Handlers, Teachers, Staff and any Employee of the Daycare Center.**

b. Rates of pay will be determined by the most recent Georgia State Occupational Employment and Wage Estimates provided by the US Department of Labor. **(Pay rate must be within the range of \$ 8.00-\$15.00 per hour.**

2. Hours of Work:

a. The hours of operation are Day Care Center Hours of operation, with a lunch break up to one hour.

b. All Employees claimed for the CACFP program are required to complete the Time Sheet.

c. Time Distribution sheets will be used for ALL employees who has regular non-meal services duties, but for a specific meal must handle food; this includes owners, directors, teachers or any other non-cook employee.

3. Payment Schedules:

- a. All employees will receive monetary compensation through salary/wages established at the time of hire.
- b. Wages will be annually reviewed and adjusted or not adjusted based on performance evaluations
- c. Wages are paid based on the regular payment schedule for the Day Care Center.
- d. Overtime must be approved, but will be paid at a rate of one and a half times regular rate of pay.
- e. The company will follow the federal banking system's Holiday Schedule.
- f. The company may provide up to two (3) weeks of paid time off annually.
- g. The company will issue forms W-4 and G-4 to each employee/
 - i. Based on these forms the company will withhold the appropriate federal, state or local taxes and distribute them to the corresponding agency in compliance with state and federal laws.
- h. The company does not offer holiday pay to hourly employees. Salaried employees are entitled to paid holidays at their usual compensation.
- i. Life and Disability, Health Benefits, Retirement and Severance are not offered to hourly employees at this time but the company reserves the right to change this policy at any time.

I certify that information contained in this Form for the Child and Adult Care Food Program is true and correct, and that all reimbursements received from Bright from the Start are reported under the Federal Employer Identification Number listed on this application.

Signature of Principal of Center Sign this form

Date

Compensation Plan Instructions

All Child Care Centers must keep accurate records of their operating and administrative costs to document the nonprofit status of their food service. In addition to specific forms system required by YES Inc./Bright from the Start Bright from the Start, the institution must maintain a financial management as discussed earlier in this chapter. CACFP reimbursement may only be used to purchase items that are used in the operation of the food program. FNS Instruction 796-2 and/or staff at YES Inc./Bright from the Start should be consulted if there is doubt about whether a particular item can be paid for with CACFP reimbursement.

Records to Support Program Costs

Operating costs are costs incurred by organizations for the preparation, service and clean up of meals. Allowable operating costs include, but are not limited to:

Monthly Record of Operating Costs

- food costs,
- food service labor costs,
- costs for certain nonfood supplies, and
- costs for purchased services.

All operating costs must be documented on the “**Monthly Record of Operating Costs**” form as well as documented in financial records. This form can be found on the YES Inc.’s web site. Documentation needed to support the costs is listed in the following sections.

Food Costs

Food costs are expenditures for the food used in all meals. The cost of the food may include the purchase price and charges for processing, transporting, storing, and handling purchased or donated food, including USDA commodities. These costs must be documented by items such as invoices, receipts, inventory records, and itemized bills.

If Program meals are purchased under a contract with a food service management company or commercial vendor, or under an agreement with a school food authority, the organization must maintain the vendor’s invoices for meals delivered to the organization.

Food Cost Reconciliation

Because FNS Instruction 796-2 Revision 3 indicates that only those food items used, not purchased, for CACFP operations are allowable, reconciliation of food purchased to food used must be conducted at least annually.

Bright from the Start does not require monthly food inventory, but recommends this practice in order to conduct the required yearly inventory. Refer to Exhibit B of the referenced FNS Instruction for more information on this procedure.

Records of Food Costs

The following outline shows the types of records that must be maintained to support food costs:

Method of Purchasing Food	Records to Keep
A. Central purchasing by organization (buys, stores and disburses food supplies directly to facilities)	1. Itemized receipts and invoices for all food costs 2. Purchase/Inventory records for use in reporting the value of food used
B. Contract purchasing through a school (SFA) or food service management company (FSMC)	1. Procurement Records (for FSMC) 2. Copy of contract or school agreement 3. Itemized billings from SFA or FSMC 4. Daily count of number of meals served to participants
C. Direct purchasing	1. Itemized receipts and invoices for all food purchased 2. Inventory records as required by YES Inc. /Bright from the Start

Food Service Labor Costs

Organizations must document the cost of food service labor needed for the operation of the CACFP. This may include wages, salaries, employee benefits, and the share of taxes paid by the independent center or sponsoring organization necessary to perform the following tasks:

- Menu planning and purchasing;
- Meal preparation, serving, and clean-up of Program meals;
- Supervision of day-to-day food service operations, including supervision of children during the meal service; and
- On-site preparation of daily Program meal service records.

FNS Instruction 796-2 Rev. 3 requires that records to support labor costs include a compensation plan, payroll records, time and attendance reports, and time distribution reports. Refer to Bright from the Start Policy Memo dated May 23, 2005 for

more information on documentation that must be on file to support any labor costs charged to the Program. The value of volunteer labor may not be used to support Program costs under this or any other cost category.

For part-time food service staff, the cost of labor must be prorated so that CACFP costs are supported by work performed only in the center's food service. In addition, if a portion of a food service employee's salary is paid with funds from another government or private source, accurate records must be maintained to ensure that the same costs are not charged to both sources.

Costs of Nonfood Supplies

Nonfood supplies include small kitchen equipment, paper goods (such as napkins and plates), and cleaning supplies used directly for the food service operation. Itemized receipts or invoices must be kept on file as documentation.

Costs of Purchased Services

Purchased services are items such as utilities, equipment rental, rental of facilities, and minor repairs. The costs for all food service related rental and repair expenses must be documented. Costs for shared purchased services such as utilities, water, and gas must be prorated and documented. Bills along with any proration methods for costs not used exclusively by the food program must be maintained along with proof of payment.

Itemized Receipts/Invoices

Receipts and invoices used to support the costs charged to the CACFP must contain the name of the items that were purchased and the cost of each item. The total cost of the transaction should also be listed as well as the date of the transaction and the contact information (i.e. name of person or store, address, phone#). It's recommended that copies of carbon receipts be copied, as they tend to fade over time.

Mandatory Compensation Plan

Compensation Plan is Mandatory Compensation Plan Form, **MUST be on file with YES Inc.** Please completed, signed and forward the Compensation Plan Form to the YES Inc. Office.