

OSPI CNS Child and Adult Care Food Program (CACFP) Reference Sheet

CACFP Financial Management and WINS Reporting

The Child and Adult Care Food Program (CACFP) requires institutions to regularly meet financial Viability, Capability, and Accountability (VCA) standards. Sponsors show compliance by monitoring budgets and managing finances accurately. All CACFP revenue and expenses must be tracked in the sponsor's financial records. Certain expense totals are reported in the Washington Integrated Nutrition System (WINS) with the monthly claim, as required and described below.

Requirements

- ✓ *All CACFP Operators must track all CACFP revenue and expenses in their financial records. Sponsors must report required expense totals in WINS with the monthly CACFP claim for reimbursement, consistent with WINS reporting instructions. Reporting in WINS is limited to specific expense categories and does not replace the sponsor's responsibility to maintain full accounting documentation.*
- ✓ All CACFP sponsors, including independent center operators, are required to monitor and manage the budget throughout the year and must maintain financial management records to support compliance with CACFP.
- ✓ Monitor your CACFP program budget and act when the budget is no longer accurate for supporting program operations.
 - Sponsoring organizations with two (2) or more site locations must submit a budget revision through WINS if the CACFP budget is revised. The Office of Superintendent of Public Instruction (OSPI) must evaluate and approve revisions prior to the sponsoring organizations incurring expenses for the revised budget items.
 - Independent center operators must maintain business records and document budget changes within their business financial management system.
- ✓ Evaluate the CACFP program budget by comparing the actual monthly expenses with the average monthly amount in your CACFP budget.
- ✓ Monitor the nonprofit food service account and adjust operations as necessary to ensure all CACFP reimbursement funds are used for the CACFP.
- ✓ Financial reporting is required when submitting a monthly claim in WINS; follow instructions in the WINS Reporting section of this reference sheet.



WINS Reporting

✓ Operating Expenses

Monthly recordkeeping is required using the accrual accounting method (an accounting method where revenue or expenses are recorded when a transaction occurs rather than when payment is received or made).

- Total Monthly Operating Expenses reported in WINS include all allowable CACFP operating costs incurred for the claim month, regardless of whether CACFP reimbursement or other funds were used to pay for those costs.
- Report all allowable CACFP expenses that were spent in the claim month. This includes CACFP operating expenses that are supported with other revenue.
 - Add a claim in the WINS system and enter the total operating expense dollar amount for the claim month each month.
 - If final monthly expenses are not calculated by the 15th when claims are due, sponsors must enter the total amount at the time of claim submission and maintain records that will reflect the final CACFP expense amount as reflected on business records.
 - Documentation must be maintained by the sponsor and made available upon request.
 - Sponsors are not required to update WINS when “final” month numbers are reported on business records. Maintain these records on site.
- Monthly claims cannot be submitted for reimbursement from OSPI until operating expenses are entered.
- Sponsors may use the [Operational Expense Worksheet](#) or accounting software that identifies CACFP expenses to track monthly expenses and use the information for reporting total expenses for the claim month.
- Family Day Care Home (FDCH) sponsors do not include operating expenses in the budget and therefore are not required to report operating expenses.
- Sponsors of Unaffiliated Centers should add expenses from sponsored sites and report the total.
- A claim revision is not necessary to revise or input “final” operating expense numbers and CACFP sponsors must maintain records of the final expense amount and have available for reviews or audits.

✓ Administrative Expense WINS Reporting

A sponsoring organization may retain up to 15 percent of CACFP reimbursement for costs associated with administering the CACFP if administrative costs are included in the approved CACFP budget. Monthly recordkeeping is required using the accrual accounting method.

- CACFP sponsors that choose to use up to 15 percent of the CACFP reimbursements for administrative expenses must report the amount of CACFP

reimbursement that is used to support the approved budget line-item *Monthly Administrative Expenses* in WINS.

- Add a claim in the WINS system and enter only the portion of administrative expenses that are paid using CACFP reimbursement, not to exceed 15 percent of the reimbursement for the claim month. Do not report the total cost of administrative activities incurred by the organization. Administrative costs paid using non-CACFP funds must be tracked in the sponsor's financial records but are **not reported in WINS**.
- Do not report administrative costs that are paid for using non-CACFP funds. These are considered allowable, but unfunded by CACFP.
- Monthly claims cannot be submitted until administrative expenses are entered when approved in the CACFP WINS budget.
- Administrative expense amounts reported in WINS represent the portion of CACFP reimbursement used for administrative costs for that claim month. Sponsors must maintain final accounting records but are not required to revise WINS to reflect final ledger amounts unless directed by OSPI. Sponsors may use the [Administrative Expense Worksheet](#), available on the Child Nutrition Website to document monthly expenses to support tracking and reporting accuracy.
- CACFP sponsors that do not include administrative expenses in the annual budget are not required to report administrative expenses with monthly claims and may not utilize CACFP reimbursement to support any administrative expenses.

Steps to Comply with Requirements

- ✓ Analyze monthly expenses, compare with budget and revise budget if needed.
- ✓ Create policies and procedures for maintaining expense records and financial management.
- ✓ Follow procurement policies.
- ✓ Maintain accurate records which justify all costs and meals claimed.
- ✓ Use tracking resources made available by OSPI for monthly expenditure records.
- ✓ File documentation (receipts, paid invoices, service contracts) of expenditures with monthly expense worksheets and organize by month.
- ✓ Submit claims by the 15th of each month after services were provided. Use the Claim Due Dates document found on [CNS Claims and Fiscal Information webpage](#) for claiming deadlines.

Do not modify operating expenses in WINS solely to align with final accounting records once the month is closed. Maintain final financial records and make them available for reviews or audits.

References

- [7 CFR 226.7\(b\)\(1\)\(iii\)](#)
- [FNS Instruction 796-2, Rev. 4](#)
- [Guidance for Management Plans and Budgets CACFP Program Handbook](#)
- **Important Clarification:**
WINS financial reporting supports OSPI monitoring of CACFP budget compliance and the administrative cost limitation. It does not serve as a reconciliation to the sponsor's general ledger or audited financial statements.

Resources

- [VCA Performance Standard Reference Sheet](#)
- [Budget Reference Sheet](#)
- [Non-Profit Food Service Reference Sheet.](#)
- [Monthly Administrative Expenditure Worksheet](#)
- [Monthly Operational Expenditure Worksheet](#)

Acronym Reference

- CACFP – Child and Adult Care Food Program
- CFR – Code of Federal Regulations
- CNS – Child Nutrition Services
- FNS – Food and Nutrition Service
- GAAP – Generally Accepted Accounting Principles
- OSPI – Office of Superintendent of Public Instruction
- USDA – United States Department of Agriculture
- VCA – Viability, Capability, Accountability
- WINS – Washington Integrated Nutrition System