Procedures for the Annual CACFP Sponsor Budget Form		
Program: CACFP	**Date Reviewed/Revised:**	**Approved by:**

BACKGROUND & PURPOSE:

This document provides step-by-step instructions on how to complete the Annual CACFP Sponsor Budget Form and other Maine CACFP templates that may be required to be submitted as part of the budgeting process. Complete each section that is applicable to your organization. Provide explanations for all budget items that require additional information.

Please note that supporting documentation is required for essentially all budgeted line items funded with CACFP dollars. See "**CACFP Budget Supporting Documentation Guidance**" for more information.

PROCEDURE:

Schedule A

CACFP Income & Non-Program Food Service Account Income

Sponsor Information
Enter Sponsor Name, Agreement Number, Date, Revision, and Number of CACFP
Daycare Home Providers

1a. Projected CACFP Income

Enter the number of sponsored daycare home providers 1-50 in first row below. If a sponsor has more than 50 providers those additional providers should be noted in the second row. Example: Sponsor ABC Daycare has 65 daycare home providers (see Sponsor Information Above). Row one will show the initial 50 providers, row two will show the remaining 15. The spreadsheet will automatically calculate the annual administrative reimbursement rate for each category.

<u>1b. Prior Year CACFP Surplus</u>

Per FNS Instruction 796-2 Rev 4, all participating institutions must operate a nonprofit food service principally for the benefit of enrolled participants. All program reimbursement funds must be used solely for allowable CACFP purposes. Any surplus of funds must be retained and used only to maintain, expand, or improve the CACFP. If you have excess CACFP funds as of the end of the previous Federal fiscal year (9/30), complete this section.

Note: Do not enter a CACFP deficit - a CACFP deficit cannot be carried forward into the next year.

- To answer the question: *Does this institution have a surplus balance of CACFP funds as of 9/30 of the previous year?* Click on the highlighted box and select from the drop down options.
    o   If yes, complete the table below as follows:
- Enter the amount of the CACFP surplus as of 9/30 of the previous fiscal year in the Amount Column
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- The Section Total box at the bottom of the table, will automatically populate

<u>2. Non-Program Funds Used to Meet CACFP Requirements</u>
If CACFP expenses exceed the reimbursement, non- Program funds are required to be listed in this section.

Non-program funds include, but are not limited to, all other sources of income used to meet CACFP requirements such as Tuition and parent fees, special grant funds, Head Start funds, cash donations, etc.
- To answer the question: *Does this institution have unrestricted non-CACFP funds to meet CACFP requirements?* Click on the highlighted box and select from the drop down options.
    o   If yes, complete the table below as follows:
- Enter the source of funds to be used in the Non-CACFP Funding Source Column
- Enter the amount of funds dedicated to CACFP program costs in the Annual Amount Column
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all additional funds used in the food service program
- The Section Total box at the bottom of the table, will automatically populate

==If the answer to question 2 is no and CACFP expenses exceed CACFP reimbursements, Maine CACFP will not be able to approve the budget.==

<u>Schedule A Total Income</u>
This box will automatically populate with the values entered above. The bottom of the box will include the Total Income.

Schedule B
Operating Costs for CACFP

Schedule B is designed to capture all operating costs of the CACFP. Operating costs include all costs associated with the preparing, delivering and serving of CACFP meals to eligible participants. This includes

but is not limited to: food costs, kitchen supplies, cooking, menu planning, food vendors, and transportation of meals to other sites.

3. Purchased Food Costs

Food costs are expenditures for the food used in all CACFP meals. The cost of the food may include the purchase price of the food and additional charges for processing, transporting, storing, and handling purchased food. Invoices, receipts, inventory records, and itemized bills must document these costs.

Food costs are documented by vendor's invoices and delivery slips for unitized Program meals if purchased under a contract with a FSMC or commercial vendor or under an agreement with a food school authority. **Note, any meals served that were purchased from a vendor for which the Sponsor does not have an approved and fully executed contract on file cannot be paid for with federal funds.**

The following are instructions per column. Complete the table for each type of food costs.
- Enter the estimated amount of *Purchased Food* costs for the year in the Annual Cost Column
- Enter an explanation or any clarifying information in the Sponsor Comments Column
- Enter the estimated amount of *Purchased Vended Meals* for the year in the Annual Cost Column
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- The Section Total box at the bottom of the table, will automatically populate

4a. Equipment – Under $5,000

This includes equipment/durable supplies with a useful life of more than 1 year and a per unit acquisition cost of under $5,000 that will be directly expensed.

Examples of kitchen equipment that could be a durable supply include: fridges, stoves, small appliances.

- Enter a description of the item in Item Description Column
- Enter the date you expect to purchase the item in Est Purchase Date Column
- Enter the cost in Total Cost Column
- Enter the percent of the cost that can be allocated to CACFP in the % Allocated to CACFP Column. Note you must provide the rationale used to support the allocation percentage.
- The Annual Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all equipment under $5,000 directly expensed to CACFP
- The Section Total box at the bottom of the table, will automatically populate

4b. Capital Equipment – Over $5,000

Equipment is an item of nonexpendable personal property with a useful life of more than 1 year and per unit acquisition cost that conforms to the definition of set by the Department's grant administrative rules (currently $5,000 or more per unit).

Examples of equipment include motor vehicles, computers, copiers, office furniture, food service

equipment, etc. that meets the capitalization threshold (currently $5,000 or more) and is used for the operation of the food service.

All equipment over $5,000 must be depreciated.

- Enter a description of the item in Item Description Column
- Enter the date the item was/will be purchased in the Purchase Date Column
- Enter the cost in Total Cost Column
- Enter the estimated useful life for depreciation purposes in the Life Expectancy Column. See FNS Instruction 796-2 Rev 4. VIII I 13 for more information on determining the appropriate useful life.
- The Annual Depreciation Column will automatically populate
- Enter the percent of the cost that can be allocated to CACFP in the % Allocated to CACFP Column. Note you must provide the rationale used to support the allocation percentage.
- The Annual Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all equipment over $5,000
- The Section Total box at the bottom of the table, will automatically populate

5. Nonfood Supplies

Nonfood supplies may include:
- Paper goods (napkins, forks, and spoons)
- Cleaning supplies used directly for the food service operation, such as chlorine bleach, sanitizer, cleanser, and dish detergent
- Food storage supplies, such as aluminum foil and plastic containers;
- Small kitchen supplies, such as serving utensils, eating utensils, trash cans for the kitchen, pots and pans

Office supplies may include items such as pens, pencils, notepads, printer supplies and copier supplies.

Itemized receipts or invoices must be kept on file as documentation for all supplies.

The following are instructions per column. Complete the table for purchased CACFP Food Service Supplies.

- Enter the types of supplies to be purchased under the Brief Description of Supplies Purchased Column
- Enter the estimated amount in the annual supply expense
- Enter the percentage allocated to CACFP. **Note: an allocation plan must be submitted with the budget that includes the rationale used to the support the allocation percentage used.**
- The Annual Cost to CACFP will automatically calculate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- The Section Total box at the bottom of the table, will automatically populate

6. Labor Costs-Employees with CACFP Food Service Duties

The cost of food service labor needed for the operation of the CACFP must be documented. This may include wages, salaries, employee benefits (e.g. health insurance, dental insurance, vision insurance, life insurance, retirement), and employment taxes for employees to complete the following tasks: Menu planning and food purchasing, Supervision of day-to-day food service operations, including supervision of children during the meal service, and On-site preparation of daily Program meal service records, etc.

Records that must be maintained include payroll records and job descriptions for all positions that have CACFP duties.

- Enter the Position or Title of the employees in the Position/Title Column
- Enter the number of employees in the listed position in the Number of Personnel in Position Column
- Enter the number of months the position has CACFP duties in the CACFP Program Months Column
- Enter the amount the position is paid per hour in the Hourly Wage Column
- There are two sub columns under the Avg. Hours per Month* Column
    - Enter the total number of hours worked per month in the Total Column
    - Enter the total number of CACFP hours worked per month in the for CACFP Column
- There are two sub columns under the Avg. Benefits Paid per Month
    - Enter the dollar amount of benefits paid for the position in the by Sponsor Column
    - The benefits paid to the position in the by CACFP Column will automatically populate
    - Example: If total benefits paid to a position e.g. cook is $100 and there are 2 cooks – enter $100 – the formula will multiply benefits by number of personnel in the position
- There are two sub columns under the Total Cost to CACFP Column
    - Do not enter information in either sub column
    - Both the Monthly and Annual Columns will automatically populate
- The Section Total box at the bottom of the table, will automatically populate
- Enter detailed description of the CACFP food service duties performed by each position in the Specific CACFP Job Duties Column
- Repeat these instructions for all CACFP food service positions included on the budget

7. Contracted Services

Contracted services include all costs associated with a contract. Examples include equipment rental or equipment maintenance contracts, janitorial services, pest control services, independent contractors or other similar services. Most contracted service costs require specific prior written approval from the State Agency. Most items listed in this section require the submission of the "Specific Prior Written Approval" template for Maine CACFP approval. See tab "Costs Req Specific Approval" of the Specific Prior Written Approval template for more details on prior approval for Contracted Services. Copies of contracts must be provided as documentation.

These costs must be allocated between operational and administrative accounts if the costs support both operational and administrative functions. These costs must also be allocated if they support both CACFP and non-CACFP programs. If costs will be allocated, the allocation method must be approved by Maine CACFP.

- Enter the type of contracted service under the Contracted Service Column
- Enter the name of the provider of the contracted service under the Provider Column
- Enter the total monthly cost for the contracted service under the Monthly Cost Column
- Enter the number of CACFP months the contracted service is used under the CACFP Program Months

Column
- The Annual Cost Column will automatically populate
- Enter the percent of the contracted service cost that can be allocated to CACFP in the % Allocated to CACFP Column
- The Total Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Contracted Services paid with CACFP funds
- The Section Total box at the bottom of the table, will automatically populate

<u>8. Other Operational Costs</u>

Other operational costs could include printing, postage, food transportation costs, subscriptions, training and/or travel costs, etc. Costs for these services require prior approval or specific prior written approval from the State Agency, depending on the type and nature of the services to be purchased.

(a) Miscellaneous Food Service:

- Enter a description of the type of cost under the Description Column
- Enter the total monthly cost under the Monthly Cost Column
- Enter the number of months the cost will be incurred under the CACFP Program Months Column
- The Annual Cost Column will automatically populate
- Enter the percent of the cost that can be allocated to CACFP in the % Allocated to CACFP Column
- The Total Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Other Operational Costs paid with CACFP funds
- The Section Total box at the bottom of the table, will automatically populate

(b) Annual Mileage for CACFP Food Transportation Costs and Staff Training

Mileage logs must be maintained per FNS 796-2 Rev.4 VIII I 39(c)
- Click on the box associated with the Sponsor Certification Statement
    - Select from the drop down options

Begin by determining the Institution's approved mileage reimbursement rate. If it is different than the federal rate (cannot be higher than federal rate), enter it in the *Mileage Reimbursement Rate* box. If it is the same as the federal rate:

- Enter the position or title of the person who will be incurring the mileage under the Position/Title Column
- Enter the estimated miles to be driven in the Total Miles Column
- The Mileage Reimbursement Column will automatically populate
- Enter the number of months the cost will be incurred under the Number of Months Column
- The Monthly Total Cost to CACFP and Annual Cost to CACFP Columns will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required

- Repeat these instructions for all staff who will be participating in food transportation
- The Section Total box at the bottom of the table, will automatically populate

9. Facility and Utilities Costs

A percentage of operating food service facility costs can be paid with CACFP funds. Operating food service facility costs for leased spaces can include rent or lease expenses, and utilities not included in rent or lease agreements, etc. Copies of lease or rental agreements must be submitted with the budget.

An institution may not claim in its budget for CACFP reimbursement, a rental fee for space, when the building is owned by the institution; however, the institution may be able to claim depreciation. An institution cannot claim depreciation and a lease fee for the same space. The cost of an owned building can be depreciated using 30-year straight line depreciation or the depreciation method used and accepted for purposes of reporting to the IRS. The acquisition cost upon which depreciation is based must exclude the cost of land. A copy of the depreciation schedule used must be provided for owned buildings.

Costs associated with less-than-arms-length lease arrangements are limited to depreciation only and require specific prior written approval. The "Less than arm's length rental" template must also be completed. Documentation must be provided that supports the property acquisition cost and value of land used for Less than arm's length rental calculation and that supports the square footage used in the allocation.

(a) Percent of Facility Expenses Allocable to CACFP through Food Service Operations

- Enter the number of weeks per year the center is active in CACFP in the *How many WEEKS PER YEAR is the center active in CACFP?* Column (If more than one site use an average for all sites)
- Enter the number of hours per week the center is open in the *How many HOURS PER WEEK is the center open?* Column (If more than one site use an average for all sites)
- Enter the square footage of the center that is used for CACFP in the *Center(s)* Column. (If more than one site use an average for all sites)
- Enter the square footage of the kitchen that is used for CACFP in the *Kitchen(s)* Column. (If more than one site use an average for all sites)
- Enter the hours per week the kitchen square footage is used in the *Hour per Week Used for CACFP Food Service* Column
- Enter the square footage of the food storage area that is used for CACFP in the *Food Storage(s)* Column. (If more than one site use an average for all sites).
- Enter the hours per week the food storage area is used in the *Hour per Week Used for CACFP Food Service* Column.
- Enter the square footage of any other area that is used for CACFP in the *Other** Column
- Enter the hours per week the other area is used in the *Hour per Week Used for CACFP Food Service* Column
- If other areas are used, please complete the *Describe 'Other' Include name of area(s) and how it's used for CACFP operation* Box
- The *Percent of Facility Expenses Allocable to CACFP* box will automatically populate

(b) Facility Costs

- In the Type Column, click on the highlighted box and select from the drop down options
    - Depreciation may be used by institutions whom own their building(s)
    - Rental/Lease can be used by institutions who do not own their building(s)
    - Less than arm's length transactions are limited to depreciation – see calculation on less than arm's length rental template
- Enter the name of the lessor/owner of the property in the Lessor Column
- Enter the monthly cost in the Monthly Cost Column
- The Annual Cost Column will automatically populate
- The % Allocated to CACFP Column will automatically populate
- The Total Cost to CACFP Column will automatically populate
- Indicate if utilities or other items are included in the lease. If utilities/other items are included in the lease DO NOT include them in 9(c).
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Facility Costs paid with CACFP funds
- The Section Total Box will automatically populate

(c) Utilities
Utilities such as electricity, gas, water, sewer, etc. which are not included in the facility lease or rental agreement are allowed with State Agency prior approval. If the utilities are shared with another Program, the costs will be allocated as applicable. Provide copies of invoices used to estimate annual cost.

- For each Utility type, Enter the name of the company providing the service in the Company Column
- For each Utility type, Enter the total monthly cost in the Monthly Cost Column
- For each Utility type, the following columns will automatically populate:
- The Annual Cost Column
- The % Allocated to CACFP Column
- The Total Cost to CACFP Column
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- The Section Total Box will automatically populate

Schedule B Total Cost to CACFP
This box will automatically populate with the values entered above. The bottom of the box will include the Total Operational Costs to CACFP.

Schedule C
Administrative Costs for CACFP

Administrative costs are costs incurred in planning, organizing, and managing the food service labor, supplies, monitoring labor, and mileage, travel, and training costs. Administrative costs charged to the Program cannot exceed the lesser of 15% of projected annual CACFP reimbursement or net allowable administrative costs.

10. Labor costs-Employees with CACFP Administrative Duties

Labor costs include compensation paid for administrative labor needed for: planning, organizing and managing the food service operation; completing CACFP application materials, compiling daily records to complete monthly consolidated reimbursement claims, staff training, preparing monthly reimbursement claims, and monitoring.

Records that must be maintained include payroll records and job descriptions for all positions that have CACFP duties.

- Enter the Position or Title of the employees in the Position/Title Column
- Enter the number of employees in the listed position in the Number of Personnel in Position Column
- Enter the number of months the position has CACFP duties in the CACFP Program Months Column
- Enter the amount the employee is paid per hour in the Hourly Wage Column
- There are two sub columns under the Avg. Hours per Month* Column
    - Enter the total number of hours worked per month in the Total Column,
    - Enter the total number of hours worked per month completing CACFP administrative and monitoring duties in the CACFP Administrative Duties and Monitoring Column
- There are two sub columns under the Avg. Benefits Paid per Month
    - Enter the dollar amount of benefits paid to the position in the by Sponsor Column
    - The benefits paid to the position in the by CACFP Column will automatically populate
    - Example: If total benefits paid to a position e.g. monitor is $100 and there are 2 monitors – enter $100 – the formula will multiply benefits by number of personnel in the position

- There are two sub columns under the Total Cost to CACFP Column
    - Do not enter information in either sub column
- Both the Monthly and Annual Columns will automatically populate
- The Section Total box at the bottom of the table, will automatically populate
- Enter detailed description of the CACFP administrative duties performed by each employee in the Specific CACFP Job Duties Column
- Repeat these instructions for all positions that are paid with CACFP funds

11. Contracted Services

Contracted services include all costs associated with a contract. Examples include accounting services, payroll services, administrative equipment rental or maintenance, independent contractors or other similar services. Contracted service costs require specific prior written approval from the State Agency. Copies of contracts must be provided.

- Enter the type of contracted service under the Contracted Service Column
- Enter the name of the provider of the contracted service under the Provider Column
- Enter the total monthly cost for the contracted service under the Monthly Cost Column
- Enter the number of CACFP months the contracted service is used under the CACFP Program Months Column
- The Annual Cost Column will automatically populate
- Enter the percent of the contracted service cost that can be allocated to CACFP in the % Allocated to CACFP Column

- The Total Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Contracted Services paid with CACFP funds
- The Section Total box at the bottom of the table, will automatically populate

12. Other Administrative Costs

Other administrative costs could include printing, postage, photocopies, administrative supplies, monitoring transportation costs, training and/or travel costs, etc. Costs for these services require prior approval or specific prior written approval from the State Agency, depending on the type and nature of the services to be purchased. Itemized receipts, invoices, and other records must be kept to document these costs.

(a) Miscellaneous Office Expenses:

This includes administrative supplies with a useful life of one year or less that is generally consumed in use. For example, general office supplies (pens, pencils, notepads), computer supplies, copier supplies (paper, toner), printer supplies (ink cartridges, paper). This would also include miscellaneous costs associated with printing, postage, and photocopies.

- Enter a description of the type of cost under the Description Column
- Enter the name of the provider under the Provider Column
- Enter the total monthly cost under the Monthly Cost Column
- Enter the number of months the cost will be incurred under the CACFP Program Months Column
- The Annual Cost Column will automatically populate
- Enter the percent of the cost that can be allocated to CACFP in the % Allocated to CACFP Column
- The Total Cost to CACFP Column will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Other Administrative Costs paid with CACFP funds
- The Section Total box at the bottom of the table, will automatically populate

(b) Annual Mileage, Lodging, and Meals for Monitoring and Other Administrative Support:

This includes CACFP administrative travel expenses funded with CACFP funds. Examples would be travel related to CACFP monitoring, technical assistance visits, on-site center training. NOTE: Travel to Maine CACFP trainings should be included under the operating tab.

Mileage logs must be maintained per FNS 796-2 Rev.4 VIII I 39(c)
- Click on the box associated with the Sponsor Certification Statement
  - Select from the drop down options

Begin by determining the Institution's approved mileage reimbursement rate. If it is different than the federal rate, enter it in the Mileage Reimbursement Rate box. If it is the same as the federal rate:

- Enter the position or title of the person who will be incurring the mileage under the Position/Title

Column
- Enter the estimated miles to be driven in the Total Miles Column
- The Mileage Reimbursement Column will automatically populate
- Enter the number of months the cost will be incurred under the Number of Months Column
- The Monthly Total Cost to CACFP and Annual Cost to CACFP Columns will automatically populate
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all staff who will be incurring monitoring mileage costs
- The Section Total box at the bottom of the table, will automatically populate

(c) Conference Travel/Training costs:

Projected annual CACFP expenses incurred for attendance of any employee listed in the administrative labor section at any CACFP workshops, conferences, trainings and meetings.

Specific Prior Written Approval is required for allocated share of travel & registration fees when CACFP is only a portion of a larger child & adult care related agenda.

- In the Conference/Class Column click on the highlighted box and select from the drop down options
    - If other is selected a detailed sponsor explanation will be required
- Enter the date of arrival at the conference
- Enter the date of departure from the conference
- Enter the number of nights lodging
- Enter the Registration fee
- Enter Airfare costs
- Enter the Total Lodging cost of the conference
- Enter the cost of meals
- The Cost to CACFP per Employee Column will automatically populate
- Enter the number of employees who will be attending the conference
- Enter the total miles to be driven
- Enter the Car Rental cost
- The Total Cost to CACFP Column will automatically populate
- Provide a detailed explanation in the Sponsor Explanation Column

13. Facility and Utilities Cost

A percentage of administrative facility costs can be paid with CACFP funds. Administrative facility costs can include rent or lease expenses, and utilities not included in rent or lease agreements, etc. Copies of lease or rental agreements must be submitted with the budget. **Note this section is for the allocation of administrative facility expenses only, facility expenses related to the operation of the food service should listed on the operation tab. For example, this section would be used by a sponsoring organization of centers that rents office space for its operation of the CACFP.**

An institution may not claim in its budget for CACFP reimbursement, a rental fee for space, when the building is owned by the institution; however, the institution may be able to claim depreciation. An institution cannot claim depreciation and a lease fee for the same space. The cost of an owned building can be depreciated using 30-year straight line depreciation or the depreciation method used and accepted

for purposes of reporting to the IRS. The acquisition cost upon which depreciation is based must exclude the cost of land. A copy of the depreciation schedule used must be provided for owned buildings.

Costs associated with less-than-arms-length lease arrangements are limited to depreciation only and require specific prior written approval. The "Less than arm's length rental" template must also be completed. Documentation must be provided that supports the property acquisition cost and value of land used for Less than arm's length rental calculation and justification for the square footage used.

(a) Percent of Facility Expenses Allocable to CACFP through Administration

- Enter the number of weeks per year the center is active in CACFP in the How many Weeks Per Year is the center active in CACFP? Column. (If more than one site use an average for all sites.)
- Enter the number of hours per week the center is open in the How many Hours Per Week is the center open? Column. (If more than one site use an average for all sites.
- Enter the square footage of the center that is used for CACFP in the Center(s) Column. (If more than one site use an average for all sites.)
- Enter the square footage of the office that is used for CACFP in the Office Column. (If more than one site use an average for all sites.)
- Enter the hours per week the office square footage is used in the Hour per Week Used for CACFP Food Service Column.
- Enter the square footage of any other area that is used for CACFP in the Other* Column.

(b) Facility Costs

- In the Type Column, click on the highlighted box and select from the drop down options
    - Depreciation may be used by institutions whom own their building(s)
    - Rental/Lease can be used by institutions who do not own their building(s)
    - Less than arm's length transactions are limited to depreciation – see calculation on less than arm's length rental template
- Enter the name of the lessor/owner of the property in the Lessor Column
- Enter the monthly cost in the Monthly Cost Column
- The Annual Cost Column will automatically populate
- The % Allocated to CACFP Column will automatically populate
- The Total Cost to CACFP Column will automatically populate
- Indicate if utilities or other items are included in the lease. If utilities/other items are included in the lease DO NOT include them in 13(c).
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- Repeat these instructions for all Facility Costs paid with CACFP funds
- The Section Total Box will automatically populate

(c) Utilities

Utilities such as electricity, office phone system, internet, etc. which are not included in the office lease or rental agreement are allowed with State agencies prior approval. If the utilities are shared with another Program, the costs will be allocated as applicable.

- For each Utility type, Enter the name of the company providing the service in the Company Column
- For each Utility type, Enter the total monthly cost in the Monthly Cost Column
- For each Utility type, the following columns will automatically populate:
  - The Annual Cost Column
  - The % Allocated to CACFP Column
  - The Total Cost to CACFP Column
- Enter an explanation or any clarifying information in the Sponsor Explanation Column if additional information is required
- The Section Total Box will automatically populate

Schedule C Total Cost to CACFP
This box will automatically populate with the values entered above. The bottom of the box will include the Total Administrative Costs to CACFP.

Summary

Annual CACFP Budget Summary

The Sponsor Name, Agreement Number, Date, Number of Sites, % of Income Spent on Food, Admin Costs Paid with CACFP funds, Maximum CACFP Allowable for Admin, and CACFP Funded Admin % fields will automatically populate.

REQUIRED - Indicate with a YES which of the CACFP expenses will be directly funded with the CACFP reimbursement that is earned or NO if the expenses will not be funded with CACFP reimbursement.

The remaining information contained in the budget summary table is automatically populated and is a compilation of all information entered in previous sections.

Other Budget Related Templates

The below may be required for submission along with the budget but are separate templates outside of the Annual CACFP Budget Form.

Specific Prior Written Approval

Include any items for which you are requesting specific prior written approval. See tab "Costs Req Specific Approval" for a listing of costs requiring additional approvals. This listing is taken directly from FNS Instruction 796-2, Exhibit I.

- Enter the Line Item Number Associated with the Request
- Enter a Description of the Request
- Provide an Explanation of the Request
- Click on the box associated with the Sponsor Acknowledgement Statement
- Select from the drop down options Disclosures

Disclosures of Related Party Transactions and/or Less than arm's length Transactions

Include any items that require disclosure. Sponsors must disclose any related-party or less-than-arms-length expenditures. This includes contracts, agreements, leases, and transactions. Additionally, any ownership interests in equipment, supplies, or facilities must be disclosed. **Failure to disclose required information will result in the disallowance of the cost and may subject the institution, its principals, employees, and others to the administrative and legal recourse available to Maine CACFP and FNS.**

- Enter the Line Item Number associated with the Disclosure
- Enter a Description of the Disclosure
- Provide an Explanation of the Disclosure
- Click on the box associated with the Sponsor Acknowledgement Statement
    - Select from the drop down options

Note: Complete "Less Than Arm's Length Rental" template if you have a facility less than arm's length rental expense in your CACFP budget

[“Less than arm's length rental” Calculation](#)
Costs associated with less-than-arms-length facility lease arrangements are limited to depreciation only and require specific prior written approval. Allowable space and facilities lease costs are limited to the amount that results from applying 30-year life expectancy to the property's acquisition cost less the value of land.

Calculation of Annual Depreciation
- Enter the acquisition cost of the property
- Enter the value of the land
- Depreciable Value and Annual Depreciation will automatically calculate

Documentation must be provided that supports the property acquisition cost and value of land used and justification for the square footage used.

Allocation of Facility Cost to CACFP

- Enter the number of weeks per year the center is active in CACFP in the *How many WEEKS PER YEAR is the center active in CACFP?* Column (If more than one site use an average for all sites)
- Enter the number of hours per week the center is open in the *How many HOURS PER WEEK is the center open?* Column (If more than one site use an average for all sites)
- Enter the square footage of the center that is used for CACFP in the *Center(s)* Column. (If more than one site use an average for all sites)
- Enter the square footage of the kitchen that is used for CACFP in the *Kitchen(s)* Column. (If more than one site use an average for all sites)
- Enter the hours per week the kitchen square footage is used in the *Hour per Week Used for CACFP Food Service* Column
- Enter the square footage of the food storage area that is used for CACFP in the *Food Storage(s)* Column. (If more than one site use an average for all sites).
- Enter the hours per week the food storage area is used in the *Hour per Week Used for CACFP Food Service* Column.
- Enter the square footage of any other area that is used for CACFP in the *Other** Column. Use this column for administrative office space that is being allocated to CACFP.

- Enter the hours per week the other area is used in the *Hour per Week Used for CACFP Food Service* Column
- If other areas are used, please complete the *Describe 'Other' Include name of area(s) and how it's used for CACFP operation* Box
- The *Percent of Facility Expenses Allocable to CACFP* box will automatically populate

Percentage of Facility Expenses Allocable to CACFP and Annual Depreciation Expenses Allocable to CACFP will automatically populate.

REFERENCES:
Maine CACFP Annual CACFP Budget Guidance
FNS Instruction 796-2 Rev. 4: Financial Management - Child and Adult Care Food Program