Reply to
Attn. of: SFSP-270

Subject: Revisions - Summer Food Service Program Sponsor's Fiscal Guide

To: STATE AGENCY DIRECTORS
   (Child Nutrition Programs)
   - Colorado ED, Iowa, Kansas, Missouri DH,
     Montana OPI, Nebraska ED, North Dakota,
     South Dakota, Utah and Wyoming DHSS

Attached are revised pages 31 and 39 of the Sponsor's Fiscal Guide that was sent March 2, 1995.

If you have any questions regarding this material, please contact a member of my staff at (303) 844-0359.

Ann C. Degroat
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Regional Director
Child Nutrition Programs

Attachment
CLAIMS FOR REIMBURSEMENT

The keys to a successful Program are accurate financial management practices, recordkeeping, monitoring, and submission of correct claims for reimbursement. In this chapter, the sponsor will learn about claims for reimbursement and how to calculate reimbursement based on formulated reimbursement rates and total allowable costs. The correct completion of claims for reimbursement will ensure timely issuance of reimbursement payments.

A signed claim for reimbursement must be submitted for each month of SFSP operation. The exceptions are that if the sponsor operated less than 10 days in the final month, the claim for the final 2 months must be combined. Sponsors which operate less than 10 days in the first month may combine the first and second months’ claims.

Gathering daily/weekly meal count data and delivery receipts is only half the job before a claim can be properly prepared. To facilitate the data gathering process and to reconcile the data, it is suggested that the sponsor use a worksheet format. All documentation must be kept on file at the sponsor’s office. The data must be reconciled to monitoring reports and regulatory requirements. For instance, the sponsor may not claim more meals served than prepared, delivered, or received; sponsors may not claim seconds over 2% of first meals served; meals counts can not exceed those observed during a site visit; and for vended sites, sponsors can not claim meals served over CAP or for which there are no daily records. Also, sponsors must report on the claim only meals that meet meal pattern and meal service requirements, as stated in the Sponsor’s Handbook and in the Regulations.

Residential camps should use a camp worksheet or daily listing by meal type for each eligible child. For the month, indicate the number of operating days, the number of ineligible children, the number of eligible children and the number of meals served, by type, to eligible children. See Attachment 22, Reimbursement Claim Supplement For Camp Programs. In addition camps must submit enrollment data for each session. Attachment 23, Enrollment Information, may be used for this purpose.

Claims Submission

Claims for reimbursement must be postmarked and/or submitted not later than 60 days after the last day of the month covered by the claim or 60 days after the last day of operation if a final claim includes less than 10 days of operation in the final operating month. The Regulations allow a maximum time limit of 60 days for submission of original claims and 90 days for upward adjustments. At SA discretion, shorter timeframes can be established. Claims not filed within the 60-day deadline will not be paid with SFSP funds unless the SA determines that an exception should be granted. With proper justification from a sponsor, a SA can approve an exception and pay the claim, although it was received after the established deadline. Currently, this exception is limited to once every 36 months. If sponsors ever need to exercise this option, contact the SA to discuss the process for requesting an exception. Any other exceptions would have to be approved by FCS.

6/95
AUDITS

Public and PNP organizations that receive FFA must comply with the requirements for audits as specified in the SFSP Regulations. FFA is the total combination of Federal funds and assistance received from all Federal agencies, including the value of USDA commodity assistance. Sponsors receiving under $25,000 in total FFA are not required to have an audit.

The SA has the responsibility of developing a method of determining how much FFA each sponsor receives in order to determine which organizations must submit a copy of their audit report to the SA. In most cases, that involves conducting a survey each year, either on the application form or another form, to determine how much FFA the sponsor receives.

1. Public Entities

For State or local governments receiving over $25,000 in FFA, an audit is required annually. A public institution that receives more than $100,000 in FFA funds must obtain an organization-wide audit. If it receives at least $25,000, but not more than $100,000 in FFA, either an organization-wide or an audit in accordance with Section **225.10 of the Regulations may be obtained.

2. Private Nonprofit Entities

PNP institutions are to be audited, usually annually, but at least every 2 years. A PNP sponsor receiving more than $100,000 in FFA funds, must obtain an organization-wide audit or may elect to have a program-specific audit if it receives all of its FFA from only one program. If the sponsor receives at least $25,000 in FFA funds, but not more than $100,000, it may obtain either an organization-wide audit or a program-specific audit of each program from which it receives FFA funds.

When an organization-wide audit is performed, the full cost of the audit can not be paid with SFSP administrative funds. However, a percentage which represents the SFSP portion may be assessed as a Program cost, if the cost was approved in the administrative budget.