

Section 12000

Frequently Asked Questions

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12010 USDA Memos

To view USDA questions and answers related to the CACFP in their entirety go to:

<http://www.fns.usda.gov/cacfp/policy>

12020 Oversight, Training and Monitoring

1. **Question:** A center documents on their meal production record that fresh apples were served at lunch. There are no receipts for fresh apples for that month, however the center has provided more than enough receipts to document all CACFP funds were used on allowable costs.
 - a. Is the sponsor supposed to disallow this meal based on the fact that the additional documentation of purchase of the apples is missing?
 - b. If the sponsor was present at this particular meal and observed apples being served, should the meal be disallowed based solely on the fact that the center did not provide this receipt?
 - c. If the previous reviews conducted by the sponsor resulted in no findings, should this be a factor when considering the validity of the meal production record to document the service of fresh apples?

Answer: A sponsor that is reviewing receipts against meal production records, and cannot verify the purchase of foods the site documents on meal production records would be expected to explore other documents (such as recycled foods, inventory logs, documentation of donations) to determine if the lack of purchase was due to that food item already being present in stock. If the sponsor cannot substantiate that the site had purchased the food, or had the food in inventory, then the sponsor should disallow the meal(s).

A sponsor that observed a meal service that included apples would not necessarily have to disallow *that meal* based on recordkeeping, but would have to obtain corrective action from the site to ensure proper recordkeeping in the future.

Previous reviews should be taken into account when determining if failure to comply with Program requirements might possibly result in a referral of the responsible principal/individual to TDA for serious deficiency.

2. **Question:** Is the sponsor supposed to use the collection of receipts to verify not only that the center is spending all CACFP funds on allowable costs, but also to verify purchase of specific foods? If so, which foods (only fresh foods?) and at what frequency? every month? and for all sites? How does this compare to TDA's review procedures for contracting entities Centers?

Answer: Sponsors must ensure that sites are compliant with financial management requirements found in the CACFP Handbook, 2 CFR Part 200, 7 CFR Part 226, and FNS Instruction 796-2, Financial Management - Child and Adult Care Food Program, which require that CACFP funds are spent on allowable items. In addition the items must be reasonable and necessary to operate the program. In order to determine sites have submitted accurate meal counts of reimbursable meals, sponsors are expected to provide oversight on a monthly basis, that includes ensuring that meals meet CACFP meal pattern requirements and that sites have all documentation to support the meals claimed, including receipts. Sponsors are responsible for the accuracy of the claim submitted on behalf of their sites each month.

3. **Question:** A center purchases 7.5 pounds of apples to serve at lunch for 100 students (ages 3-5). The meal service is family style and there are 3 pounds of apples left from lunch. The center serves the 3 pounds to 20 children the next day at breakfast. The meal production record shows 7.5 pounds of apples served at lunch and 3 pounds of apples served at breakfast. The receipt is for 7.5 pounds of apples. Repeat this occurrence for all family style meals for all foods....Should the meals be disallowed based on the receipts in family style meal services?

Answer: Family style meal service requires the full amount of each component required for each participant is placed on the table, regardless of how much is actually taken by each participant. If the center has leftovers it plans to recycle it should be documented (reference TDA Form H1568, *Record of Recycled Food*). A sponsor would be expected to review all available records (receipts, inventories, record of recycled food and documentation of donations) against meal production records to ensure the center had enough food on hand to have served the meals it is claiming.

4. **Question:** The center reimbursement for the year is \$4000.00. The receipts the center has submitted to document expenditures total \$3900.00 for the year. Should the sponsor deduct \$100 from the center and \$15 from its admin funds and send it back to TDA?

Answer: After ensuring that the site does not actually have any additional allowable operating costs (reference FNS Instruction 796-2) for which the funds could be attributed, the sponsor would follow the procedure in Section 7000, *Financial Management*, Item 7400, *Nonprofit Food Service* and develop a plan for the site to reduce the excess balance. If it becomes necessary (at the end of the Program Year), to return the funds, including the administrative, the sponsor should follow the procedure in Section 3000, *Program Agreement*, Item 3211, *Reimbursement of Meals*.

5. **Question:** The center submits receipts for purchases that indicate the purchase was made as an Electronic Benefit Transfer. Is there a streamlined procedure for reporting this?

Answer: With the exception of emergency shelters, centers may not use a households SNAP benefits to purchase food for its center. Should a sponsor discover this occurring, the center should be reported to the Texas Health and Human Services Commission at <https://oig.hhsc.texas.gov/>

Additionally, those costs would be unallowable and, the sponsor may contact TDA to determine if the responsible principal or individual at the center should be placed in the serious deficiency process.

6. **Question:** The center reports to the sponsor that their receipts for the current claim month have been destroyed in a flooded office. Should all meals be disallowed for the month? (the center's annual reported CACFP expenses will total more than the annual reimbursement)

Answer: If the sponsor has verification that a natural disaster had destroyed that centers records TDA would not expect the sponsor to take an adverse action.

7. **Question:** Meal Production Records - Clarification of disallowance procedures
- A Center serves lunch to 66 children (ages 1-2) and documents on the meal production record that they served 2 gallons of milk, or 32 1/2c servings. They needed 33 1/2c servings for 66 children, or 2.06 gallons. Should the sponsor disallow all meals because it is unknown which children were shorted or should the sponsor disallow only 1 meal?
 - If there are multiple age groups, should the sponsor disallow the fewest meals possible, for example choose only one 6-12 year old meal for a one cup shortage vs. two meals for the 1-2 year old group?

Answer: If an insufficient quantity of food was prepared the sponsor may allow the site to claim the number of meals for which sufficient quantities were available, and may minimize the disallowance by disallowing the fewest meals possible. The sponsor would also require corrective action from the site to ensure the non-compliance does not occur again, and provide training to the site on the meal pattern requirements and meal production, both preparing the correct components in the correct quantities and proper documentation of the meal production record.