

Financia/



Management

INTRODUCTION

The United States Department of Agriculture (USDA) and the Office of Superintendent of Public Instruction (OSPI) require that Summer Food Service Program (SFSP) sponsors report meal counts for reimbursement in a specific manner, and keep records of program operating and administrative costs and income accrued to the program. Correct completion of the reimbursement claim will help ensure timely reimbursement. This section will prepare the sponsor to submit those reports in a manner that conforms to USDA and OSPI requirements.

CLAIMS FOR REIMBURSEMENT

The SFSP's success depends partly on the sponsors' ability to keep accurate financial records for reimbursement claims. Please refer to the **SFSP Claims and Reimbursement** webpage for documents referenced in this handbook (<http://www.k12.wa.us/ChildNutrition/programs/SummerPrograms/SimplifiedSummerFoodFiscal.aspx>).

In this section, you will learn about claims for reimbursement and how to:

- Document all costs for meals served
- Identify allowable and unallowable costs
- Calculate reimbursement based on current reimbursement rates

In order to receive reimbursement for the SFSP meals served at your sites, a monthly **claim for reimbursement** must be completed online and supporting documentation must be kept on file. The claim for reimbursement must be submitted to OSPI before the deadline date established by OSPI which must be within 60 days of the last day of the month covered by the claim. Claim due dates are located on the SFSP Claims and Reimbursement webpage.

ACTIVITY 1

Write in the due dates for the claim for reimbursement forms for the following months:

Claiming for the month of:

Claim for reimbursement due:

May

June

July

August



Claims submitted late may be disallowed. If claims cannot be submitted by the due dates, contact OSPI Child Nutrition Services (CNS) fiscal staff.

THE CLAIM FOR REIMBURSEMENT FORM

The following information is recorded on the claim form:

Basic Information – the sponsor name, site name(s), and agreement number will automatically pre-fill from the online sponsor application.

Average Daily Participation (ADP) – calculate the ADP by adding the number of children fed each day and dividing by the number of days represented. **Always round up to the next highest number**, as these numbers represent children.

ACTIVITY 2

Figure the ADP for one week.

Example:

$$\begin{array}{rcccccc} \text{Monday} & & \text{Tuesday} & & \text{Wednesday} & & \text{Thursday} & & \text{Friday} & & \text{(5days)} \\ 230 & + & 244 & + & 245 & + & 243 & + & 255 & = & 1217 \end{array}$$

$$1217 \div 5 = 243.4 \text{ (report 244 ADP on claim)}$$

Figure the ADP for one month.

Example:

$$\begin{array}{rcccccc} \text{Week 1} & & \text{Week 2} & & \text{Week 3} & & \text{Week 4} & & \text{(20 days)} \\ 1217 & + & 1240 & + & 1234 & + & 1340 & = & 5031 \end{array}$$

$$5031 \div \underline{\quad\quad} = \underline{\quad\quad} \text{ ADP}$$



ANSWERS TO ACTIVITY 2

$$\begin{array}{rcccccc} \text{Week 1} & & \text{Week 2} & & \text{Week 3} & & \text{Week 4} & & (20 \text{ days}) \\ 1217 & + & 1240 & + & 1234 & + & 1340 & = & 5031 \end{array}$$

$$5031 \div 20 = 251.55 \text{ (report 252 ADP on claim)}$$

CLAIMING MEALS SERVED

Children's Meals - Report all of the meals served to children age 0-18* for reimbursement. These meals must be documented by an on-site staff person who counts the number of children receiving reimbursable meals. Be sure to include any complete second meals that may have been served. **However you will only get reimbursed for up to 2% of the total number of first meals served within the claim month.**

ACTIVITY 3

The following meals were served as first meals to children. Calculate how many documented second meals served to children will be reimbursed.

Example: $382 \times .02 (2\%) = \underline{7.64} \text{ or } \underline{8}$

First Meals	Second Meals
$2,219 \times .02 =$	_____ or _____
$356 \times .02 =$	_____ or _____
$2,499 \times .02 =$	_____ or _____

* State regulations differ on meal pattern requirements and reimbursement for infants age 0-1 years of age. Contact OSPI for requirements and for approval to serve this age group.

ANSWERS TO ACTIVITY 3

Example:	$382 \times .02 (2\%) =$	<u>7.64</u> or <u>8</u>
	First Meals	Second Meals
	$2,219 \times .02 =$	<u>44.38</u> or <u>44</u>
	$356 \times .02 =$	<u>7.12</u> or <u>7</u>
	$2,499 \times .02 =$	<u>49.98</u> or <u>50</u>

Adult Meals – Meals served to adults are not reimbursable meals and cannot be claimed for reimbursement. However, sponsors need to keep a record of all meals served to adults, whether they are program or non-program adults.

Program adults are those adults who are involved in the preparation or service of meals. All other adults are considered “non-program adults”. While meals for program adults are not reimbursable, the operating costs of preparing and serving the meals to these adults are allowable costs. Meals for program adults need to be recorded on the meal count record at the time of service.

Non-program adult meals are not reimbursable and the operating costs of preparing and serving these meals are not allowable costs. However, they should also be recorded on the meal count records. If meals are served to non-program adults, sponsors must either charge the adults at least the full cost of the meal (including food and non-food supplies, labor, and the value of USDA Foods), or use other non-Program funds to cover the cost of these meals. At a minimum, the cost charged should be the reimbursement amount USDA provides.



REIMBURSEMENT FOR THE SUMMER FOOD SERVICE PROGRAM

Sponsors are reimbursed financially for operating the Summer Food Service Program. Each year USDA announces the adjusted per meal reimbursement payment rates for sponsors. The rates differ between (1) meals served at rural or self-preparation sites and (2) meals served at all other types of sites. To figure the total reimbursement for operating and administering the program, simply multiply the number of reimbursable meals by type by the appropriate rates for reimbursement. The current reimbursement rates can be accessed at the SFSP Claim and Reimbursement webpage.

ACTIVITY 4

A. Calculate reimbursements for a **rural/self-prep operation** using current reimbursement rates.

Number of Meals Served	X	Reimbursement Rate	=	
10,000 Breakfasts	X		=	
20,000 Lunches	X		=	
15,000 Suppers	X		=	
5,000 Supplements (Snacks)	X		=	

B. Calculate reimbursements for a **urban/vended operation** using current reimbursement rates.

Number of Meals Served	X	Reimbursement Rate	=	
10,000 Breakfasts	X		=	
20,000 Lunches	X		=	
15,000 Suppers	X		=	
5,000 Supplements (Snacks)	X		=	

Answers are determined by the reimbursement rates used from the previous page which are adjusted from year to year based on changes in the Consumers Price Index.

ALLOWABLE OPERATING AND ADMINISTRATIVE COSTS

Operating Costs

The actual costs of operating the program must be determined. Operating costs are expenses incurred when preparing, delivering, and serving meals for the Summer Food Service Program (SFSP). To figure out the allowable operating costs, total all actual allowable costs. These costs include, but are not limited to:

Food — purchasing, storing, and obtaining

Non-food — involved in preparation, serving, and clean-up only

Labor — preparing, delivering, serving, and clean-up


Facilities — rental of food service facilities and equipment, utilities, repairs, involved in food preparation, serving and clean-up

Transportation of food

Transportation of children — rural only

Operating costs also include the cost of producing meals served to program adults who are performing meal service labor. The price charged for non-program adult meals is reported as program income.

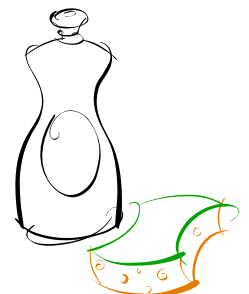


 Check the SFSP Claims and Reimbursements webpage for other allowable operating costs.

ACTIVITY 6

The following are examples of expenses incurred when operating an SFSP. Place an "X" by the Allowable Operating Costs.

_____	Food.....	\$2,495.00
_____	Coffee	\$4.95
_____	Cook's salaries.....	\$1,785.44
_____	Site supervisors salaries	\$746.55
_____	Paper bags	56.51
_____	Dish soap.....	\$12.45
_____	Napkins.....	\$124.50
_____	Gas and electricity used in the kitchen.....	\$101.87
_____	Rental of a kitchen	\$635.91
_____	Rental of a delivery vehicle	\$500.28
_____	Gas for a delivery vehicle.....	\$56.94
_____	Fee for bus use	\$256.00
_____	Dishwasher repair	\$119.49
_____	Art supplies for Children's Program	\$250.95
_____	Delivery vehicle driver's salary.....	\$250.00



ANSWERS TO ACTIVITY 6

<u> X </u>	Food	\$2,495.00
<u> </u>	Coffee.....	\$4.95
<u> X </u>	Cook's salaries	\$1,785.44
<u> X </u>	Site supervisors salaries	\$746.55
<u> X </u>	Paper bags.....	56.51
<u> X </u>	Dish soap	\$12.45
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<u> X </u>	Rental of a kitchen.....	\$635.91
<u> X </u>	Rental of a delivery vehicle.....	\$500.28
<u> X </u>	Gas for a delivery vehicle	\$56.94
<u> X </u>	Fee for bus use	\$256.00
<u> X </u>	Dishwasher repair	\$119.49
<u> </u>	Art Supplies for Children's Program	\$250.95
<u> X </u>	Delivery vehicle driver's salary	\$250.00

Administrative Costs

The actual costs of administering the program must be determined. Administrative costs are expenses incurred when managing or administering the program. To figure actual administrative costs, total all allowable costs. These costs include, but are not limited to:

Labor — administrative, clerical, monitoring, bookkeeping

Facilities — rental of office space, equipment, and vehicles

Use allowance — for office equipment

Office supplies — pens, paper, etc.

Vehicle allowance — mileage, parking expense

Communications — telephone, postage, advertising

Insurance and indemnification



Check the SFSP Claims and Reimbursements webpage for other allowable administrative costs.

Unallowable administrative costs include, but are not limited to:

Value of contributions and donations — money, labor, supplies, and food from other groups (including USDA foods)

Interest on loans

Administrative costs not included in the approved budget

Entertainment

Fines or penalties

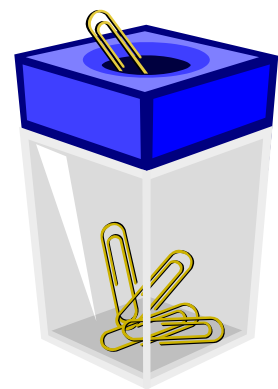
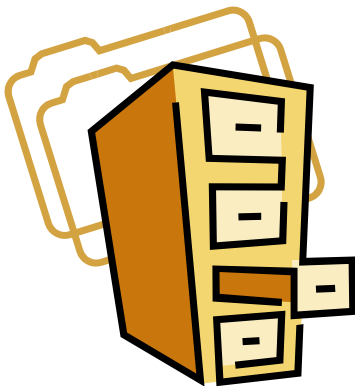
Capital expenditures related to administration

Rental or use charges for equipment and space owned by the sponsor

ACTIVITY 7

The following are expenses incurred when administering a SFSP. Place an “X” by the Allowable Administrative Costs.

_____	Coordinator’s salary.....	\$240.19
_____	Monitors’ salaries.....	\$50.78
_____	Dinner for Board of Directors	\$100.00
_____	Office Supplies.....	\$59.60
_____	Travel to training session	\$50.78
_____	Replacement of blouse torn while unloading lunches	\$29.99
_____	Postage.....	\$12.29
_____	Telephone.....	\$58.84
_____	Promotional fliers	\$58.60
_____	Monitor’s speeding ticket	\$35.00



ANSWERS TO ACTIVITY 7

<u> X </u>	Coordinator's salary	\$240.19
<u> X </u>	Monitors' salaries	\$50.78
<u> </u>	Dinner for Board of Directors.....	\$100.00
<u> X </u>	Office Supplies	\$59.60
<u> X </u>	Travel to training session	\$50.78
<u> </u>	Replacement of blouse torn while unloading lunches.....	\$29.99
<u> X </u>	Postage	\$12.29
<u> X </u>	Telephone	\$58.84
<u> X </u>	Promotional fliers.....	\$58.60
<u> </u>	Monitor's speeding ticket.....	\$35.00



DOCUMENTATION

This section will help sponsors identify the acceptable forms of documentation for meal counts and all costs associated with the Summer Food Service Program (SFSP).

All operating and administrative costs must be documented and kept on file. This documentation, which supports the program costs, may be audited at any time. All documentation must remain on file for three years following the close of the applicable year.

Documentation should consist of (but not limited to):

- Receipts
- Invoices
- Payroll vouchers
- Time cards
- Usage logs
- Time logs
- Cancelled checks
- Mileage logs
- Inventories
- Meal counts

