PREPARING FOR THE ANNUAL BANK ACCOUNT RECONCILIATION REVIEWS

Child Nutrition Services — Child and Adult Care Food Program (CACFP)

BACKGROUND

The United States Department of Agriculture (USDA) published the Child Nutrition Program Integrity Final Rule and amended regulations 7 CFR 226.7(b) and 7 CFR 226.10(c) to require annual reconciliation of bank account activity and accounting of reported actual expenditures with CACFP funds. This Final Rule only applies to Sponsoring Organizations (Sponsors of more than one site) and was implemented in Fiscal Year 2025 (FY 25).

The Office of Superintendent of Public Instruction (OSPI) is responsible for assuring fiscal integrity of CACFP funds. Review of financial records ensures Sponsoring Organizations are demonstrating appropriate financial management practices and viability.

During the annual bank account reconciliation review, OSPI will verify that costs meet CACFP requirements and expenses incurred are documented. Review notification will be sent to applicable Sponsoring Organizations providing 30 days to prepare and submit these records to OSPI for review.

Please use this guide to prepare the required records for this annual review.

- Sponsors **scheduled** for a FY CACFP Administrative Review will receive notice with the records request for the Administrative Review. The same sample month will be used for the Administrative Review and the Annual Bank Account Reconciliation Review. Additional records may be requested to be uploaded to the OSPI Secure File Transfer Site.
- Sponsors that are **not scheduled** for a FY CACFP Administrative Review will receive notification and be provided 30 business days to gather and prepare records to upload to the OSPI Secure File Transfer Site.

GATHER RECORDS

Gather the following materials:

1. Copies of all expense documentation for the sample month. Documented expenses include receipts, invoices, bills of sale, purchase orders, credit card reconciliation forms/logs/reports, payroll reports, copies of timecards/time in and out reports, copies of personnel activity reports, if not part of timecards, and other records that document the allocation of expenses when not 100% attributed as a CACFP allowable cost.

2. Copy of the corresponding bank statements or credit card statements that document the expenses have been paid. If expenses clear in later months, additional bank statements must be provided.

3. Copy of the general ledger for CACFP budget or other accounting software report showing the costs charged to the CACFP account as allowable expenses. If a report is not available or does not classify CACFP expenses, the Monthly Record of CACFP Operating and Administrative Expenses must be completed for the sample month.

4. Organize expense documentation records and indicate the "Record Label" for the expense on the scanned copy receipt, invoice, etc. This is the number that you will use on the Bank Statement or Credit Card Bill to identify the expense as paid.

5. Sponsors of unaffiliated sites must also include a list of sponsored facility payments and either a copy of the cancelled check or electronic funds transfer report that indicates the date the payment was issued to the unaffiliated facility.

STEPS FOR PREPARING RECORDS

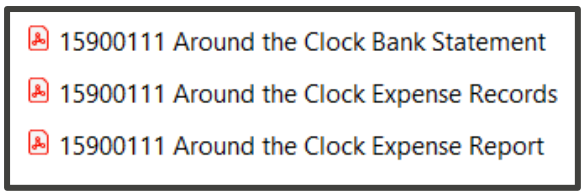
1. Label all monthly allowable CACFP expense documentation (receipts, invoices, etc.) with a number. If you are using the OSPI Template Monthly Record of CACFP Operating and Administrative Expenditures, you may utilize the column "Record Label". If you are using an accounting software report or general ledger (GL) report, highlight and identify each expense with a number.

2. Using the list of expenses, including the associated number, find and identify the corresponding transaction on the bank statement for the business and highlight or indicate the corresponding expense Record Label.

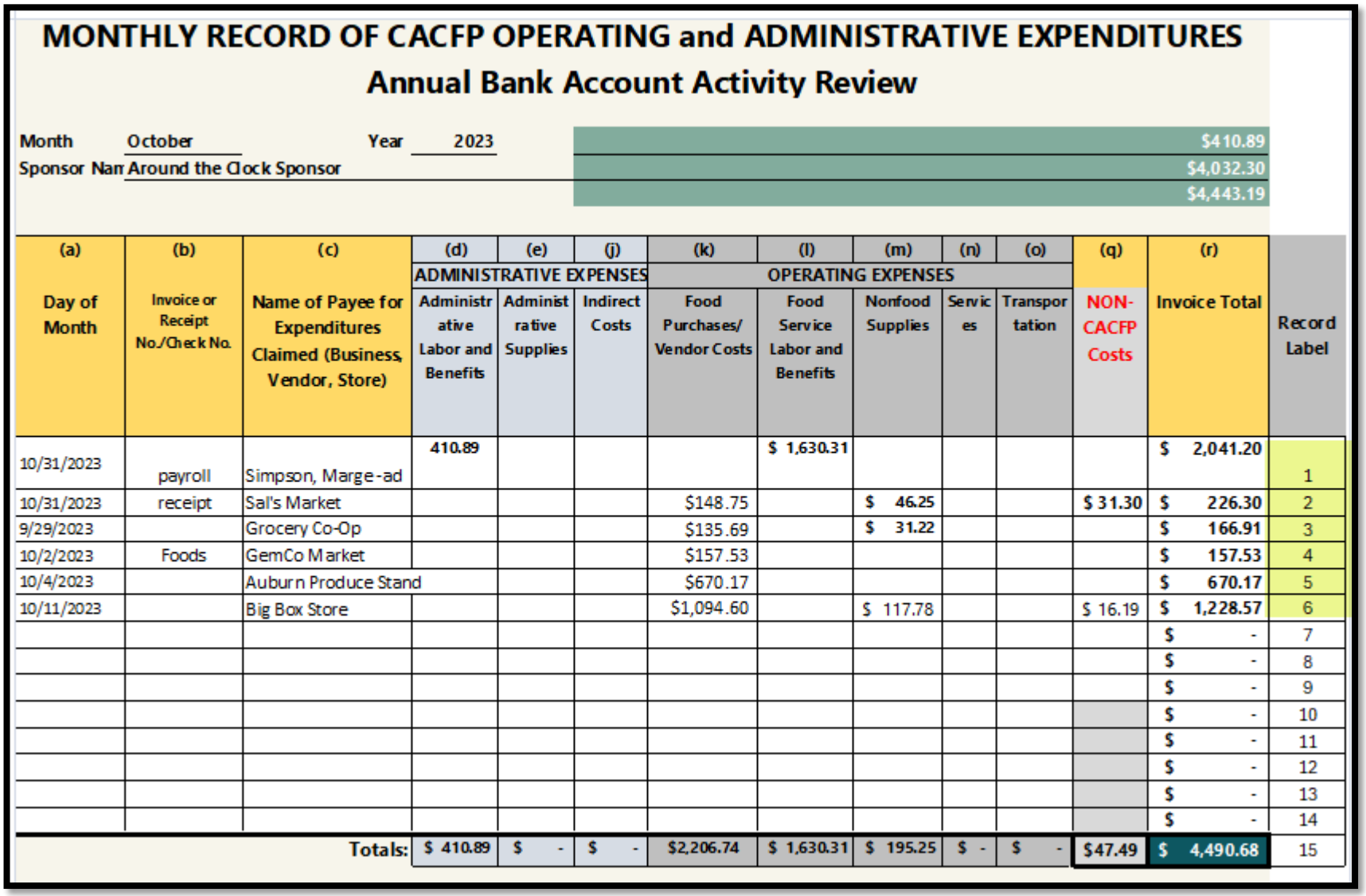
3. Prepare a narrative to explain any unusual purchases or any allocation that may need to be explained. This can be used to explain how any expense is allocated between different programs or business. Sponsors can use the Bank Activity Transaction Form if records are not self-explanatory.

4. Complete the Secure Document Cover Sheet, scan all materials and create a Zip File of all the records. Label the file with the WINS Number and name of the Sponsoring Organization and indicate if the file contains expense records (receipts, invoices, etc.), Bank Statement, and GL or Expense Report. Upload to the OSPI Secure Site.

Example:



Sample Expense Report



MONTHLY RECORD OF CACFP OPERATING and ADMINISTRATIVE EXPENDITURES

Annual Bank Account Activity Review

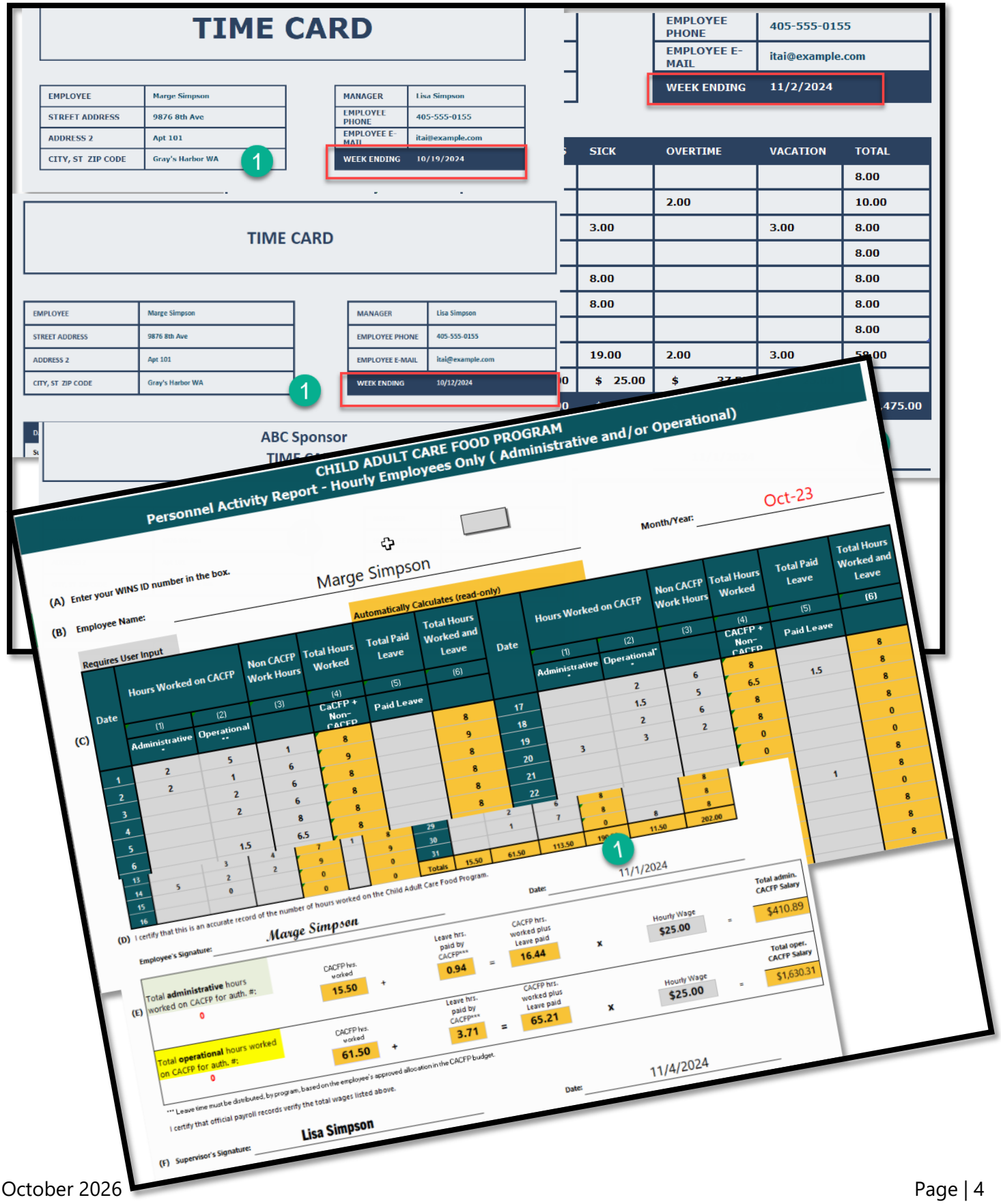
Month October Year 2023

Sponsor Nam Around the Clock Sponsor

$410.89
$4,032.30
$4,443.19

(a) Day of Month	(b) Invoice or Receipt No./Check No.	(c) Name of Payee for Expenditures Claimed (Business, Vendor, Store)	(d) ADMINISTRATIVE EXPENSES Administrative Labor and Benefits	(e) Administrative Supplies	(j) Indirect Costs	(k) OPERATING EXPENSES Food Purchases/ Vendor Costs	(l) Food Service Labor and Benefits	(m) Nonfood Supplies	(n) Services	(o) Transportation	(q) NON-CACFP Costs	(r) Invoice Total	Record Label
10/31/2023	payroll	Simpson, Marge-ad	410.89				$ 1,630.31					$ 2,041.20	1
10/31/2023	receipt	Sal's Market				$148.75		$ 46.25			$ 31.30	$ 226.30	2
9/29/2023		Grocery Co-Op				$135.69		$ 31.22				$ 166.91	3
10/2/2023	Foods	GemCo Market				$157.53						$ 157.53	4
10/4/2023		Auburn Produce Stand				$670.17						$ 670.17	5
10/11/2023		Big Box Store				$1,094.60		$ 117.78			$ 16.19	$ 1,228.57	6
												$ -	7
												$ -	8
												$ -	9
												$ -	10
												$ -	11
												$ -	12
												$ -	13
												$ -	14
		Totals:	$ 410.89	$ -	$ -	$2,206.74	$ 1,630.31	$ 195.25	$ -	$ -	$47.49	$ 4,490.68	15

Sample Labor Expense Records



TIME CARD

EMPLOYEE	Marge Simpson
STREET ADDRESS	9876 8th Ave
ADDRESS 2	Apt 101
CITY, ST ZIP CODE	Gray's Harbor WA

MANAGER	Lisa Simpson
EMPLOYEE PHONE	405-555-0155
EMPLOYEE E-MAIL	itai@example.com
WEEK ENDING	10/19/2024

EMPLOYEE PHONE	405-555-0155
EMPLOYEE E-MAIL	itai@example.com
WEEK ENDING	11/2/2024

SICK	OVERTIME	VACATION	TOTAL
			8.00
	2.00		10.00
3.00		3.00	8.00
			8.00
8.00			8.00
8.00			8.00
			8.00
19.00	2.00	3.00	58.00
$ 25.00	$		475.00

TIME CARD

EMPLOYEE	Marge Simpson
STREET ADDRESS	9876 8th Ave
ADDRESS 2	Apt 101
CITY, ST ZIP CODE	Gray's Harbor WA

MANAGER	Lisa Simpson
EMPLOYEE PHONE	405-555-0155
EMPLOYEE E-MAIL	itai@example.com
WEEK ENDING	10/12/2024

ABC Sponsor

CHILD ADULT CARE FOOD PROGRAM

Personnel Activity Report - Hourly Employees Only (Administrative and/or Operational)

Month/Year: Oct-23

(A) Enter your WINS ID number in the box.

(B) Employee Name: Marge Simpson

Requires User Input | Automatically Calculates (read-only)

(C)

Date	Hours Worked on CACFP (1) Administrative *	Hours Worked on CACFP (2) Operational **	Non CACFP Work Hours (3)	Total Hours Worked (4) CACFP + Non-CACFP	Total Paid Leave (5)	Total Hours Worked and Leave (6)	Date	Hours Worked on CACFP (1) Administrative *	Hours Worked on CACFP (2) Operational **	Non CACFP Work Hours (3)	Total Hours Worked (4) CACFP + Non-CACFP	Total Paid Leave (5)	Total Hours Worked and Leave (6)
1	2	5	1	8		8	17		2	6	8	1.5	8
2	2	1	6	9		9	18		1.5	5	6.5		8
3		2	6	8		8	19		2	6	8		8
4		2	6	8		8	20	3	3	2	8		0
5			8	8		8	21				0		0
6		1.5	6.5	8		8	22				0		8
13	5	3	4	7	1	8	29					1	8
14		2	2	9		9	30						0
15		0		0		0	31						8
16				0		0	Totals	15.50	61.50	113.50	202.00		8
								2	1	6	8		8
								6	7	8	8		8
								8	8	0	8		8
								8	8	0	8		8
								8	8	0	8		8

(D) I certify that this is an accurate record of the number of hours worked on the Child Adult Care Food Program. Date: 11/1/2024

Employee's Signature: Marge Simpson

(E)

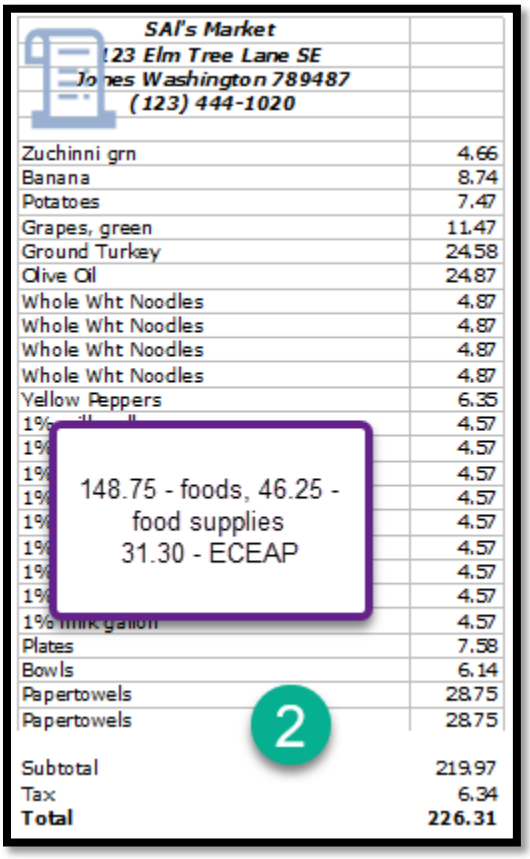
	CACFP hrs. worked		Leave hrs. paid by CACFP***	=	CACFP hrs. worked plus Leave paid	x	Hourly Wage	=	Total admin. CACFP Salary
Total **administrative** hours worked on CACFP for auth. #: 0	15.50	+	0.94	=	16.44	x	$25.00	=	$410.89
Total **operational** hours worked on CACFP for auth. #: 0	61.50	+	3.71	=	65.21	x	$25.00	=	$1,630.31

*** Leave time must be distributed, by program, based on the employee's approved allocation in the CACFP budget.

I certify that official payroll records verify the total wages listed above. Date: 11/4/2024

(F) Supervisor's Signature: Lisa Simpson

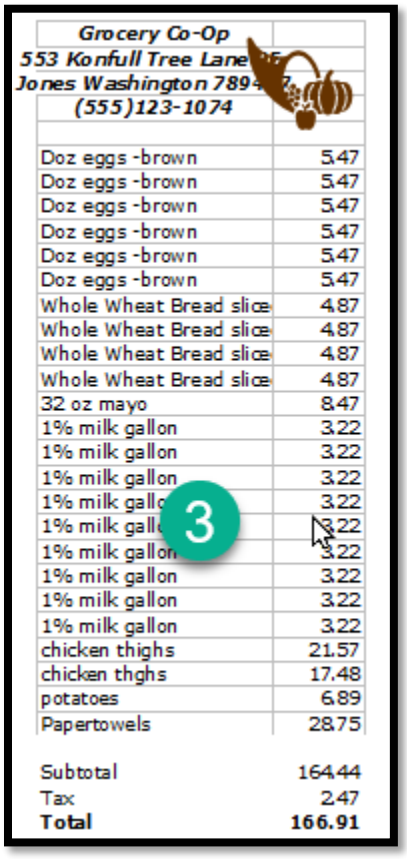
Sample Food & Expense Records



SAI's Market 123 Elm Tree Lane SE Jones Washington 789487 (123) 444-1020	
Zuchinni grn	4.66
Banana	8.74
Potatoes	7.47
Grapes, green	11.47
Ground Turkey	24.58
Olive Oil	24.87
Whole Wht Noodles	4.87
Whole Wht Noodles	4.87
Whole Wht Noodles	4.87
Whole Wht Noodles	4.87
Yellow Peppers	6.35
1%	4.57
1%	4.57
1%	4.57
1%	4.57
1%	4.57
1%	4.57
1%	4.57
1% milk gallon	4.57
Plates	7.58
Bowls	6.14
Papertowels	28.75
Papertowels	28.75
Subtotal	219.97
Tax	6.34
Total	**226.31**

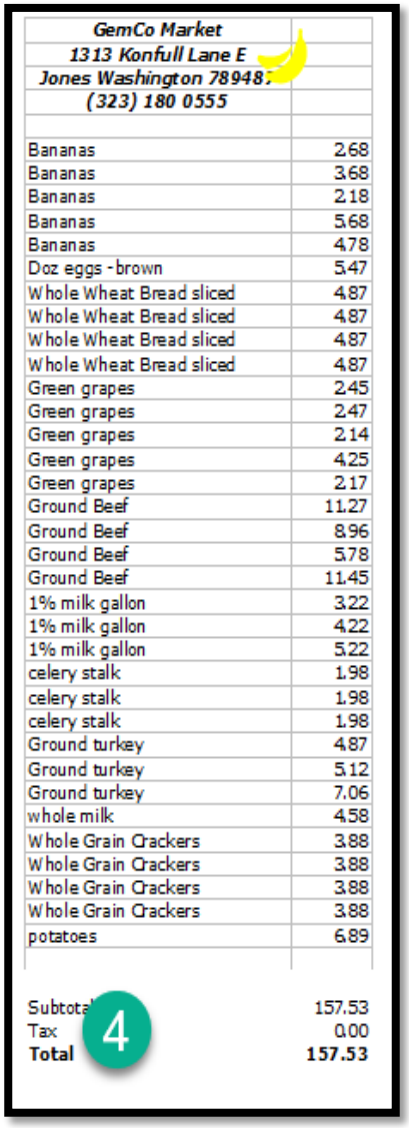
148.75 - foods, 46.25 - food supplies
31.30 - ECEAP

2



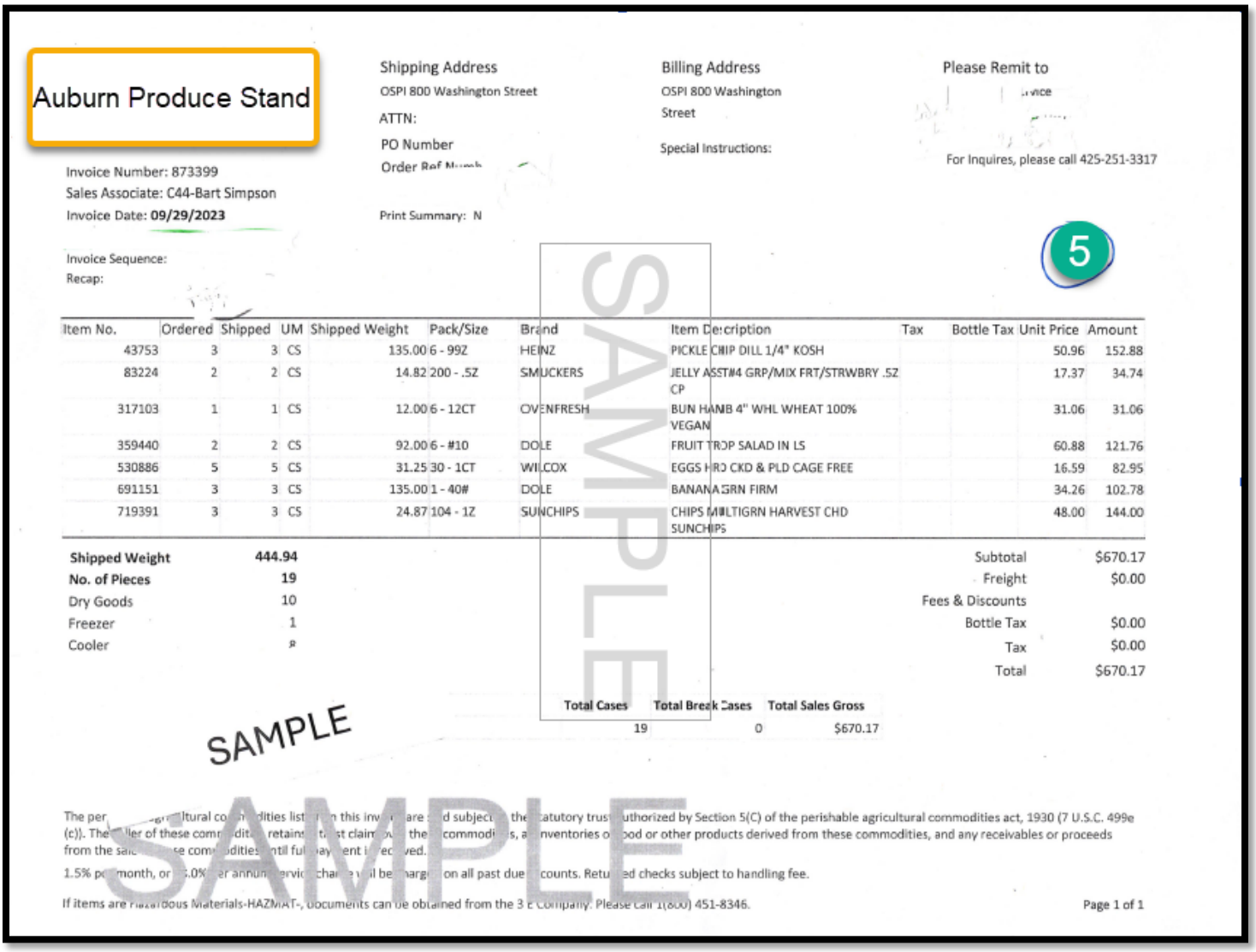
Grocery Co-Op 553 Konfull Tree Lane Jones Washington 789 (555)123-1074	
Doz eggs -brown	5.47
Doz eggs -brown	5.47
Doz eggs -brown	5.47
Doz eggs -brown	5.47
Doz eggs -brown	5.47
Doz eggs -brown	5.47
Whole Wheat Bread slice	4.87
Whole Wheat Bread slice	4.87
Whole Wheat Bread slice	4.87
Whole Wheat Bread slice	4.87
32 oz mayo	8.47
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
1% milk gallon	3.22
chicken thighs	21.57
chicken thghs	17.48
potatoes	6.89
Papertowels	28.75
Subtotal	164.44
Tax	2.47
Total	**166.91**

3



GemCo Market 1313 Konfull Lane E Jones Washington 789487 (323) 180 0555	
Bananas	2.68
Bananas	3.68
Bananas	2.18
Bananas	5.68
Bananas	4.78
Doz eggs -brown	5.47
Whole Wheat Bread sliced	4.87
Whole Wheat Bread sliced	4.87
Whole Wheat Bread sliced	4.87
Whole Wheat Bread sliced	4.87
Green grapes	2.45
Green grapes	2.47
Green grapes	2.14
Green grapes	4.25
Green grapes	2.17
Ground Beef	11.27
Ground Beef	8.96
Ground Beef	5.78
Ground Beef	11.45
1% milk gallon	3.22
1% milk gallon	4.22
1% milk gallon	5.22
celery stalk	1.98
celery stalk	1.98
celery stalk	1.98
Ground turkey	4.87
Ground turkey	5.12
Ground turkey	7.06
whole milk	4.58
Whole Grain Crackers	3.88
Whole Grain Crackers	3.88
Whole Grain Crackers	3.88
Whole Grain Crackers	3.88
potatoes	6.89
Subtotal	157.53
Tax	0.00
Total	**157.53**

4



Auburn Produce Stand

Shipping Address
OSPI 800 Washington Street
ATTN:
PO Number
Order Ref Numb

Billing Address
OSPI 800 Washington
Street

Special Instructions:

Please Remit to
vice

For Inquires, please call 425-251-3317

Invoice Number: 873399
Sales Associate: C44-Bart Simpson
Invoice Date: **09/29/2023**

Print Summary: N

Invoice Sequence:
Recap:

5

Item No.	Ordered	Shipped	UM	Shipped Weight	Pack/Size	Brand	Item Description	Tax	Bottle Tax	Unit Price	Amount
43753	3	3	CS	135.00	6 - 99Z	HEINZ	PICKLE CHIP DILL 1/4" KOSH			50.96	152.88
83224	2	2	CS	14.82	200 - .5Z	SMUCKERS	JELLY ASST#4 GRP/MIX FRT/STRWBRY .5Z CP			17.37	34.74
317103	1	1	CS	12.00	6 - 12CT	OVENFRESH	BUN HAMB 4" WHL WHEAT 100% VEGAN			31.06	31.06
359440	2	2	CS	92.00	6 - #10	DOLE	FRUIT TROP SALAD IN LS			60.88	121.76
530886	5	5	CS	31.25	30 - 1CT	WILCOX	EGGS HRD CKD & PLD CAGE FREE			16.59	82.95
691151	3	3	CS	135.00	1 - 40#	DOLE	BANANA GRN FIRM			34.26	102.78
719391	3	3	CS	24.87	104 - 1Z	SUNCHIPS	CHIPS MULTIGRN HARVEST CHD SUNCHIPS			48.00	144.00

Shipped Weight	**444.94**
No. of Pieces	**19**
Dry Goods	10
Freezer	1
Cooler	8

Subtotal	$670.17
Freight	$0.00
Fees & Discounts	
Bottle Tax	$0.00
Tax	$0.00
Total	$670.17

Total Cases	Total Break Cases	Total Sales Gross
19	0	$670.17

SAMPLE

SAMPLE

SAMPLE

The per ...ltural co...dities list...n this inv...are ...d subjec... the ...statutory trus... uthorized by Section 5(C) of the perishable agricultural commodities act, 1930 (7 U.S.C. 499e (c)). The ...ller of these comm...dit... retains ...t claim ...n the ...commodi...s, a...nventories o...ood or other products derived from these commodities, and any receivables or proceeds from the sal... ...se com...odities ...ntil ful...ayment i...ec...ved.

1.5% pe... month, or ...0% ...er annum ...ervic... chai...e ...il be ...harg...on all past due ...counts. Retu...ed checks subject to handling fee.

If items are Hazardous Materials-HAZMAT-, documents can be obtained from the 3 e Company. Please call 1(800) 451-8346.

Page 1 of 1

6.00	6.00	1041701	10 OZ	$10.29	N	N		$61.74
5.00	5.00	191506	DEL MONTE PINEAPPLE TIDBITS IN 100% JUICE, #10 CAN, 6 LBS 10 OZ	$7.09	N	N		$35.45
2.00	2.00	522107	CHEERIOS CEREAL, 20.35 OZ, 2 CT	$8.79	N	N		$17.58
1.00	1.00	8478	PORTLAND FRENCH BAKERY SOFT CHEESE BREADSTICKS, 24 CT	$10.69	N	N		$10.69
2.00	2.00	208429	MISSION 10" FLOUR TORTILLAS, 40 CT	$9.19	N	N		$18.38
3.00	3.00	322355	FRANZ SLIDERS MINI HAMBURGER BUNS, 24 CT	$4.09	N	N		$12.27
1.00	1.00	816675	KRAFT SALAD DRESSING RANCH, 1 GALLON	$14.59	N	N		$14.59
1.00	1.00	33859	KRAFT PREMIUM MAYONNAISE, 1 GALLON	$16.79	N	N		$16.79
1.00	1.00	581871	KIRKLAND SIGNATURE MINCED CALIFORNIA GARLIC, 46 OZ	$7.99	N	N		$7.99
1.00	1.00	208733	KIRKLAND SIGNATURE PLASTIC FOOD WRAP, 12"W X 3000'L	$19.69	Y	N		$19.69
4.00	4.00	1047690	WORLD CENTRIC COMPOSTABLE 11.5 FL OZ BOWL, 250 CT	$11.79	Y	N		$47.16
1.00	1.00	1701669	KIRKLAND SIGNATURE KITCHEN DRAWSTRING TRASH BAGS, FLEX-TECH, 10% PCR, WHITE, 13 GALLON, 200 CT	$20.99	Y	N		$20.99
3.00	3.00	512599	KIRKLAND SIGNATURE 2-PLY PAPER TOWELS, WHITE, 160 CREATE-A-SIZE SHEETS, 12 CT	$22.99	Y	N		$68.97
3.00	3.00	1920495	LYSOL DISINFECTING WIPES, VARIETY PACK, 380 WIPES	$16.19	Y	N	$9.00	$39.57
2.00	2.00	1157571	MARATHON MANUAL GENTLE FOAM SOAP REFILL, 1000 ML, 2 CT	$21.09	Y	N		$42.18

Cancelled / Out Of Stock

1.00	0.00	77959	IOAHOAN REAL PREMIUM MASHED POTATOES, 3.25 LBS	$11.39	N	N	$0.00
1.00	0.00	6262016	KIRKLAND SIGNATURE BATH TISSUE, 2-PLY, 4.5" X 4", 380 SHEETS, 30 CT	$23.49	N	N	$0.00

Executive Members receive approximately 2% back annually, up to $1,000 on qualified purchases.
Approximate rebate for this invoice: $24.33

The Costco Anywhere Visa® Business Card by Citi allows you to earn Cash Back Rewards on purchases at Costco and everywhere else Visa® is accepted. Learn more at CostcoBusinessDelivery.com/credit-card
Approximate cash back for this invoice: $24.33

Taxable	$247.56
Non Taxable	$968.78
Resale	$0.00
Total Merch. Sales	$1216.34
Instant Savings	($9.00)
Shop Card	$0.00
Delivery Surcharge	$0.00
Order Adjustment	$0.00
Order Adjustment Tax	$0.00
Sales Tax	$21.23
Total Due	$1228.57

When you provide a check as payment, you authorize us either to use the account information from your check to make a one-time electronic fund transfer from your account or to process the as a check transaction. For questions or concerns, please call us at 1-800-788-9968.

Merchandise Received By _____ Member Declines To Verify Order _____

Signature _____ Printed Name _____

SAMPLE

16.19 NOT CACFP

96.55 - NON FOOD
21.23 tax
117.78 - NON FOOD

1,094.60 - FOOD
117.78 - NON FOOD CACFP
16.19 - child care / curriculm

6

BIG BOX STORE
123 MANE DRIVE
Gray's Harbor WA

SAMPLE

Sample Bank Statement

Evergreen Bank Statement

1/23 Elm Street, Suite 800, NC, USA 12345-8767

Statement 9/25/2023-10/22/2023

Account No: 005007008

Beginning Balance: $ 80,087.54

Deposits: $ 139,784.25

Withdrawals: 103,987.45

Ending Balance: $ 97,584.24

Around the World Care Center

456 Child Care lane, NC, USA 14785-6871

Date	Description	Ref.	Withdrawal	Deposit	
9/25/25	Check # 256867	147	$1,705.43		
9/25/23	Check # 256866	146	$1,856.04		
9/26/23	Intuit Payroll Services	148	$65.78		
9/27/23	Waste Management	148	$143.23		
9/28/23	Amazon -	151	$234.56		
9/29/23	**Hrb Foods**	**123**	**$670.17**		❺
10/1/23	Transfer – credit card payment	145	$1,234.87		
10/1/23	OSPI - State of WA	132		$4,352.84	
10/2/23	**POS Sal's Market-**	**123**	**$226.30**		❷
10/3/23	Qkbks subscription	111	$157.28		
10/3/23	Minute Menu	147	$97.35		
10/4/23	**Grocery Co-Op POS**	**132**	**$166.91**		❸
10/4/23	**Gemcocorpllc**	**164**	**157.53**		❹
10/11/23	Kaplan	178	$389.57		
10/09/23	**BIG BOX**	**121**	**$1228.57**		❻
10/15/23	Transfer – Payroll	NA	$9,2587.36		❶
10/15/23	Tred Hyd 12567	178	$987.25		
10/21/23	POS dollar tree	121	$32.53		
10/22/23	Wlmrt – POS	138	$1,234.56		
10/22/23	Olympic Utilities	112	$96.87		

CACFP Labor = see activity report and payroll records.

SAMPLE

RESOURCES

Bank Activity Transaction Form

Monthly Bank Account Activity Worksheet

CACFP Secure Document Cover Sheet

Secure File Upload Guide

REFERENCE

7 CFR 226.7(b)(1)(i)

7 CFR 226.7(b)(1)(ii)

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at 202-720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at 800-877-8339.

To file a program discrimination complaint, a Complainant should complete Form AD-3027, USDA Program Discrimination Complaint Form, from any USDA office, by calling 866-632-9992 or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. **Mail:**
   U.S. Department of Agriculture
   Office of the Assistant Secretary for Civil Rights
   1400 Independence Avenue, SW
   Washington, D.C. 20250-9410; or

2. **Fax:** 833-256-1665 or 202-690-7442; or

3. **Email:** USDA Program Intake
   This institution is an equal opportunity provider.