

BUDGET ANALYSIS AND AMENDMENT PROCEDURE

CACFP Policy 00-08

Purpose

To establish the policy for required budget analysis and budget amendments to be submitted to the State agency.

Scope

Institutions participating in the Child and Adult Care Food Program (CACFP)

Description

The budget completed at the beginning of each program year should be a reflection of the projected food program expenditures that your institution anticipates incurring throughout the program year. Each institution is required to have a system in place with which to reconcile actual expenses to the budget at regular intervals. This means analyzing year-to-date expenses and anticipated expenses through the end of the year.

Sponsors of centers (affiliated and unaffiliated) may retain no more than 15% of CACFP meal reimbursement for any type of administrative costs. This will be monitored closely during program reviews and during contract renewal.

Sponsoring organizations may apply to the State Agency to have the 15% CAP waived. The organization must provide written justification to the State Agency that it requires Program funds in excess of 15% to pay its administrative costs and that it will have adequate funding to provide meals/snacks that meet the requirements of §226.20. The request will be reviewed by a committee that includes the CACFP Coordinator, the SCN Director, and CACFP staff. All approvals and denials will be documented in writing and a copy of each will be forwarded to the USDA Midwest Regional Office.

Situations may arise that will require you to amend your budget. These include, but are not limited to:

- a. the number of facilities increases or decreases
- b. participation increases or decreases
- c. projected reimbursement increases or decreases

Sponsors of Affiliated Centers and Independent Centers

When the total budget increase or decrease by 10%, organizations must submit an amended budget through the CNPweb, and send an explanation for the budget changes to the CACFP Coordinator.

Sponsors of Homes and Unaffiliated Centers

Sponsors of homes and unaffiliated centers should submit the updated excel budget and an explanation of budget changes in writing to the CACFP Coordinator.

The written request to amend a budget may be sent via e-mail, fax, or regular mail to the attention of the CACFP Coordinator. The State Agency will respond within 10 days of receiving

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a request for approval of an amended budget. The request must contain: (1) the specific cost items being amended, (2) the projected dollar amount that is being changed, and (3) the source of funding that will cover the costs (i.e., CACFP, Tuition, and/or Head Start). If the cost item is to be funded fully with CACFP funds, additional supporting documentation may also be required to be submitted prior to approval.

Budget amendments will be accepted any time prior to September 1, utilizing the procedures listed above.

Sources

Indiana Department of Education, School and Community Nutrition Programs, 7 CFR 226.7 (g)