

How CACFP Reimbursements Calculated

Erica Nelson: Based on your inquiries, we want to demystify how reimbursements are calculated. The Child and Adult Care Food Program is not a dollar-for-dollar reimbursement program. The USDA does not reimburse program operators for the full cost of the food service program.

Instead, the USDA issues reimbursement for eligible meals to offset the full cost of serving children nutritious meals. The formula for calculating the monthly reimbursement is the number of meals claimed by type like breakfast or snack multiplied by the appropriate reimbursement rate as determined by children's eligibility.

Children who are determined eligible for Head Start enrollment are determined categorically free in the CACFP. That means meals served and claimed at Head Start facilities are reimbursed at the highest rate. This chart shows you the current reimbursement rates. As Carolina pointed out, reimbursement rates are effective from July 1 to June 30 annually. Meals claimed during that period will be reimbursed at the rate that is in effect for that year.

Now, let's look at some record-keeping requirements. Recordkeeping is a key element of CACFP compliance. It is vital to have records and documentation that support claims for reimbursement on file and available for review or audit by the state agency and representatives of the USDA. In the next few slides, we'll highlight the most important aspects of CACFP recordkeeping. Requirements CACFP institutions must maintain orderly, and efficient recordkeeping and filing systems.

Records must be maintained for a minimum of three years after the end of the fiscal year to which they pertain or until any audits or investigations of that year's records have been closed. Records of past corrections of serious deficiencies should also be kept on file and used to assist the center in maintaining the procedures that were approved for implementation.

Meal service records includes all the documentation required to validate a claim for reimbursement. These records are used to compile the data reported on a claim. This includes accounts by type, infant and child menus for all meal types, daily attendance, and child enrollment, and eligibility. To reduce the burden of paperwork, children who are determined eligible for enrollment in Head Start facilities are eligible for free meal benefits under the CACFP. Operators do not need to obtain additional income eligibility information like an income eligibility statement.

Head Start operators are encouraged to use an electronic data collection and maintenance system for enrollment. That includes the required CACFP enrollment information like children's names, dates, birthdays, and times of care, eligibility determinations, civil rights data, and parent-guardian contact information.

Program operators will demonstrate responsible and effective fiscal management by maintaining documentation of allowable operating costs and administrative costs. This includes invoices and itemized receipts for food, non-food supplies, and purchase services. In addition, for food service and administrative labor, operators will maintain time and attendance logs and payroll records. Approved budgets and budget amendments should be on file to further demonstrate effective fiscal planning for operating the CACFP.

Sponsoring organizations and institutions are required to conduct staff and facility staff training upon employment and annually thereafter. These trainings must be documented by recording dates of trainings, locations, CACFP topics discussed, and names of center personnel in attendance. It is not required but is considered a best practice to also record how the training was facilitated and who the facilitators were.

For example, if staff complete a training module on the Institute of Child Nutrition web page, you may note that the training was an online module facilitated by the ICN. Sponsoring organizations are required to conduct and document facilities site monitoring. Facility site monitoring forms and documentation of corrective action must be kept on file.

Monitoring form templates may be provided by your state agency. Be sure that all monitoring form templates used by your institution have been approved by the state agency. In addition to these USDA requirements, CACFP operators are responsible for adhering to state agency requirements. This may include documentation of milk audits, photos, and product labels to support wholegrain-rich items, and sugar limits in yogurt and breakfast cereal, or state agency-specific forms and templates.

Additional records that need to be up to date and on file include the institution's management plan. The management plan is the operational manual that Head Start facilities develop for how the CACFP will be implemented. This includes all written, standard operating procedures for the CACFP and staff roles and responsibilities.

Following the management plan will ensure the facility will remain in compliance and avoid findings during a review. Recordkeeping can look different from facility to facility. It is important to remember that the requirement is to have records on file and available for review. That's "the what." There are some options for how those records are maintained.

F&S does not endorse any of the methods listed. It is solely up to the institution's discretion with approval from the state agency and sponsoring organization. For example, some facilities may choose to implement mobile technology for meal counting. Where staff are responsible for recording meal counts, enter the data into a tablet or other mobile device at the time of service.

Other facilities may choose to use analog methods such as paper templates and three-ring binders. Whichever methods you determine our best for your facility, be sure to consult with the state agency and/or your sponsoring organization for approval and technical assistance.