Subject: Use of Interest Earned By a Sponsoring Organization (SO)

To: STATE AGENCY DIRECTORS
(Special Nutrition Programs)

Colorado DH, Iowa, Kansas, Missouri DH,
Montana DHES, Nebraska ED, North Dakota,
South Dakota, Utah and Wyoming ED

This memorandum is in regard to Question Number 10 in CACFP-322, dated December 31, 1992. The question was, "How can interest earned by a SO be used?" Our reply was, "As with other funds and administrative reimbursement received, it must be used for CACFP expenses." This is incorrect. Interest is not considered to be Program income and there are no accountability/tracking requirements for the SO.

We apologize for any inconvenience that this may have caused any of our State Agencies. We thank those that questioned our reply and brought the matter to our attention.

[Signature]
ANN C. HECTOR
Regional Director
Special Nutrition Programs