STATE OF CONNECTICUT

DEPARTMENT OF EDUCATION

TO: Child and Adult Care Food Program (CACFP) Sponsors

FROM: Cheryl Resha, Education Manager
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: November 30, 2010

SUBJECT: **Operational Memorandum #03C-11 and #03H-11**
Income and Expenditure Reports

All participating institutions in the Child and Adult Care Food Program (CACFP) must operate a nonprofit food service that is principally for the benefit of enrolled participants. This requirement applies to:

- independent child care centers, emergency shelters, outside school hours care centers, adult day centers and "at risk" afterschool care snack and supper programs;
- sponsors of day care homes; and
- sponsors of child care centers, emergency shelters, outside school hours care centers, adult day centers and "at risk" afterschool care snack and supper programs.

In order to document the maintenance of a nonprofit food service operation, each institution is required to submit an annual report of income and expenditures. This report must reflect all income, expenditures and the value of ending inventories of food and supplies related to the operation and/or administration of the CACFP. The required information is included on the attached sample form; it can also be found on the Child Nutrition Web site at: http://www.sde.ct.gov/sde/lib/sde/pdf/deps/nutrition/cacfp/forms/expformcenters.pdf. This form, or another fiscal report containing the same information, must be submitted to meet the reporting requirement.

The annual report must cover the period between **October 1, 2009 through September 30, 2010** or, at the approval of the Child Nutrition Unit, another twelve month period that reflects the fiscal structure of the organization. *Note: Line 4, "Beginning Balance" is the reported Line 7A, "Ending Cash Balance" from the 10/1/08 to 9/30/09 Income and Expenditure Report. Be sure to use the report that reflects the finalized data as revised or corrected.* **In addition, expenditures reported in Section 6, "Program Expenses" must correspond with the institution's approved CACFP budget lines for the same reporting period.**

Income and expenditures will again be evaluated to insure that each CACFP institution meets the standard for maintaining a nonprofit food service operation. The standard that has been established for Connecticut is the ending cash balance for any operation does not exceed the equivalent of three months operating costs. If it is determined that the cash balance exceeds the standard for any program, a corrective action plan will be requested to address the investment of the excess cash balance for the improvement or expansion of the food service operation.

The annual income and expenditure report must be submitted to the Child Nutrition Unit **by January 31, 2011**.

IMPORTANT NOTE: *This memorandum with the attached form and instructions must be forwarded to the appropriate agency personnel responsible for the organization's fiscal operation.*

If there are any questions about this information, contacts are as follows:
Day Care Center Sponsors: Susan Boyle at 860-807-2074, Celia Cordero at 860-807-2076 or Benedict Onye at 860-807-2080. Day Care Home Sponsors: Susan Bohuslaw at 860-807-2073.

CR:shb

Attachment

Important: This is a numbered Operational Memorandum that contains important program information. Please read carefully and retain in a binder for your future reference. Operational Memoranda are also posted on the Child Nutrition website at: http://www.sde.ct.gov/sde/cwp/view.asp?a=2626&q=321576