

CACFP Center-Sponsor Budget Form Guidance and Procedures

Definitions are available under the Addendum Section on pages 15-16.

Who: All **CACFP Sponsors** except for School Food Authorities must complete a CACFP Center-Sponsor Budget.

When: The budget must be completed prior to starting CACFP operations for new Sponsors and must be submitted annually for all CACFP Sponsors except for School Food Authorities

Where: Completed budgets must be submitted to ode.communitynutrition@ode.oregon.gov

Why: Sponsors are required to complete a budget for the following reasons:

1. Allows the Sponsor to determine if **nonprofit food service** requirements are met.
 - a. Are all costs charged to CACFP funds **allowable, necessary, and reasonable**?
2. Help ensure the organization is **capable** of managing the CACFP funds.
3. The budget is a tool that supports the plan for CACFP expenditures and anticipated resources in an organized and controlled manner. It identifies allowable costs and supports the management of the CACFP. These are regulatory requirements that ODE CNP must check before approving applications for renewals.

See: [7 CFR 226.6\(b\)\(1 and 2\)](#), [7 CFR 226.7](#), and [FNS Instructions 796-2, Rev. 4](#).

What: Complete the CACFP Center-Sponsor Budget according to the guidance listed below.

CACFP Budget Guidance: Complete all steps.



Step 1: Determine the Sponsor Staff who will complete the budget and the Sponsor Staff who will review the budget. This must be two separate people. Both Staff must be listed in CNPweb in the Sponsor Info Sheet.

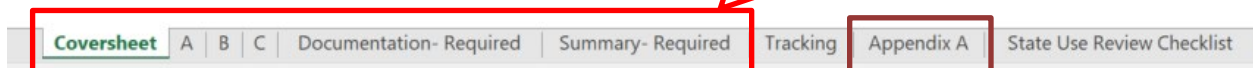
Step 2: Both Sponsor Staff must review this Guidance and Procedure, [FNS Instructions 796-2, Rev. 4](#), and the [USDA Guidance for Management Plans and Budgets](#).

Step 3: Complete the full CACFP Budget Spreadsheet

Complete the following pages on the budget spreadsheet (at the bottom of the spreadsheet):

- Coversheet
- Schedule A
- Schedule B
- Schedule C
- Documentation – Required
- Summary - Required

All sections listed must be completed in order for the Budget to be accepted by ODE CNP (Steps 3b-g).



Appendix A is required for new Sponsors or Sponsors without reimbursement data for the previous year. If you have data from the prior year, skip to Step 3b.

Step 3a: Completing Appendix A (Only required for Sponsors without reimbursement data from the previous fiscal year)

1. Include the eligibility of the participants who were enrolled during the test month in the first table. The test month may be October of the prior year or another month that reflects your average enrollment. A claiming percentage is determined by the One Month Enrollment Roster (OMER).
 - a. For information on Free, Reduced Price, or Above Scale eligibility, refer to the Income Eligibility Guidelines on the [ODE CNP CACFP Resources](#) page.
2. Enter in the number of meals and snacks that were served during a test month. This will only include reimbursable meals and snacks.
3. The Total CACFP Center Reimbursement will be provided in the Green Row.

Step 3b: Completing the Coversheet Section

1. Enter the name of the person **completing** the budget and the contact number.
2. Certify that the person completing the budget has viewed all required guidance materials listed and linked in Step 2.
3. Enter the name of the person **reviewing** the budget prior to submission and their contact number. This must be a different person from the person completing the budget.
4. Certify that the person reviewing the budget has viewed all required guidance materials listed and linked in Step 2.

2	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>Annual CACFP Budget Guidance</i>
	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>FNS Instruction 796-2 Rev. 4: Financial Management - Child and Adult Care Food Program</i> .
	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>USDA Guidance for Management Plans and Budgets</i> (A CACFP Handbook).
Name of Person Completing the Budget 1 Sponsor Staff A Contact Phone Number (000) 000-0000		
4	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>Annual CACFP Budget Guidance</i>
	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>FNS Instruction 796-2 Rev. 4: Financial Management - Child and Adult Care Food Program</i> .
	<input checked="" type="checkbox"/> Yes	I certify that I have read and the sponsor is responsible for complying with the <i>USDA Guidance for Management Plans and Budgets</i> (A CACFP Handbook).
Name of Person Reviewing Budget (required) 3 Sponsor Staff B Contact Phone Number (000) 000-0000		
Must be different from the person completing the budget and also be listed in CNPweb.		
All persons listed above must be listed in CNPweb.		
Check the Sponsor Info Sheet in CNPweb		

In this section: Parts 1-5 must be completed before the budget is accepted by ODE CNP; Part 6 must be completed if the answer to Part 5 was 'Yes'.

5. Answer the question under Additional Information: Did your organization participate in the Summer Food Service Program (SFSP) during the previous Fiscal Year (FY)?
6. If the answer to the question above was "Yes," provide an explanation of how expenses are **allocated**. Allocation methods may vary but must be based on approved methods per FNS 796-2, Rev 4 and the USDA Guidance for Management Plans and Budgets.
 - a. Allocated Expenses may include:
 - i. Costs of food and non-food supplies that are used between programs
 - ii. Labor costs for operational or administrative staff that work with each program

- iii. Costs for Contracted services or utilities that are used for both programs, such as cell phone bills for site supervisors or water/garbage/gas bills

Additional Information

Did the sponsor participate in SFSP during FY 20XX

5

Yes

If yes, indicate how shared expenses are allocated between programs.

6

SFSP only operates during summer (Jun-Aug); Indirect costs are allocated based on operation time

Step 3c: Completing the **Schedule A** Section

In Schedule A, Sponsors will provide information on estimated CACFP income for the upcoming Fiscal Year – complete sections in light orange.

1. **Sponsor Info** section:

- a. **Sponsor Name:** This is the organization name on your CACFP Agreement and CNPweb
- b. **Agreement Number:** 7-digit number associated with your agreement. This can be found on CNPweb in the top right-hand corner in parenthesis (0000000).
- c. **Date Budget Created:** Enter the date you start the budget.
- d. **Number of CACFP Sites:** Enter the number of sites that will be offering CACFP meals and snacks for the upcoming fiscal year.

2. **Projected CACFP Income** section:

- a. **Estimated CACFP Reimbursement** should be based on the previous fiscal year's reimbursements. Adjust for changing factors as necessary, such as changing number of participants, number of sites, etc. Include explanations if the amounts vary from the previous year's reimbursement by 10% or more.
 - i. For Sponsors who do not have data from the previous year, use the reimbursement calculator in the Appendix A tab found at the bottom of the budget spreadsheet.
- b. **Current CACFP Fund Balance** will include any unspent CACFP reimbursements from the previous fiscal year.

SCHEDULE A: CACFP INCOME AND NON-PROGRAM FUNDS USED TO MEET CACFP REQUIREMENTS

1

Sponsor Information

*Enter the information requested below.

Sponsor Name	Institution ABC
Agreement Number	0000000
Date Budget Created	September XX, 202X
Number of CACFP Sites	3

This example is for a large 3-site Center Sponsor. Your budget will vary from the example shown in this guide.

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1. Projected CACFP Income

* Use the previous year's CACFP reimbursements as a baseline and adjust for changing factors. First year programs must use the reimbursement calculator in Appendix A.

Appendix A - Total Reimbursement Estimate: \$22,442.32

#	Source	Annual Amount	Sponsor Explanation	ODE CNP Specialist Comments
1	Estimated CACFP Reimbursement	\$ 269,307.84	Per prior FY claims from CNPweb	
2	Current CACFP Fund Balance	\$ 1,500.00	Leftover funds from prior FY	
	Section Total	\$ 270,807.84		

3. **Non-Program Funds Used to Meet CACFP Requirements** section:

- a. Indicate if additional non-program funds will be available to meet CACFP requirements.

- i. The answer must be 'Yes' if Projected CACFP Income is lower than CACFP costs listed in Schedule B and C. This ensures program viability.
 - ii. A 'No' answer may prevent ODE CNP from approving the budget.
 - b. If additional non-program funds are available, list the source of the funds. This can include tuition, parent fees, special un-restricted grant funds, Head Start funds, cash donations, un-restricted general funds.
 - i. Funds listed must be made available to be used towards unfunded CACFP costs.
4. **Schedule A Total Income** will automatically populate based on the information provided in the Projected CACFP Income and Non-Program Funds Used section.
- a. Both the Projected CACFP Income and Non-Program Funds will be reviewed to see if program viability is met.

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2. Non-Program Funds Used to Meet CACFP Requirements

**Respond to the following question. If Yes, complete the table below.*

Does this institution have unrestricted non-Program funds to meet CACFP requirements?	Yes
--	-----

Unrestricted, refers to funds that are available for any purpose and are in addition to funds already reserved for organizational expenses. Examples of non-program funds are: Head Start funds, tuition, parent fees, donations, etc. If CACFP expenses exceed the CACFP reimbursement, non-Program funds are required to be included in this section.

#	Unrestricted Non-Program Funding Source	Annual Amount	Sponsor Explanation	ODE CNP Specialist Comments
4	Tuition	\$ 200,000.00	Unrestricted funds left after marked expense	
5	Donations	\$ 20,000.00	Unrestricted funds left after marked expense	
	Section Total	\$ 220,000.00		

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Schedule A Total Income

	Section	Annual CACFP Income
CACFP Income	1	\$ 270,807.84
Unrestricted Non-CACFP Fund	2	\$ 220,000.00
Total Income		\$ 490,807.84

ODE CNP will review all CACFP Income and Unrestricted Non-CACFP Fund(s) and compare with costs in Schedules B and C to determine viability.

Step 3d: Completing the Schedule B Section

Schedule B is where Sponsors provide information on projected Operating Costs for CACFP in the upcoming Fiscal Year – complete sections in light orange that apply. Sections that do not apply can be left blank.

1. **Purchased Foods Cost:** Total annual food costs will include food purchases for allowable CACFP meals and snacks. Estimate costs for the year based on previous years' data and any adjustments based on changes to operation. Food costs can include the purchase price of food and additional charges for processing, transporting, storing, and handling.
 - a. Invoices, receipts, inventory records, itemized bills, and proof of payment documenting these costs must be on file.
 - b. Vended Meals purchased from a contracted vendor must have a vendor contract, vendor invoices, and Daily Vendor Receipts on file. This section will not apply to all Sponsors.
 - c. Food Service Management Company (FSMC) Meals will include all unitized meals and snacks invoiced by a FSMC. A FSMC contract, monthly invoices, and Daily Vendor Receipts must be on file. This section will not apply to all Sponsors.
 - d. Food costs that total less than 50% of Estimated CACFP Reimbursement may prompt ODE CNP to request additional information and/or supporting documentation.

2. **Donated Food Costs**, if applicable:

- Answer 'Yes' if donated foods are used in the CACFP meal service and meet CACFP meal pattern requirements. Enter any cost of food storage for donated foods and any maintenance fees paid for donated foods.
- Answer 'No' if donated foods are not used in the CACFP meal service.

SCHEDULE B: OPERATING COSTS FOR CACFP

3. Purchased Food Costs

**Provide a detailed explanation of how these costs were determined. ODE CNP expects that food costs will comprise a minimum of 50% of the Estimated Reimbursement. If meals are purchased, a current contract must be in place.*

#	Type	Annual Cost	Sponsor Explanation	ODE CNP Specialist Comments
6	Purchased Food	\$ 150,000.00	Purchased primarily through food distributor and milk vendor	
7	Purchased Vended Meals	\$ -	No vended meals.	
8	Food Service Management Company Meals	-	No Food Service Management Company	
Section Total		\$ 150,000.00		

4. Donated Food Costs

** Donated foods used in the CACFP meal service must meet meal pattern requirements. Documentation must be provided and maintained to support maintenance fee and storage costs.*

9	Does your center receive donated food?	No
10	Donated food storage cost	\$ -
11	Maintenance fee paid to food bank	\$ -

If donated foods are not used entirely for CACFP meals and snacks, any storage costs or maintenance feeds must be allocated.

3. **Capital Equipment** costs, if applicable:

- Capital Equipment is equipment that has a life span of more than 1 year and is worth more than \$10,000.
- To charge Capital Equipment costs to the nonprofit food service account, it must be used for CACFP meal service. Costs must be allocated if it is not used solely for CACFP. Depreciation may be charged on items not purchased with CACFP funds.
- Costs entered in this section must be supported by completing the Documentation Section (Step 3f on page12).

4. **CACFP Food Service Supplies**, if applicable:

- Enter in total annual cost and include an explanation, if needed. This includes non-food supplies; 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.

4b. Capital Equipment

** General purpose equipment that will be used by CACFP can be purchased using CACFP funds. Depreciation may be charged on items not purchased with CACFP funds.*

** Sponsor must complete a capital equipment form and maintain inventory.*

#	Item	Est. Purchase Date	Total Cost	% Allocated to CACFP	Annual Cost to CACFP	Sponsor Explanation	ODE CNP Specialist Comments
Section Total					\$ -		

This example does not have any Capital Equipment costs charged. If this section is applicable, complete all sections in light orange.

5. CACFP Food Service Supplies

** Includes: paper goods and small kitchen equipment used directly for the food service operation*

#	Brief Description of Supplies Purchased	Annual Cost	Sponsor Explanation	ODE CNP Specialist Comments
12	Paper goods, smallwares replacements, kitchen cleaning supplies	\$ 8,000.00	Napkins, paper towels, small kitchen supplies/equipment, CACFP cleaning supplies	
Section Total		\$ 8,000.00		

5. **Operational Labor Costs**, if applicable: Labor costs should only include costs needed for the operation of the CACFP, such as meal preparation, meal service, food delivery, meal service recordkeeping, and clean-up. Costs may include wages, salaries, employee benefits, and employment taxes.

- Include the following information for all labor costs charged to CACFP:
 - Position/Title: The position or title of each employee with CACFP Food Service Duties.
 - Number of personnel for each position: The number of personnel with the same title.

6

7. Contracted Services

* These items require specific prior written approval and must be included on the Documentation Tab. Submit supporting documentation and provide an explanation of the allocation method below.

* Examples of contracted services include: equipment, janitorial, independent contractors who provide nutritional services, or any other services related to CACFP operations. If the employer has the right to control or direct only the result of the work and not what will be done and how it will be done then the individual is an independent contractor. Contractors receive a form 1099.

#	Contracted Service	Provider	Monthly Cost	CACFP Program Months	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	ODE CNP Specialist Comments
Section Total							\$ -		

Contracted services must be allocated between operational and administrative (Schedule C) accounts and between CACFP and non-CACFP programs, when applicable. For example, janitorial services may be used for both CACFP kitchen and admin offices AND non-CACFP offices.

7. Other Operational Costs, if applicable: Other operational costs will include all other miscellaneous costs to run a CACFP meal service operation. This can include printing, postage, food transportation costs, subscriptions, training, and/or travel costs. Some costs for these services may require specific prior written approval from ODE CNP, depending on the type and nature of the services. Refer to Exhibit I from FNS 796-2 Rev 4.

- Miscellaneous Food Service:** If applicable, enter in all columns in light orange. This section can include printing costs, subscription costs, or other costs not documented in other sections. This section must include a Sponsor Explanation for each cost.
- Annual Mileage, Lodging, and Meals for CACFP Food Transportation Costs and Staff Training:** If applicable, enter in columns in light orange that apply for mileage. Mileage rates cannot exceed the Federal Reimbursement Rate listed. All mileage costs must be documented.
- Conference Travel/Training Costs:** If applicable, enter in all columns in light orange. Travel expenses for conferences and training must be supported with receipts and invoices. A Sponsor explanation must be provided.

8. Other Operational Costs

(a) Miscellaneous Food Service Expenses

* These are other costs that support the food service such as: printing CACFP required records (CIS, meal count, menus, etc.)

#	Description	Provider	Monthly Cost	CACFP Program Months	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	ODE CNP Specialist Comments
Section Total							\$ -		

7a

(b) Annual Mileage, Lodging, and Meals for CACFP Food Transportation Costs and Staff Training

* The mileage reimbursement formula assumes the federal rate. If your organization reimburses employees at a lesser rate, specify it below.

Federal Reimbursement Rate (maximum allowable) \$ 0.560

Mileage Reimbursement Rate (if different from federal rate)

* Mileage logs must be maintained per FNS 796-2 Rev. 4 VIII.1.39(c).

Yes I certify that mileage logs are completed by each employee per regulatory guidance and are maintained on file.

To charge mileage to the CACFP account, mileage logs must be completed by each employee and kept on file. Certify by checking "Yes."

#	Position/Title	Total Miles	Monthly Average			Number of Months	Total Cost to CACFP		Sponsor Explanation	ODE-CNPP Specialist Comments
			Mileage Reimbursement	Lodging	Meals		Monthly	Annual		
16	Food Assistant	60	\$ 33.60	\$ -	\$ -	0	\$ 33.60	\$ -	Mileage for food delivery and staff help	
Section Total							\$ 33.60	\$ -		

7c

(c) Conference Travel/Training Costs

#	Conference/Class	Dates of Travel		Number of Nights of	Registration Fee	Individual Airfare	Total Lodging Cost	Individual Meals	Cost to CACFP per Employee	Number of Employees	Total Miles	Car Rental	Total Cost to CACFP	Sponsor Explanation
		Arrive	Depart											
Section Total														

8. Facilities and Utilities Cost, if applicable: Facility and utility costs must be allocated based on total square footage. Costs in this category can include rent or lease expenses, and utilities not included in rent or lease agreements. Copies of lease or rental agreements must be submitted.

- Enter in all applicable details in the table listed in 8a in the purple box. The center is considered active in CACFP when CACFP meals are served. For square footage, if there are more than one site, use an average for all sites.
- Costs associated with **less-than-arm's-length** lease arrangements are limited to depreciation only and require specific prior written approval. Prior year tax returns and cost of ownership calculation form must be submitted for approval.
- Utilities such as electricity, gas, water, and sewer which are not included in the office lease or rental are allowed with prior ODE CNP approval. If utilities are shared with another program, the costs must be allocated. Include an explanation on allocation percentage under the Sponsor Explanation section.

9. Facility and Utilities Costs

(a) Percent of Facility Expenses Allocable to CACFP through Food Service Operations

**Must be completed if CACFP funds will be used for Facility costs and utilities.*

How many WEEKS PER YEAR is the center active in CACFP (average if >1 site)?		
How many HOURS PER WEEK is the center open (average if >1 site)?		
#	Total Area in sq. ft. (average if >1 site)	Hour per Week Used for CACFP Food Service
Center(s)		
Kitchen(s)		
Food Storage(s)		
Other*		
Describe 'Other'. Include name of area(s) and how it's used for CACFP operation.		
Percent of Facility Expenses Allocable to CACFP		

Completion of the sections listed in the purple box above will return an allocation percentage in this cell. All light orange cells must be completed for a percentage to be calculated. This percentage should be entered in the '% Allocated to CACFP' column in 8b.

(b) Facility Costs

** Costs associated with less-than-arm's-length lease arrangements are limited to depreciation only. Less-than-arm's-length and related-party transactions require the submission of the prior year tax returns*
** Submit contracts for Rental/Lease Agreements, including support for square footage. Submit copies of the depreciation schedule.*

#	Type	Lessor	Monthly Cost	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation
Section Total						\$ -	

Provide a short explanation on how the '% Allocated to CACFP' was determined.

(c) Utilities

** Submit documentation of costs*

#	Utility	Company	Monthly Cost	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation
	Power/Gas						
	Water						
	Waste						
	Other (Specify)						
Section Total						\$ -	

- Review the Schedule B Total Cost to CACFP: This will total all costs from Steps 1-8 in Schedule B and provide a total operational cost for CACFP for the fiscal year.

Schedule B Total Cost to CACFP

	Section	Annual Cost to CACFP
Purchased Food	3	\$ 150,000.00
Donated Food	4	\$ -
Capital Equipment	4b	\$ -
Food Service Supplies	5	\$ 8,000.00
Labor	6	\$ 134,727.73
Contracted Services	7	\$ -
Other Operational Costs	8	\$ -
Facility	9(b)	\$ -
Utilities	9(c)	\$ -
Total Operational Costs		\$ 292,727.73

In Schedule C, Sponsors provide information on projected Administrative Costs for CACFP in the upcoming Fiscal Year – complete sections in light orange that apply. Sections that do not apply can be left blank.

1. **Administrative Labor Costs**, if applicable: Labor costs should only include costs needed for the administration of the CACFP such as planning, organizing, and managing the food service operation under CACFP. This can include monitoring labor, training costs, and clerical duties such as CACFP application updates, compiling daily records for consolidating reimbursement claims
 - a. Accurate payroll records and time and attendance reports must be recorded and maintained for each employee in order for labor costs to be charged to CACFP funds.

<i>If benefits are provided, an explanation of the type of benefits provided to employees will be required</i>												
#	Position/Title	Number of Personnel in Position	CACFP Program Months	Hourly Wage	Avg Hours per Month*	CACFP Administrative Duties and Monitoring	Avg Benefits Paid per Month		Total Cost to CACFP		Specific CACFP Job Duties (Required)	Sponsor Explanation
					Total		by Sponsor	by CACFP	Monthly	Annual		
23	Food Program Coordinator	1	12	\$ 22.00	173.3	30.0	\$ 300.00	\$ 51.93	\$ 711.93	\$ 8,543.20	Monitor sites, meal count consolidation and	
						Section Total			\$ 711.93	\$ 8,543.20		

#	Contracted Service	Provider	Monthly Cost	CACFP Program Months	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	ODE CNP Specialist Comments
					Section Total		\$ -		

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nature of the services. Refer to Exhibit I from FNS 796-2 Rev 4. Itemized receipts, invoices, and other records must be kept to document these costs.

- a. **Miscellaneous Office Expenses:** If applicable, enter in all columns in light orange. This section can include printing costs, subscription costs, indirect costs supported by the indirect cost rate approved by the cognizant agency, or other costs not documented in other sections. This section must include a Sponsor Explanation for each cost and supporting documentation must be provided.
- b. **Annual Mileage, Lodging, and Meals for Monitoring and Other Administrative Support:** If applicable, enter in columns in light orange that apply for mileage or conference travel or training. Mileage rates cannot exceed the Federal Reimbursement Rate listed. All mileage and travel costs must be documented.
- c. **Conference Travel/Training Costs:** If applicable, enter in all columns in light orange. Travel expenses for conferences and training must be supported with receipts and invoices. A Sponsor explanation must be provided.

12. Other Administrative Costs

(a) Miscellaneous Office Expenses

*Submit supporting documentation with the budget and provide an explanation of the allocation below.

*These are other costs that support CACFP administration and could include: printing, photo copies, postage, etc.

#	Description	Provider	Monthly Cost	CACFP Program Months	Annual Cost	% Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	ODE CNP Specialist Comments
Section Total							\$ -		

(b) Annual Mileage, Lodging, and Meals for Monitoring and Other Administrative Support

*The mileage reimbursement formula assumes the federal rate. If your organization reimburses employees at a lesser rate, specify it below.

Federal Reimbursement Rate (maximum allowable) \$ 0.560

Mileage Reimbursement Rate (if different from federal rate)

* Mileage logs must be maintained per FNS 796-2 Rev. 4 VIII I 39(c)

Yes I certify that mileage logs are completed by each employee per regulatory guidance and are maintained on file.

To charge mileage to the CACFP account, mileage logs must be completed by each employee and kept on file. Certify by checking "Yes."

#	Position/Title	Monthly Average				Number of Months	Total Cost to CACFP		Sponsor Explanation	ODE-CNP Specialist Comments
		Total Miles	Mileage Reimbursement	Lodging	Meals		Monthly	Annual		
24	Food Program Coordinator	75	\$ 42.00	\$ -	\$ -	12	\$ 42.00	\$ 504.00	Monitoring, training, supervision	
Section Total							\$ 42.00	\$ 504.00		

(c) Conference Travel/Training Costs

#	Conference/Class	Dates of Travel		Number of Nights of	Registration Fee	Individual Airfare	Total Lodging Cost	Individual Meals	Cost to CACFP per Employee	Number of Employees	Total Miles	Car Rental Total	Total Cost to CACFP	Sponsor Explanation
		Arrive	Depart											
Section Total														

4. **Facilities and Utilities Cost**, if applicable: Facility and utility costs must be allocated based on total square footage. Costs in this category can include rent or lease expenses, and utilities not included in rent or lease agreements. Copies of lease or rental agreements must be submitted.

- a. Enter in all applicable details in the table listed in 4a in the purple box (next page). The center is considered active in CACFP when CACFP meals are served. For square footage, if there are more than one site, use an average for all sites.
- b. Costs associated with **less-than-arm's-length** lease arrangements are limited to depreciation only and require specific prior written approval. Prior year tax returns and cost of ownership calculation form must be submitted for approval.
- c. Utilities such as electricity, phone systems, and internet which are not included in the office lease or rental are allowed with prior ODE CNP approval. If utilities are shared with another program, the costs must be allocated. Include an explanation on allocation percentage under the Sponsor Explanation section.

13. Facility and Utilities Costs

(a) Percent of Facility Expenses Allocable to CACFP through Administration

**Must be completed if CACFP funds will be used to pay facility and utility costs*

How many weeks per year is the center active in CACFP (average if >1 site)?

How many hours per week is the center open (average if >1 site)?

#		Total Area in sq.ft. (average if >1 site)	Hour per Week Used for CACFP Food Service
	Center(s)		
	Office		
	Other*		

Describe 'Other'. Include name of area(s) and how it's used for CACFP operation.

Percent of Facility Expenses Allocable to CACFP

Completion of the sections listed in the purple box above will return an allocation percentage in this cell. All light orange cells must be completed for a percentage to be calculated. This percentage should be entered in the '% Allocated to CACFP' column in 4b.

(b) Facility Cost

** Costs associated with less-than-arms-length lease arrangements are limited to depreciation only. Less-than-arms-length and related-party transactions require the submission of the prior year tax returns, cost of ownership calculation form and prior approval. Contact ODE for the form.*

** Submit contracts for Rental/Lease Agreements, including support for square footage. Submit copies of the depreciation schedule.*

#	Type	Lessor	Monthly Cost	Annual Cost	Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	C
Section Total						\$ -		

(c) Utilities

**Submit documentation of costs.*

#	Utility	Company	Monthly Cost	Annual Cost	Allocated to CACFP	Total Cost to CACFP	Sponsor Explanation	C
	Electricity							
	Office Phone System							
	Internet							
	Other (Specify)							
Section Total						\$ -		

Provide a short explanation on how the '% Allocated to CACFP' was determined.

- Review the Schedule C Total Cost to CACFP: This will total all costs from Steps 1-4 in Schedule C and provide a total operational cost for CACFP for the fiscal year.

Schedule C Total Cost to CACFP

	Section	Annual Cost to CACFP
Labor	10	\$ 8,543.20
Contracted Services	11	\$ -
Other Administrative Costs	12	\$ 504.00
Facility	13(b)	\$ -
Utilities	13(c)	\$ -
Total Administrative Costs		\$ 9,047.20

The total for administrative costs must not exceed 15% of CACFP reimbursement. If so, a warning will show up on the Summary Tab. If the warning appears, some of the cost must be entered as unfunded costs instead.

Step 3f: Completing the **Documentation-Required** Section

Include items in this section which require specific prior approval. This will include capital equipment, contracted services, other operational or administrative costs, and facilities and utilities costs. Include the Line Item Number from Schedules B or C, include a short description of the cost, and an explanation of why it must be charged to the CACFP fund account.

All budgets, even ones without Line Items from Schedules B or C requiring specific prior approval, must complete the acknowledgment and certification in this section (see in red boxes).

DOCUMENTATION- REQUIRED

Specific Prior Written Approval

** Include in the table below any items for which you will be requesting specific prior written approval.*

[Exhibit I from FNS 796-2 Rev. 4](#)

Refer to this link for information on specific prior approval

#	Line Item Number	Description	Sponsor Explanation	ODE CNP Specialist Comments

Must be completed.

Yes

I, the sponsor, acknowledge in accordance with the Budget Guidance & FNS Instruction, that certain expenditures are unallowable unless specific prior written approval has been given from ODE CNP separate from the approval of this budget. Any such items are listed in the table above.

Disclosures of Related Party Transactions and/or Less-than-arms length Transactions

** Include in the table below any expenditures which require Disclosure.*

** In particular, you must disclose any related-party or less-than-arms-length expenditures. This includes contracts, agreements, leases, transactions, costs, and ownership interests in equipment, supplies, or facilities. Failure to disclose required information will result in the disallowance of the cost and may subject the institution, its principals, employees, and others to the administrative and legal recourse available to ODE CNP and FNS.*

** Definitions:*

LESS-THAN-ARMS-LENGTH - a transaction under which one party to the transaction is able to control or substantially influence the actions of the other(s).

RELATED PARTY - a transaction between the institution and its parent corporation, corporate divisions, subsidiaries, an employee(s), officer(s), agent(s) of the institution or members of their immediate family either directly or indirectly through corporations, trusts or similar arrangements in which they hold a controlling interest, no matter how represented. All related party transactions are less-than-arms-length transactions.

#	Line Item Number	Description	Sponsor Explanation	ODE CNP Specialist Comments

Must be completed.

Yes

I, the sponsor, certify that all expenditures for which the Budget Guidance & FNS Instruction requires disclosure, such as less-than-arms-length or related-party agreements, are listed in the table immediately above and a full description of the circumstances is included.

Step 3g: Completing the **Summary** Section

The Summary Section will provide a high-level summary of information from Schedules A, B, and C. Review all information for accuracy. Complete the certification.

ANNUAL CACFP BUDGET SUMMARY

Sponsor Name	Institution ABC	Date Created	September XX, 202X
Agreement Number	0000000	Revision	0

Number of Sites	3
% of Income Spent on Food	55.7%
Required Monitoring FTE	0.12

ODE CNP will require more information if the '% of Income Spent on Food' is less than 50%. **'Required Monitoring FTE'** must equal at least 1 FTE for every 25-150 centers.

List both the funding source(s) and amount(s) available of each source of non-CACFP program funds that will be used to pay for overclaims or other unallowable costs.

Tuition: \$200,000; Donations: \$20,000

This section must be completed if the Balance in the Summary Table below is negative. The funding sources must have sufficient funds to cover the balance at a minimum.

Yes

I, the sponsor, certify that the budget entered on previous pages and summarized below is *complete* and *accurate* to the best of my knowledge.

Must be completed.

Line Item	CACFP Amount	ODE Approved Amount
A1 Total CACFP Income	\$ 269,307.84	
Income Grand Total	\$ 269,307.84	\$ -
B Operating Costs		
3 Purchased Food	\$ 150,000.00	
4 Donated Food	\$ -	
4b Capital Equipment	\$ -	
5 Food Service Supplies	\$ 8,000.00	
6 Labor	\$ 134,727.73	
7 Contracted Services	\$ -	
8 Other Operational	\$ -	
9(b) Facility	\$ -	
9(c) Utilities	\$ -	
Operational Subtotal	\$ 292,727.73	\$ -
C Administrative Costs		
10 Labor	\$ 8,543.20	
11 Contracted Services	\$ -	
12 Other Administrative	\$ 504.00	
13(b) Facility	\$ -	
13(c) Utilities	\$ -	
Administrative Subtotal	\$ 9,047.20	\$ -
Expenses Grand Total	\$ 301,774.93	\$ -
Balance	\$ (32,467.09)	\$ -

If the Schedule C subtotal is greater than 15% of the CACFP reimbursement, you will need to go into Schedule C and change the cost to unfunded cost. See Step 3d on pages 4-8.

This warning will show up when the balance is negative. Include Non-Program fund sources listed in Schedule A in the light orange section above.

=><= Unrestricted non-program funds must be identified on Schedule A.

At this point, the budget is completed! Go to Step 4.

Step 4: Review the budget for completion and accuracy.

Once the budget is completed, the Sponsor Staff responsible for reviewing the budget must look over all Sections and make sure it is complete and accurate for your organization.

The reviewing Sponsor Staff must be a different person than the one completing the budget. Both Sponsor Staff must be listed in CNPweb in the Sponsor Information Sheet as either a(n) Authorized Representative, Food Program Coordinator, Financial Office Contact, or Claim Contact.

Step 5: Submit the completed budget to ODE CNP

Once the budget is completed and reviewed, submit the completed budget to

ode.communitynutrition@ode.oregon.gov. Budgets will be reviewed by ODE CNP in the order they are received.

- ODE CNP Support Staff will contact you if the budget requires further information.
- Once completed, the ODE Finance and Audit Specialist and/or assigned Child Nutrition Specialist will review your budget.
 - If there are questions, the Specialist will reach out to the Sponsor Staff who submitted the budget.
 - Once approved, the Specialist will direct Sponsor Staff to update CNPweb's Budget information sheet (the 'online budget') to match the Summary section completed in Step 3g. This will be reviewed by the Specialist and compared to the Management Plan and Sponsor Info Sheet for consistency prior to approval of your CACFP Renewals. Check that all staff titles are accurate and match between the budget and all CNPweb applications.

Addendum:

The terms below are defined in relation to CACFP

Allocated Costs: Costs that benefits more than one program or cannot be readily identified to the CACFP. Allocated costs must be shared between programs using an ODE CNP approved allocation method. Allocation methods can be based on time and space, program expenses, etc., and will vary from organization to organization.

Allowable Costs: Costs incurred for the actual expenses of operating CACFP. Allowable cost categories are listed in Schedules B and C.

CACFP Food Service Supplies: Food service supplies are non-food items that are used in the preparation and service of CACFP meals and snacks. This can include napkins, other paper goods, sanitation equipment, small wares such as plates, utensils, and cooking equipment.

CACFP Fund Balance: The amount in the CACFP fund account at the end of the fiscal year. The fund balance is calculated by subtracting all CACFP expenses from all CACFP income.

CACFP Income: Any source of money received by the organization for the purpose of implementing CACFP. One source of CACFP income is the reimbursements received for serving allowable CACFP meals and snacks.

Capable: Sponsors of CACFP are required to be capable of running CACFP. This is one of the Performance Standards for CACFP listed in 7 CFR 226.6 (b)(2)(vii). A capable Sponsor is an organization with appropriate and effective management practices to ensure operations are in accordance with CACFP regulations.

Capital Equipment: Equipment used in the program that has a life span of greater than 1 year and costs more than \$5,000. Some commercial food service equipment can be considered capital equipment. Costs related to capital equipment must have prior written approval from ODE CNP.

Contracted Services: Services that are not provided within the organization, but hired out to another vendor via contract. Common contracted services include janitorial services, pest control, and linen services.

Indirect Costs: These are costs that are incurred for both CACFP operations and non-CACFP activities and require special approval.

- **Indirect Cost Rate:** Is developed through a cost allocation rate proposal and is computed by dividing indirect costs by a direct cost base of allowable and unallowable costs. The indirect cost rate must be approved by the cognizant Federal or State agency.

Labor Costs: Cost of staff work hours.

- **Operational Labor:** Staff work hours for tasks related to the operation of CACFP. This can include food procurement, cooking, prep work, and meal service.
- **Administrative Labor:** Staff work hours for tasks related to the administration of CACFP. This can include documentation of CACFP, monitoring, and staff training.

Less-than-arm's-length transaction: Financial transactions between two parties who have a relationship that may result in a conflict of interest.

Multi-Site Sponsor: A sponsor with more than one CACFP site.

Necessary Costs: Costs that are needed to run CACFP effectively.

Nonprofit Food Service: Includes all food service operations conducted for the benefit of enrolled participants, from which all of the Program reimbursement funds are used solely for the operation or improvement of that food service. This requires records to be maintained documenting CACFP revenue and expenses separately from organizational revenue and expenses, that only allowable expenses are charged, and excess revenue is retained and used solely for Child Nutrition Programs. Maintaining nonprofit food service status is a regulatory requirement. Sponsoring organizations must regularly monitor nonprofit food service account activity to ensure compliance. If the nonprofit food service balance exceeds three months of CACFP expenses, sponsoring organizations must contact their assigned child nutrition specialist.

Reasonable Costs: Costs that a prudent person would pay.

Required Monitoring FTE: A FTE is a full-time employee, indicating the hours that a full time employee would work. 1.0 FTE indicates that an employee is hired to work 40 hours per week. Monitoring FTE is required for Sponsors who operate multiple sites in CACFP. At least 1.0 monitoring FTE is required for every 25 – 150 sites.

Sponsors: An organization with an agreement to serve CACFP meals with the Oregon Department of Education Child Nutrition Programs (ODE CNP). Sponsors agree to meet all financial management requirements as part of the signed agreement with ODE CNP.

Unfunded Costs: Allowable CACFP costs that exceed the CACFP reimbursement.