

**SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES
POST OFFICE BOX 1520
COLUMBIA, SOUTH CAROLINA 29202-1520**

May 14, 2010

MEMORANDUM

TO: Child and Adult Care Food Program Administrators
(Childcare Centers and Adult Care Centers)

FROM: Mary A. Young, Program Manager
Child and Adult Care Food Program

SUBJECT: Documentation of Nonprofit Food Service, Policy 10-10

In November 2009, we issued policy 10-02, Request for Yearly Summary of Expense Forms. In that memorandum we reminded organizations of the Federal requirement to operate a nonprofit food service principally for the benefit of enrolled participants and maintain records documenting the operation of that food service. Since issuing that policy, our monitoring staff has noted many organizations that use the summary of expense forms do not document their food service expenses on these forms on a monthly basis. As indicated in the *CACFP Records Handbook for Child Care Centers* and the *Records Handbook for Adult Centers*, ideally, the expense should be recorded on the summary of expense form as the institution is receiving and paying invoices. Recognizing that other activity may prevent an institution from consistently recording information on the summary of expense form as purchases are made, we are establishing the requirement that the summary of expense form must be completed no later than the submission of the claim for the same month.

All required CACFP records, including documentation of allowable food service costs (food, nonfood supplies, labor, etc.), support the claim for reimbursement. CACFP institutions are also required to include their food costs on the claim for reimbursement. This data should be taken directly from the summary of expense form or report from the institution's formal accounting system. Once the claim for reimbursement is submitted, all supporting records which include the summary of expense or formal accounting system report must be filed in the appropriate CACFP folder.

If you have any questions concerning this policy memo, please contact your CACFP Consultant.