VERMONT
AGENCY OF EDUCATION
CHILD NUTRITION PROGRAMS

1 National Life Drive, Davis 5, Montpelier, VT 05620-2501
(p) 802-828-1626 | (f) 802-828-6433
education.vermont.gov/student-support/nutrition

Child and Adult Care Food Program (CACFP) Claim Review Procedure

Purpose

1. To outline the procedure for reviewing and verifying the CACFP monthly claim for reimbursement prior to submitting to the State agency for payment.

Legal Requirements

Laws and regulations that serve as the basis for this policy include:

- 7 CFR 226.10(c)

Monthly Claims for Reimbursement

Programs are responsible for submitting monthly claims for reimbursement with pertinent information related to operations, including but not limited to:

- Days of operation
- Total number of participants in attendance
- Number of enrolled participants and their eligibility statuses, if applicable
- Number of participants receiving Child Care Subsidy or Medicaid, if applicable
- Number of meals and snacks served
- Operating expenses, if applicable

Programs are responsible for ensuring the information submitted in the claim is true and correct. The individual submitting the claim for reimbursement must acknowledge and certify that they have submitted accurate information upon claim submittal. In addition, the information submitted in the claim must be supported by the appropriate documentation required by the federal and State governments.

Claim Review Procedures

It is crucial that Programs have sufficient edit checks in place to ensure the claim information has been consolidated and reported accurately. Below outlines the documentation that Programs must have monthly to support their claim, as well as suggested edit checks for Programs to utilize monthly when consolidating monthly claim information to ensure accuracy.

Days of Operation – the number of days the Program was open and operating CACFP.

All Programs

Required Documentation – The days of operation is supported by several documents: attendance records, meal counts and meal records. Programs must have these completed records on file to support the Program operated.

Edit Check – Count the number of days the CACFP was operated by reviewing attendance records, meal counts and meal records. It is recommended that a second staff member compile operating days to compare to ensure accuracy.

Total Attendance – the total number of participants who attended the Program.

All Programs

Required Documentation – Attendance records must be on file for each day of operation, such as time-in/time-out sheets or daily attendance rosters.

Edit Check – Compile attendance records and add up the total number of participants in attendance for the entire month. It is recommended that a second staff member compile attendance records to compare to ensure accuracy. Programs may use the [Meal Count Consolidated Monthly Excel spreadsheet](#) to ensure accuracy.

Enrollment – the total number of enrolled participants.

At-Risk Afterschool Programs and Homeless Shelters

Required Documentation – At-Risk Afterschool Programs and Homeless Shelters are not required to keep enrollment documentation for each participant. All participants are eligible for free meals.

Head Start Programs

Required Documentation – Head Start participants are automatically eligible for free meals. Acceptable documentation for Head Start programs may be a roster of all enrolled children from an official Head Start system.

Edit Check – Count the number of children enrolled in Head start from the Head Start system. It is recommended that a second staff member compile enrollment numbers to compare to ensure accuracy.

Outside School Hours Care Centers

Required Documentation – Outside School Hours Care Centers are not required to keep enrollment documentation for each participant but must keep eligibility documentation on file. The Program may obtain eligibility information from a school district or obtain income eligibility forms from participants.

Edit Check – Add the number of participants who qualify for free, reduced and paid meals. It is recommended OSHCC maintain a Master List to track participant eligibilities. Prior to submitting the claim each month, a second staff member should review the Master List to ensure it is up-to-date and accurate.

VERMONT
AGENCY OF EDUCATION
CHILD NUTRITION PROGRAMS

Child Care Centers and Adult Day Centers

> *Required Documentation* –Participants must have current and complete enrollment (except Adult Day) and income eligibility forms. Programs must maintain an annual Master List identifying each participants' eligibility status. Master Lists must be updated monthly to support newly enrolled or withdrawn participants.

> *Edit Checks* – Add the number of participants who qualify for free, reduced and paid meals. Prior to submitting the claim each month, a second staff member should review the Master List to ensure it is up-to-date and accurate. This includes following actions:

> - Remove eligibilities of withdrawn participants.
> - Ensure newly enrolled participants are included on the Master List.
> - Ensure participants included in the Master List have complete enrollment and income forms on file.
> - Check the date of approval to ensure forms are within one year from approval and still valid.

For-Profit Centers

For-Profit Child Care Centers

> *Required Documentation* – For-Profit Child Care Centers must report the number of enrolled participants receiving Title XX benefits (childcare subsidy) monthly. Centers must receive Title XX benefits for at least 25% of their eligible enrolled participants or 25% of licensed capacity, whichever is less, or 25% of the eligible enrolled participants qualify for free or reduced-price meals. Programs must maintain a copy of each month's subsidy invoices from the Bright Futures web system to support the reported numbers. It is recommended that an additional subsidy column be added to the Master List to track subsidy payments each month.

> *Edit Checks* – Count the number of children the center received subsidy payments. It is highly recommended that a second staff member review subsidy invoices to ensure the number of children receiving subsidy was calculated and reported accurately.

For-Profit Adult Day Care Centers

> *Required Documentation* – For-Profit Adult Day Care Centers must report the number of enrolled participants receiving Title XIX (Medicaid) or Title XX (Block Grants to State for Social Services) monthly. Centers must receive Title XIX or Title XX for at least 25% of their eligible enrolled participants or 25% of licensed capacity, whichever is less, or 25% of the eligible enrolled participants qualify for free and reduced-price meals. Programs must maintain Medicaid or SSI documentation to support the reported numbers.

> *Edit Checks* – Count the number of participants the center received Medicaid or SSI compensation. It is highly recommended that a second staff member review Medicaid and SSI documentation to ensure the number of participants receiving benefits was calculated and reported accurately.

Meal Counts – total meals served by meal type.

VERMONT
AGENCY OF EDUCATION
CHILD NUTRITION PROGRAMS

Required Documentation – Programs must maintain daily meal count sheets to support the number of meals provided. Meal counts must be taken at the point of service. Meal counts **cannot** be taken by counting leftover meals or using attendance records.

Edit Checks – Total daily meal counts for each meal type. It is highly recommended that Programs have a second staff member review meal counts at the end of each month prior to the claim submission. This person should check that meal counts are on file for each day and compare counts against attendance to ensure they do not exceed number of participants in attendance. It is highly recommended that Programs use the [Meal Count Sheet (Excel Version)](#) to consolidate meals each month. This will ensure accuracy and minimize human error.

Operating Expenses – total CACFP operating expenses by category.

Required Documentation – Programs must review receipts and/or invoices monthly to ensure costs that are paid for using Program funds are allowable. Unallowable costs must be paid for using other non-federal funds and cannot be reported in the claim. Programs should maintain a log of the monthly expenses to support the numbers reported on the claim for reimbursement. Allowable documentation includes the [Expenditure Report](#), general ledger, and/or chart of accounts for each month supporting Program purchases. Costs must be approved in the CACFP budget and documentation must be maintained.

- Food: Food costs must be supported by itemized receipts and invoices. Programs receiving vended meals must maintain delivery slips supporting number of meals provided and accompanying invoices.
- Supplies: Non-food supply costs must be supported by itemized receipts, invoices, and bills.
- Program Labor: Program labor costs include salaries or hourly rates for operating labor and the employer's share of federal, state, and local employment taxes. Documentation requirements for Program labor costs include employee's rates of pay and hours of work. If time is split between food service responsibilities and other responsibilities at the institution, labor costs must be prorated by the amount of time spent on food service activities.
- Administrative Costs: Administrative labor costs include salaries and benefits for administrative personnel for oversight of the program. Documentation requirements for administrative labor costs include employee's rates of pay and hours of work. It is recommended that Programs either track administrative labor time on an ongoing basis or conduct time studies annually to have an accurate understanding of the amount of time spent performing administrative labor. Documentation of time studies or other methods used to track administrative labor time must be maintained. The Program may not use more than 15% of the total reimbursement to pay for administrative labor costs.
- Other: Other costs must be supported by itemized receipts, invoices and bills. This may include items that do not fall into the other categories, such as delivery fees associated with food orders.

VERMONT
AGENCY OF EDUCATION
CHILD NUTRITION PROGRAMS

Edit Checks – Total all CACFP operating costs by separating out costs into appropriate cost categories. It is highly recommended that Programs make CACFP purchases separate from other transactions. This will ensure non-Program expenses are never paid for using Program funds or included in the claim. If this is not feasible, it is recommended that Programs review receipts and invoices immediately or shortly after making the purchase to separate out non-Program expenses and report accordingly. It is highly suggested that a second staff member review receipts to ensure Program expenses were reported correctly, and non-program expenses were removed from CACFP costs. It is recommended Programs with manual accounting systems to use the State agency Expenditure Report to track CACFP expenses.

Claim Submission Deadlines

Claims for Reimbursement must be submitted within 60 days of the last day of the claim month. It is considered best practice to submit claims within 15 days after the last day of the claim month. It is recommended that Programs add the 60-Day Deadline Dates in their calendar to ensure claims are submitted in a timely manner.

The State Agency processes claims every two weeks. The process for claim exceptions is addressed in the Late Claim Procedure and Corrective Action Template available on the Vermont Agency of Education Child Nutrition Programs webpage.

This institution is an equal opportunity provider.

VERMONT
AGENCY OF EDUCATION
CHILD NUTRITION PROGRAMS