

Financial Management - Child and Adult Care Food Program

PURPOSE:

This Instruction establishes program standards, principles and guidelines for financial management in the Child and Adult Care Food Program (CACFP).

SCOPE:

This Instruction represents one of the requisite elements that must be used by the State agency in establishing the financial management system required by the Program regulations (§226.7(m)) to identify allowable Program costs and establish standards for institutional recordkeeping and reporting. State agencies are further required to provide guidance on financial management requirements to each institution and each institution is required to maintain records demonstrating compliance with the State agency's financial management requirements §226.15(e)(7)). State agencies may either (a) designate the use of this Instruction or (b) incorporate this Instruction into the State agency's financial management system.

The provisions of this Instruction apply to **all CACFP institutions**, including public and private nonprofit sponsoring organizations, as well as, eligible child and adult care centers.

DESCRIPTION:

CACFP funds are provided to assist State agencies through grants and other means to initiate and maintain nonprofit food service programs for eligible children and adult participants in nonresidential institutions that provide care. This Instruction establishes program standards, principles and guidelines for financial management.

The provisions of this Instruction shall be implemented in accordance with 7 CFR Part 226.

The use of this instruction complies with the State Agency's financial management system for CACFP.

The complete instruction can be found on the CACFP Web page at:  
[http://www.doe.in.gov/food/childadults/financial\\_mgmt\\_manual.pdf](http://www.doe.in.gov/food/childadults/financial_mgmt_manual.pdf).

SOURCE:

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