

Operating a Non-Profit



CACFP Food Program



SPECIAL NOTE

In order to JUSTIFY a need for the Food Program and to meet meal pattern requirements and serve reimbursable meals, it is strongly recommended that

50% of

CACFP reimbursement is used for

FOOD FIRST

then supplies/non-food

If any is left then you can apply to

Food Service Salaries

Feeding Happy Healthy Children!



Clean Food Prep/Service Area



Nutritious Food and Supplies



Cooks/Food Service Staff



CENTERS MUST

Document & Verify

ALL

CACFP Expenses

Child Care
Food
Program



NON PROFIT FOOD PROGRAM

All Food Program
Revenues/Reimbursements
received in the

Food Service Account

is Restricted for Food Program use
ONLY

NON PROFIT FOOD PROGRAM

- Allowable
- *Verifiable

CACFP
Costs



Separate Bank Account

Centers **MUST** maintain a
Separate Food Program Bank



Separate Bank Account

Commingling

Funds --

A Big No-No!

WHAT IS YOUR ACCOUNTING SYSTEM?

All participating Centers must
Have an **ACCOUNTING** system in place to maintain
records identifying all of its **food spending activities**.



Accounting System

Cash vs. Accrual Accounting

VS



We DO NOT recognize the
Exclusive use of cash as a
method of payment of
expenses.



petty cash



PETTY CASH LOG

Purchase	Purchase Amount	Purchase Date	Account Affected	Employee
X	X	XX / XX / XXXX	X	X
X	X	XX / XX / XXXX	X	X
X	X	XX / XX / XXXX	X	X
X	X	XX / XX / XXXX	X	X

What must you collect and maintain?

- ✓ Invoices
- ✓ Receipts
- ✓ Payroll Documents
- ✓ Bank Statements
- ✓ Chart of Accounts
- ✓ Petty Cash Log Sheets

Any other necessary records/documents to verifying that you used **Food Program Funds** to purchase the items or paid for the expense

Clear Receipts



POCKY-STUBBY	007314115005	F	0.93	T
POCKY-STUBBY	007314115005	F	0.93	T
WHEATABLES	003010017003	F	2.00	X
SPICE	001121620746	F	1.27	T
RICE CAKES	003000016976	F	2.42	T
RTBY FMS CRT	007067812691	F	0.93	T
BATHERAPY SR	007989666076	F	4.47	X
BIORE MOIST	001910011173	F	5.94	X
FLY RIBBON	007247790010	F	0.97	X
SH FT PUMIC	007417025100	F	0.88	X
BATH FIZZ	001007970024	F	1.84	X
SH FT MASK	007417025101	F	0.88	X
SH FT REPAIR	007417025103	F	0.88	X
DOVE EG W/BU	001111116004	F	6.64	X
ACNE	030137003566	F	4.47	X
1 COLESLAW	007127912300	F	1.44	X
ROMAIN SALAD	007127926102	F	2.44	X
CUCUMBERS	000000004062KF	F	1.20	X
2 AT 1 FOR			0.64	
UHT ONIONS	000000004663KF	F	0.70	X
0.70 lb @ 1 lb /1.16				
BELL PEPPER	000000004065KF	F	0.81	X
UAS 0.70 YOU SAVED 0.28				
2 AT 1 FOR			0.50	
DIXIEHD PLTE	004200012201	F	1.00	T
SNUNTS	000000009090KF	F	3.72	X
4 AT 1 FOR			0.50	
POTATO UEDGE	020020120120	F	2.00	T
HW FT CAPRI	063542423060	F	1.20	T
NECT YLU	000000004036KF	F	10.94	X
1.32 lb @ 1 lb /1.74				
** VOIDED ENTRY **				
NECT YLU	000000004036KF	F	2.30	X
1.32 lb @ 1 lb /1.74				
PERCH YELLOW	000000004030KF	F	2.30	X
UAS 1.74/1b YOU SAVED 0.50				
1.32 lb @ 1 lb /1.24				
SBERRY 1	070035378403	F	1.64	T
GRPE BRN	000000004022KF	F	1.98	X
UAS 1.60/1b YOU SAVED 0.24				
1.75 lb @ 1 lb /1.44				
POPCORN CHX	009707440012	F	2.52	T
SUBTOTAL			124.86	
TAX 1	7.500	R	9.36	
TOTAL			134.22	
VISA TEND			134.22	
PAYMENT SERVICE - E				
CHANGE DUE 0.00				
# ITEMS SOLD 74				

GROCERIES

HOUSEHOLD
COSMETICS
HOUSEHOLD
HOUSEHOLD
HOUSEHOLD
HOUSEHOLD
HOUSEHOLD
COSMETICS
COSMETICS

All other items
are GROCERIES.
The spreadsheet handles
them.

HOUSEHOLD

Cancelled Checks

AXIS BANK LTD
AGRA (UP), AGRA, 202002
IFS CODE - UTIB0000086

DATE
दिनांक

D	D	M	M	Y	Y	Y	Y

PAY _____ OR BEARER / या धारक को

RUPEES _____ रुपये

अदा करें ₹ _____

A/C NO.	913010009865192
SBTRS 086160	

For IOACON 2013

Authorised Signatory/ies
Please sign above

Payable at par at all branches of Axis Bank Ltd in India.

CANCELLED

⑈ 208492⑈ 282211002⑈ 086160⑈ 31

DOCUMENTING EXPENSES

Leaving a Paper Trail

Purchases

(There should always be a paper trail to follow the Money)

Personnel Activity

(Payroll information, cancelled checks, Bank Statements)

Petty Cash Log

Chart of Accounts



HOW? PERSONNEL ACTIVITY REPORT

CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
PERSONNEL ACTIVITY REPORT

Employee Name: Shirley Adams Month/Year: AM/20XX

INSTRUCTIONS: This form is for employees who spend part of their day working on the Food Program. Each month, include the number of hours for all types of administrative and operational activities related to the CACFP. Examples of CACFP administrative activities include, but are not limited to: monitoring, report writing, compliance checks and completing the report for reimbursement and ensuring quality control in cooking and food safety. Examples of CACFP operational activities include, but are not limited to: other planning, grocery shopping, cooking and serving meals and clean-up after meals. This form will be used in accumulating a report's food service minutes.

Date	Hours Worked on CACFP		Total Hours Worked
	Administrative	Operational	
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
Total	12	152	164

I certify that this is a true and accurate report of the number of hours worked on the Child and Adult Care Food Program.

Shirley Adams (Signature) AM/20XX (Date)

TO BE COMPLETED BY CENTER DIRECTOR/AUTHORIZED REPRESENTATIVE

A. FUNDING / PRIME STATUS:
Total administrative hours worked on CACFP: 12.00 x 1 (Priority wage) = 12.00 (Total Admin. CACFP salary)
Total operational hours worked on CACFP: 152.00 x 1 (Priority wage) = 152.00 (Total Oper. CACFP salary)

B. CASH WAGES REPORT:
Total administrative hours worked on CACFP: 12.00 x Total hours worked: 178.00 = 6.74
Total hours for month: 164.00 x 1 (Priority wage) = 164.00 (Total Administrative CACFP salary)
Total operational hours worked on CACFP: 152.00 x Total hours worked: 178.00 = 85.40
Total hours for month: 164.00 x 1 (Priority wage) = 164.00 (Total Operational CACFP salary)

I certify that signed minutes are on file with the SAC within the 15th day of the month.

Signature of Center Director/Authorized Representative: Doreen Harris Date: AM/20XX

SEE BY 04/10/11

Date	Hours Worked on CACFP		Non-CACFP Hours Worked	Total Hours Worked
	Administrative	Operational		
1	2		6	8
2			8	8
3	1		7	8
4			8	8
5				
6				
7			8	8
8			8	8
9	1		7	8
10	2		6	8
11			8	8
12				
13				
14			8	8
15	1		7	8
16			8	8

Operational = 0

Administrative = 12

Non-CACFP = 164

PERSONNEL ACTIVITY REPORT

CHILD AND ADULT CARE FOOD PROGRAM (CACFP) PERSONNEL ACTIVITY REPORT

Employee Name: Director Andrea Month/Year: July/20XX

INSTRUCTIONS: This form is for employees who spend part of their day working on the Food Program. Each month, indicate the number of hours per day spent on administrative and operational activities related to the CACFP. Examples of CACFP administrative activities include, but are not limited to: monitoring, record keeping, compiling data and compiling the claim for reimbursement and attending training related to nutrition and food safety. Examples of CACFP operational activities include, but are not limited to: menu planning, grocery shopping, cooking and serving meals and clean up after meals. This form will be used in documenting a nonprofit food service operation.

Date	Hours Worked on CACFP		Non-CACFP Hours Worked	Total Hours Worked	Date	Hours Worked on CACFP		Non-CACFP Hours Worked	Total Hours Worked
	Administrative	Operational				Administrative	Operational		
1		2	6	8	17			8	8
2			8	8	18			8	8
3	1		7	8	19				0
4			8	8	20				0
5				0	21	1		7	8
6				0	22	1		7	8
7			8	8	23	1		7	8
8			8	8	24			8	8
9	1		7	8	25			8	8
10	2		6	8	26				0
11			8	8	27				0
12				0	28			8	8
13				0	29				0
14			8	8	30			8	8
15	1		7	8	31	2		6	8
16			8	8	Total	12.00	0.00	164.00	176.00

I certify that this is an accurate record of the number of hours worked on the Child and Adult Care Food Program.

Director Andrea Date July 31, 20XX
Employee's Signature Date

TO BE COMPLETED BY CENTER DIRECTOR/AUTHORIZED REPRESENTATIVE

A. (HOURLY PAID STAFF)

Total administrative hours worked on CACFP 12.00 x \$ _____ (hourly wage) = \$ 0.00 (Total Admin. CACFP salary)

Total operational hours worked on CACFP 0.00 x \$ _____ (hourly wage) = \$ 0.00 (Total Oper. CACFP salary)

B. (SALARIED STAFF)

Total administrative hours worked on CACFP 12.00 ÷ Total hours worked 176.00 = 0.07

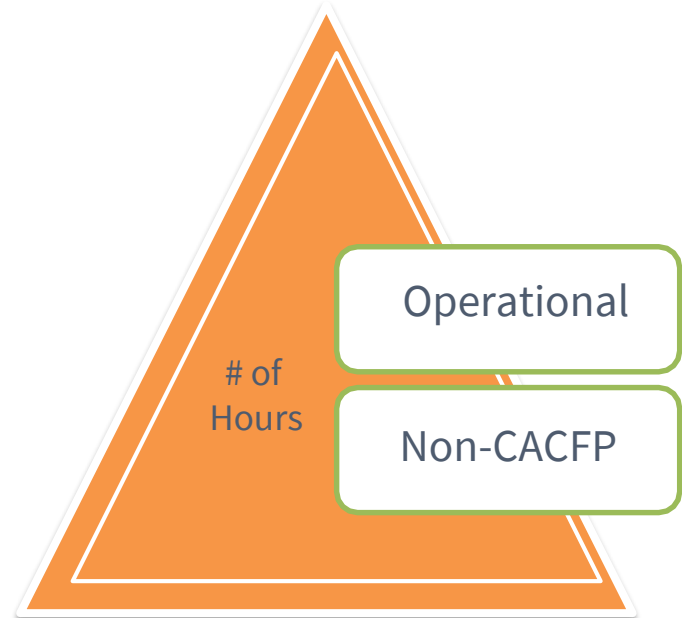
Total Salary for month \$ 3,800.00 x 0.07 = \$ 259.09 (Total Administrative CACFP salary)

Total operational hours worked on CACFP 0.00 ÷ Total hours worked 176.00 = 0.00

Total Salary for month \$ 3,800.00 x 0.00 = \$ 0.00 (Total Operational CACFP salary)

I certify that payroll records are on file that verify the total wages as listed above.

Signature of Center Director/Authorized Representative Owner Maria Date 8-1-XX



HOW? PERSONNEL ACTIVITY REPORT

Example: End of Month Calculations:

OHIO LAND RECLAMATION PROGRAM - CACFP PERSONNEL ACTIVITY REPORT

Employee Name: Donna Hurd Job Title: Director

REPORTING PERIOD: July 20, 2004

REMARKS: This form is to be completed for all personnel who are on the payroll for the reporting period. It is used to determine the number of hours worked on CACFP administrative and operational activities. It is used to determine the number of hours worked on CACFP administrative and operational activities. It is used to determine the number of hours worked on CACFP administrative and operational activities.

Day	Hour	Administrative	Operational	Non-CACFP	Total
1	1	12.00	0.00	0.00	12.00
2	1	12.00	0.00	0.00	12.00
3	1	12.00	0.00	0.00	12.00
4	1	12.00	0.00	0.00	12.00
5	1	12.00	0.00	0.00	12.00
6	1	12.00	0.00	0.00	12.00
7	1	12.00	0.00	0.00	12.00
8	1	12.00	0.00	0.00	12.00
9	1	12.00	0.00	0.00	12.00
10	1	12.00	0.00	0.00	12.00
11	1	12.00	0.00	0.00	12.00
12	1	12.00	0.00	0.00	12.00
13	1	12.00	0.00	0.00	12.00
14	1	12.00	0.00	0.00	12.00
15	1	12.00	0.00	0.00	12.00
16	1	12.00	0.00	0.00	12.00
17	1	12.00	0.00	0.00	12.00
18	1	12.00	0.00	0.00	12.00
19	1	12.00	0.00	0.00	12.00
20	1	12.00	0.00	0.00	12.00
21	1	12.00	0.00	0.00	12.00
22	1	12.00	0.00	0.00	12.00
23	1	12.00	0.00	0.00	12.00
24	1	12.00	0.00	0.00	12.00
25	1	12.00	0.00	0.00	12.00
26	1	12.00	0.00	0.00	12.00
27	1	12.00	0.00	0.00	12.00
28	1	12.00	0.00	0.00	12.00
29	1	12.00	0.00	0.00	12.00
30	1	12.00	0.00	0.00	12.00
31	1	12.00	0.00	0.00	12.00
Total		384.00	0.00	0.00	384.00

COMPLETED BY CENTER DIRECTOR/AUTHORIZED REPRESENTATIVE

HOURLY PAID STAFF:
Total administrative hours worked on CACFP: 12.00 x \$ 0.00 (hourly wage) = \$ 0.00 (Total Admin. CACFP salary)
Total operational hours worked on CACFP: 0.00 x \$ 0.00 (hourly wage) = \$ 0.00 (Total Oper. CACFP salary)

SALARIED STAFF:
Total administrative hours worked on CACFP: 12.00 + Total hours worked: 176.00 = 0.07
Total Salary for month \$ 3,800.00 x 0.07 = \$ 259.09 (Total Administrative CACFP salary)

Total operational hours worked on CACFP: 0.00 + Total hours worked: 176.00 = 0.00
Total Salary for month \$ 3,800.00 x 0.00 = \$ 0.00 (Total Operational CACFP salary)

Signature of Center Director/Authorized Representative: Donna Hurd Date: 8-1-XX

TO BE COMPLETED BY CENTER DIRECTOR/AUTHORIZED REPRESENTATIVE

A. (HOURLY PAID STAFF)

Total administrative hours worked on CACFP 12.00 x \$ 0.00 (hourly wage) = \$ 0.00 (Total Admin. CACFP salary)

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Total Salary for month \$ 3,800.00 x 0.00 = \$ 0.00 (Total Operational CACFP salary)

Total payroll records are on file that verify the total wages as listed above.

Signature of Center Director/Authorized Representative: Owner Maria Date: 8-1-XX

Operational = 0

Administrative = 12

Non-CACFP = 164

of Hours

- Total amounts from all employee PARs.
- Record those totals on the Monthly Profit (or Loss) Summary

ALLOWABLE EXPENSES

**Food &
Milk**

**Non-Food
Supplies**

Payroll

**Kitchen
Equipment**

Unallowable



HOW? CASH DISBURSEMENTS

Food & Supply Costs

- Food and Supply items that are:
 - Included on your menu
 - Consumed by the children in your care as part of a reimbursable meal or snack
 - Used to prepare, serve, and clean up the food service area.

Allowable Non Food Supplies

Allowable

Non-food items **used to support the operation of the food program**

- Plates and Cups
- Napkins
- Dishwashing detergent
- Plastic Spoons
- Kitchen Clean Supplies



Allowable Supplies and Kitchen Equipment

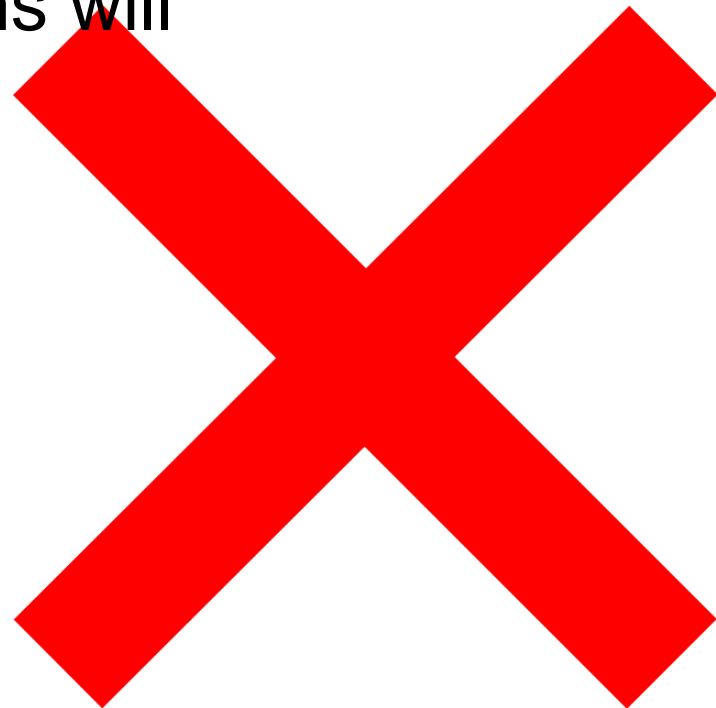


Unallowable Cost

Unallowable Costs

- Items that were included on a food program receipt but are not used in the operation of the food program.
- Receipts with unallowable items will be disallowed.

A best practice is to pay for unallowable purchases separately from CACFP costs.



NON-CREDITABLE LIST



NON CREDITABLE CACFP FOOD & SUPPLY LIST

NON CREDITABLE FOODS	NON CREDITABLE SUPPLIES & TRANSACTIONS
All Drinks that are NOT %100 Juice (Lemonade, V.8 Splash, Soda, protein drinks, energy drinks)	Air Freshener Febreze (including candles)
Bacon of all kinds including Turkey Bacon, Canadian Bacon (CN LABEL Required)	All Personal Monthly Bills (phone bills, Macy's, Neiman Marcus, Best Buy, etc.)
Bars (i.e. Cereal bars Nutrigrain bars, Granola bars,	
Brownies (brownies of all kinds)	All Personal Purchases-Beer, Wine,
Cake (Cake of all kinds)	Baby wipes
Canned/Processed Meats (Examples: Vienna Sausage, Spam,	BJ's Membership Fee
Candy (candy of all kinds) Fruit Snacks (candy)	Car Payments
Breakfast bars & Breakfast cookies ex: Belvita	Car parts and repairs
Chicken Nuggets (CN LABEL Required)	Cash Back (asking cash return on debit purchases)
Cookies (All cookies i.e. Belvita cookies, Vanilla Wafers)	Classroom Shelves (Capitol Improvements)
Coffee & Coffee Creamer	Classroom Supplies
Corn Dogs (CN LABEL Required)	Clothing
Crab legs, crab meat, artificial crab	Crayons (color pencils and makers)
Fig Newton/Fig Bars Flavored	Diapers, Baby Wipes, Bottles, Bibs, etc.
Flavored Graham crackers ex: Choc Teddy Grahams	Declined Debit Card Receipts (declined payments must be accompanied by proof of approved payment)
	Delivery Charges/fees(delivery charges of all kinds)
Flavored Oatmeal ex: strawberry Flavored Cream of Wheat ex: strawberry cream oatmeal	
Flavored muffin Mix (over 6 grams of sugar)	EBT/Food Stamp Purchases
Flavored Yogurt (All flavored, Vanilla, Strawberry etc)	Feminine Products Examples: pads, tampons
Frosting and Sprinkles	Folder (binders)
Frozen French Toast (over 6 grams of sugar)	Fuel Surcharges (surcharges of any kind)
	Gas/Fuel (QT, BP, Chevron, etc)
Hot Dogs, Sausage, Links, (CN LABEL Required)	Hand Soap of any kind (foaming, liquid)
Ice Cream (ice cream of any kind, including popsicles)	Hand Soap Dispensers
Jello	Hand Sanitizer
Kraft Mac n Cheese (powdered cheese)	Ink (copier, printer)
Potato Chips (ALL potato chips, Sun Chips, cheese puffs, balls)	Laundry Detergent, Fabric Softener
Power Aid & Gator aid	Lotion (oil, aroma therapy)
Pudding example: Jello pudding cups	Office Supplies (copier, printer, copy paper, paper clips stapler, staples, tape, tape dispenser)
Rice Crispy Treats	
Sausage (All kinds) (CN LABEL Required)	Paint
Soda (All Kinds) example: Sprite, Coke, Pepsi, Orange	Remodeled Cabinets Capital Improvements
Tea	Tissue (facial tissue, bath tissue, palm tissue)
Toaster Pastries (Pop tarts, Toaster Strudels)	Post office Mailing Fees
Veggie Straws	Processing Fees (processing fees of any kind)
Velveta Cheese (cheese sauce of any kind)	Sam's Club Membership Fee
Whip Cream	Shipping Fees (shipping fees of any kind)
	Square Cash, Inc.

Visit our Website @ www.yeskidz.com

*NOTE: The USDA has identified costs that are allowable for all institutions that spend Federal funds. **FEDERAL FUNDS should only be spent on creditable items** enforced by CACFP statutory, regulatory, and policy considerations. Allowable costs are bona fide (actual) obligations of an institution. These costs must be necessary, reasonable, authorized, current, properly allocated, and documented. Please refer to the Guide to Crediting Food and Bright From the Start Financial Management Handbook for more info.

TOP Non Allowable Purchases

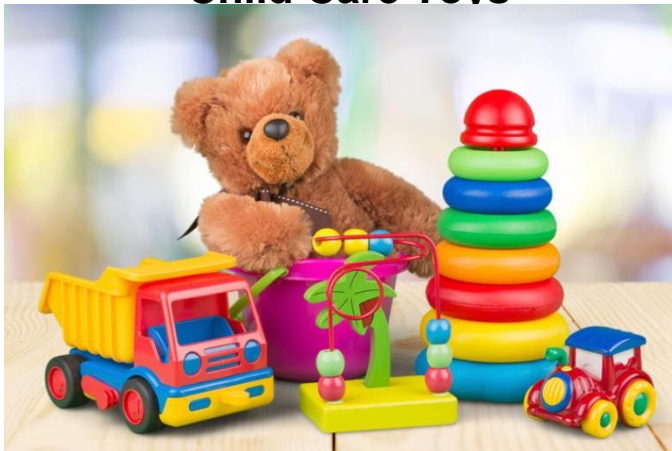
Toilet Paper



Chips



Child Care Toys



Sugary Cereal/Processed Food



TOP Non Allowable Purchases

Candy



Soda/Sugary Drinks



Bacon/Process



Laundry Detergent



HOW? PERSONNEL ACTIVITY REPORT

- **Operational**
- **Menu planning**
- **Grocery shopping**
- **Cooking**
- **Serving meals**
- **Clean up after meals**
- **Completing monthly claims**
- **Recordkeeping**



Verification of Milk Purchases



Verification of Milk Purchases

CACFP regulations require Milk to served for

Breakfast
Lunch
Supper

MILK...

Part of a Healthy Eating Pattern

Drinking milk is an important habit for young children and serving them milk at meals is a CACFP requirement.

Each sip of milk is loaded with essential nutrients needed for growth and development. Milk is high in protein, calcium, potassium, and vitamin D.

Dairy milk delivers more!

- Builds strong bones and teeth
- Contains high-quality protein to help children grow and build strong muscles
- Keeps you fuller between meals and snacks
- Reduces risk of developing type 2 diabetes¹

CACFP Creditable Milk

All of these types of milk are equally wholesome and safe to drink. Whole milk is only creditable for 1 year olds. Low-fat and fat-free milk are only creditable for ages 2 and older. Lactose-free milk is creditable for all ages 1 and older.



Whole Milk



1% Low-Fat Milk



Fat-Free Milk



Lactose-Free Milk

Low-fat and fat-free milk have all the same essential nutrients found in whole milk, but with less fat. No water is added.

Not all 'milk' is the same. Drinks made with nuts, rice, or coconuts often contain little or no protein. Non-dairy beverages that are not nutritionally equivalent to cow's milk are not a creditable replacement for milk in the CACFP.



Verification of Milk Purchases

Centers must submit documentation to verify that CACFP funds are used to pay for monthly Milk purchases:

All documentation submitted for proof of payment for milk purchase, must include:

Verification of Milk Purchases

**Official Vendors Name,
Address,Phone**

Date

• Clear list of Milk Items

(description of Milk purchased i.e. 1% or Whole Milk)

• Purchase Price



QUESTIONS?

Are the following allowable expenses for the CACFP?

- Mortgage – **NO**
- Building Insurance – **NO**
- Appliances/food service equipment – **Yes**, may be included with allowable non-food costs
- Car Payment- **NO**
- Paper Towels/Trash can liners – **Yes**, may be included with allowable non-food costs. Will require a cost allocation plan to determine CACFP portion of expense if they are purchased in bulk for the entire center.



Questions?

**CACFP Financial Management for Child Care
Centers**

Child Care
Food
Program

