

BUDGET BASICS TRAINING – TOPIC: CACFP BUDGET



Acknowledgment Statement

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You understand and acknowledge that:

- ❑ the training you are about to take does not cover the entire scope of the program; and that
- ❑ you are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance, as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.

Training Objectives

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By the end of this training, participants will be able to:

- ❑ Identify CACFP budget content and approval requirements.

Training Outline

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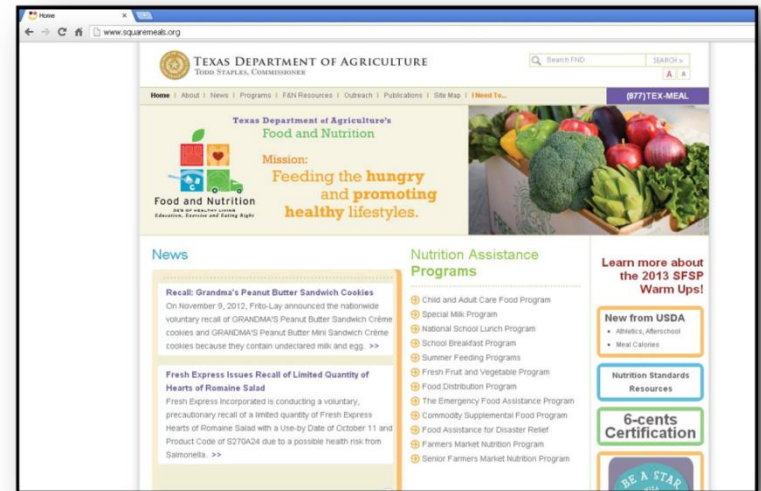
- ❑ Introduction
- ❑ CACFP Budget
- ❑ Conclusion

References for this Training

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- ❑ FNS Instruction 796-2, Revision (Rev.) 4, Financial Management – Child and Adult Care Food Program
 - <http://www.fns.usda.gov/sites/default/files/796-2%20Rev%204.pdf>

- ❑ CACFP Handbooks
 - TDA Square Meals Website
<http://www.squaremeals.org>

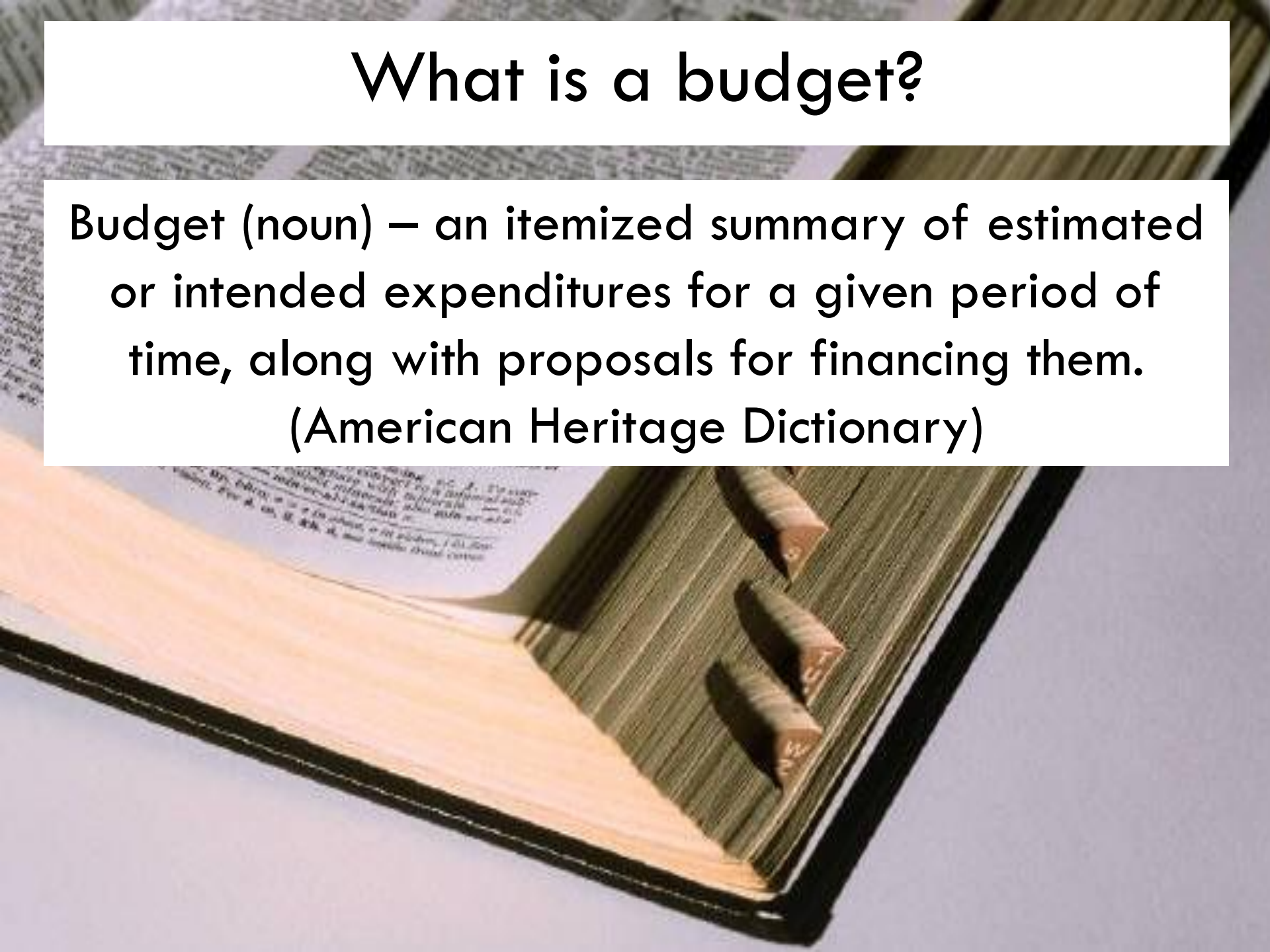


Under F&N resources, select Tools & Links, then select Links and choose FNS Instruction 796-2 under the Government heading

CACFP Budget

What is a budget?

Budget (noun) – an itemized summary of estimated or intended expenditures for a given period of time, along with proposals for financing them.
(American Heritage Dictionary)



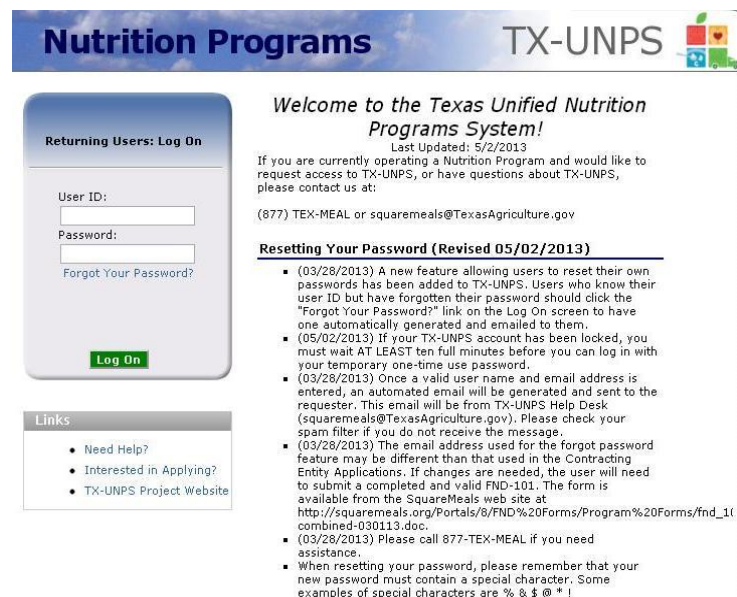
How often does a Contracting Entity (CE) need to submit a CACFP Budget?

A Contracting Entity (CE) must submit a budget annually. The CACFP budget follows the federal fiscal year of October 1 to September 30.



How do I provide the budget detail?

- ❑ The budget detail worksheet should be completed **before** completion of the *Budget Detail (Center or Day Care Homes)* form or screen in the Texas Unified Nutrition Programs System (TX-UNPS). Use the information in the worksheet to complete the information contained in the *Budget Detail (Center or Day Care Homes)* form/screen.



Nutrition Programs TX-UNPS

Welcome to the Texas Unified Nutrition Programs System!
Last Updated: 5/2/2013
If you are currently operating a Nutrition Program and would like to request access to TX-UNPS, or have questions about TX-UNPS, please contact us at:
(877) TEX-MEAL or squaremeals@TexasAgriculture.gov

Resetting Your Password (Revised 05/02/2013)

- (03/28/2013) A new feature allowing users to reset their own passwords has been added to TX-UNPS. Users who know their user ID but have forgotten their password should click the "Forgot Your Password?" link on the Log On screen to have one automatically generated and emailed to them.
- (05/02/2013) If your TX-UNPS account has been locked, you must wait AT LEAST ten full minutes before you can log in with your temporary one-time use password.
- (03/28/2013) Once a valid user name and email address is entered, an automated email will be generated and sent to the requester. This email will be from TX-UNPS Help Desk (squaremeals@TexasAgriculture.gov). Please check your spam filter if you do not receive the message.
- (03/28/2013) The email address used for the forgot password feature may be different than that used in the Contracting Entity Applications. If changes are needed, the user will need to submit a completed and valid FND-101. The form is available from the SquareMeals web site at http://squaremeals.org/Portals/8/FND%20Forms/Program%20Forms/fnd_101combined-030113.doc.
- (03/28/2013) Please call 877-TEX-MEAL if you need assistance.
- When resetting your password, please remember that your new password must contain a special character. Some examples of special characters are % & \$ @ * !

- ❑ Find the budget detail worksheet at <http://www.squaremeals.org>

What will the CACFP Budget project?

- ❑ The CACFP budget will project the amount of revenue in the non-profit food service account, and show the allowable cost items and the projected expenses of those items.
- ❑ All budgets are pre-approved by Texas Department of Agriculture (TDA) Food & Nutrition (F&N)





CACFP Budget

Administrative
Expenses

Operational
Expenses

The CACFP Budget includes
ADMINISTRATIVE and **OPERATIONAL** expenses.

What are some examples of estimated annual expenses that can be included in the CACFP budget?

- Salaries
- Employee benefits
- Training
- Food costs
- Travel
- Occupancy
- Contracted services; and
- Other administrative expenses, for example, postage, printing, office supplies



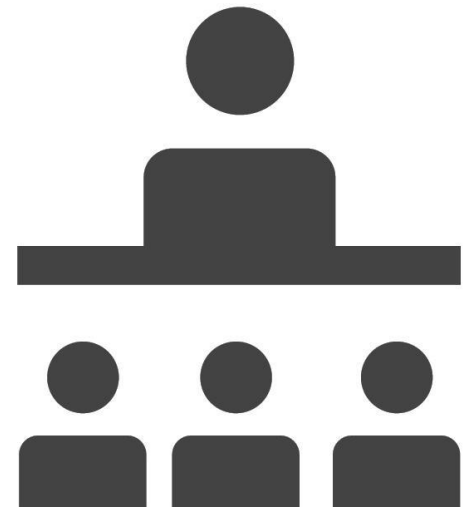
Here are some examples of administrative expenses:

- ❑ Labor and benefits (not directly tied to food production)
- ❑ Equipment
- ❑ Services such as office space and utilities
- ❑ Travel expenses
- ❑ Other administrative expenses, for example, postage, printing, office supplies



These are some other examples of typical administrative expenses:

- ❑ Training
- ❑ Monitoring (sponsors)
- ❑ Eligibility determinations
- ❑ Accounting
- ❑ Paper



Here are some examples of operation expenses:

- ❑ Food
- ❑ Food service supplies and equipment
- ❑ Food service labor and benefits

Why is the proposed budget reviewed?



The proposed budget is reviewed:

- ❑ To make sure the program will not operate at a deficit
- ❑ To make sure individual budget line items are:
 - Approved uses of CACFP funds
 - Reasonable
 - Necessary

Will TDA F&N approve an application without an approved annual budget?

TDA F&N will not approve an application without an approved annual budget.

USDA does not allow organizations to hire an outside source to complete the application on their behalf.



New and renewing CEs must show in their application that they meet the following VCA standards:

V

stands for

Financial Viability and
Financial Management

C

stands for

Administrative
Capability

A

stands for

Accountability

A large, stylized purple letter 'V' with a slight shadow effect, positioned to the left of the first text block.

Financial Viability and Financial Management means the CE has the financial resources to meet all of the program's requirements.


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Administrative Capability means the CE has the staffing and expertise to meet all of the program's requirements.

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Accountability means the CE has in place internal controls to assure that program funds for meals and administrative expenses are properly spent.

What is an approved budget?

- ❑ A CE's approved budget will include the level of potential costs approved by TDA F&N based on the budget that the organization submits.
-  ❑ The approved budget does not suggest in any way that the CE will be reimbursed for the full amount of each budgeted item; rather, it specifies the areas of costs that may be allowable and gives reasonable levels for those costs.

What if I need
to make



to
the budget?

If a CE finds that the cost levels for items approved in the budget are not enough, or if TDA F&N determines that a budget amendment is necessary, the CE may change the budget with approval by TDA F&N for each item.

For Example: If a sponsor changes the number of sites (increases or decrease) the budget should reflect this change in operations.

What conditions must revisions to an approved budget meet?

Revisions must be justified by the CE. Include any needed supporting documentation.



Revisions must be submitted and approved by TDA F&N before the CE puts it into effect.

Revisions will not be approved retroactively



Remember: The most recently approved budget will remain in effect until the revision is approved by TDA F&N.

The CE must maintain all CACFP documentation for possible review.



TDA F&N must approve all changes to the budget regardless of the effect on the total amount of the budget.

For Example: If a CE wants to increase its spending on facilities and space by an additional \$100 per year and reduce spending on media costs by \$100 per year, TDA F&N must approve the proposed changes for each cost category in advance even though the total amount of the budget would remain unchanged.

QUESTION

True or False. TDA F&N pre-approves CACFP budgets that project the amount of revenue in the non-profit food service account, and shows the allowable cost items and projected expenses.



TRUE



FALSE

Answer: True.



Conclusion



- ❑ TDA F&N will not approve an application without an approved annual budget.
- ❑ Budget detail worksheet should be completed **before** completion of the *Budget Detail (Centers or Day Care Homes)* form or screen in the Texas Unified Nutrition Programs System (TX-UNPS). Use the worksheet to complete the information contained in the *Budget Detail* form/screen.

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TEXAS DEPARTMENT OF AGRICULTURE COMMISSIONER SID MILLER

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(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

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