# **Procedure for:** MaintainingNon-profit Food Service

**This Applies to:** Center-Based Sponsors

**Sponsor Name**

***Date Created/ Revised***

*When completed, this template will serve as your organization’s written procedure for the task above. All staff involved in this procedure must review and be knowledgeable on how to implement this. ODE CNP expects that following this procedure will produce accurate outcomes when replicated. Please complete all fillable fields, as applicable, to your program. If a field is not applicable, you may delete the information in the field. If an item has a checkbox, only select the item if it will be included in your procedure. If not, do not select the checkbox item. If you have any questions, please contact your assigned Child Nutrition Specialist.*

**Overview of Record:** All CACFP Sponsors must maintain a non-profit food service and keep all documentation of all food service expenses. FNS 796-2, Rev 4. states that “nonprofit food service includes all food service operations conducted by the institution principally for the benefit of enrolled participants, from which Program reimbursement funds are used solely for the operation or improvement of that food service. Food Service account activity must be monitored to determine nonprofit foodservice status for institutions.” Acceptable documentation includes itemized receipts, invoices, time and attendance reports and payroll records. Sponsors must maintain separate food service accounting records documenting the CACFP and other Child Nutrition Programs, such as the Summer Food Service Program and National School Lunch Program.

1. **Record Process and Timeline:**
2. Sponsor Name uses:

[ ]  Software Name to track the non-profit food service account

[ ]  The ODE CNP Expense Report

1. The ODE CNP Expense Report can be found on the public ODE CNP CACFP website
2. Who receives invoices/ receipts? Position Title in CNPweb
	1. When documentation is initially received, where is the document maintained?
	2. Are these given to another position after this? [ ]  Yes [ ]  No
	3. If yes, what position is that? Position Title in CNPweb
	4. What is the timeframe for submitting these documents to the person responsible for maintaining them? timeframe
	5. What is the method for submitting these documents? left on desk, put in mailbox, scanned and e-mailed, etc.
	6. Where/ how is the documentation maintained?
3. If allowable and unallowable items are included on the same invoice/ receipt, Position Title in CNPweb is responsible for indicating which expenses are allowable and/ or unallowable by describe the method used to indicate allowable and/or unallowable costs (e.g. highlighting allowable, highlighting unallowable).
	1. Position Title in CNPweb will double check allowable costs against the approved budget to ensure that allowable costs are accurately documented.
	2. [ ]  Position Title in CNPweb will enter unallowable costs on the expense report in the “Unallowable CACFP Expense” Column

[ ]  Position Title in CNPweb will enter unallowable costs are charged to

accounts other than CACFP in the software program.

1. [ ]  If applicable, Position Title in CNPweb is responsible for ensuring all allocated costs are charged per the ODE CNP approved allocation percentage on the approved CACFP annual budget.
	1. Position Title in CNPweb will double check allowable costs against the approved budget to ensure that allowable costs are accurately documented.
	2. describe the timeline in which this double check is performed.
2. Position Title in CNPweb is responsible for ensuring a verification or double check is completed for each step of the procedure.
	1. describe the method used to verify or double check that all required procedures are in compliance.
	2. [ ]  Position Title in CNPweb will complete the verification or double check after each step of the procedure is completed.
	3. [ ]  Position Title in CNPweb will complete the verification or double check at the end of each claim month

*Operating Expenses*

1. The Position Title in CNPweb enters each **CACFP related invoice or receipt for food**  into expense report or [software name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for donated food items** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for non-food items** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related to operating labor costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for contracted services** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for facility** **costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for utility** **costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb will enter **other approved operating costs** expense report or [program name] under CACFP account [###] for enter other approved costs into expense report or [program name] under CACFP account [###]:

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Bi-monthly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

*Administrative Expenses*

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related to admin labor costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for contracted services** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb will enter **other approved admin costs** expense report or [program name] under CACFP account [###] for enter other approved costs into expense report or [program name] under CACFP account [###]:

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Bi-monthly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for facility** **costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

1. [ ]  If applicable, the Position Title in CNPweb enters each **CACFP related invoice or receipt for utility** **costs** into expense report or [program name] under CACFP account [###]

[ ]  When received within [X] days

[ ]  Weekly on

[ ]  Monthly, by

[ ]  Enter alternate time frame here

*Determining Non-Profit Service*

1. When reimbursement income is received, the Position Title in CNPweb verifies the income and enters it in [program name] under the CACFP account [###] or the ODE CNP CACFP Expense Report.
	1. Describe how income documentation is maintained
	2. Describe where income documentation is maintained
	3. Reimbursement income may include more than one Child Nutrition Program monthly funds for meals served.
	4. Additional funds vary and come from various grants, which may include expansion grants, Farm to CNP and sanitation grants.
2. Position Title in CNPweb is responsible for verifying that 50% of the reimbursement received for a month is spent on food.
	1. Describe the steps and documentation used to verify 50% of reimbursement is used for food
	2. If 50% of reimbursement is not used on food for a month, describe what is done to ensure this does not occur in the future
3. [ ]  If applicable, the Position Title in CNPweb is responsible for verifying that Administrative Costs do not exceed 15% of the reimbursement received for a month.
	1. Describe the steps and documentation used to verify no more than 15% of reimbursement is used for admin costs
	2. If more than 15% of reimbursement is used on admin costs for a month, describe what is done to remedy this
4. After the close of the claim month identify the timeframe (end of month, first week of following month, etc.), the Position Title in CNPweb will run a Profit and Loss statement for the CACFP account or complete the monthly expense report and provide a copy to the Position Title in CNPweb .
5. Position Title in CNPweb who will complete a review at the close of the claim month, to see if other organizational funds must be transferred to the CACFP account to cover CACFP expenses that exceeded the CACFP reimbursement earned. Funds will be transferred from enter other account names.
	1. [ ]  Position Title in CNPweb will enter (E) Source of Other Funds Used and (F) Amount Used from Other Funding in the CACFP Expense Report
6. If the CACFP fund balance is positive at the close of the claim month:

[ ]  The balance will remain in the CACFP account and applied to future CACFP purchases.

Position Title in CNPweb is responsible for ensuring that no more than 3 months of operating expenses are in the CACFP account

[ ]  The balance will be applied to a different CNP expense, a journal entry will be completed, and documentation retained to support the transfer of funds

1. [ ]  If applicable, at the end of the fiscal year, the Position Title in CNPweb will run a year-end reconciliation report to ensure all transactions entered into software program matches the actual amounts received and spent.
	1. Excess funds will be kept in the CACFP fund account
		1. If excess funds exceed 3 months of operating costs, a plan will be developed Position Title(s) in CNPweb to use the funds
		2. The plan must be submitted to ODE CNP, and approved, prior to spending excess funds
			* 1. Should CACFP costs be equal or exceed the CACFP income, the fund balance will be zero. If exceeded, the Position Title(s) in CNPweb will to transfer funds from name of fund(s) to cover the costs.
2. **Where the Completed Record is Kept:** Describe what location and/or what room these records will be maintained. Include any information that would be neccessary for someone to locate this document. Example: The Operations folder in the network drive.
3. **Procedure back-ups:** IfPosition Title in CNPweb is unavailable for Step Number(s) then Position Title in CNPweb will take the lead. IfPosition Title in CNPweb is unavailable for Step Number(s) then Position Title in CNPweb will take the lead. If Position Title in CNPweb is unavailable for Step Number(s) then Position Title in CNPweb will take the lead.

This institution is an equal opportunity provider