# Child & Adult Care Food Program (CACFP)

**Viability, Capability, and Accountability (VCA) Checklist**

**Sponsor Name:**

**Doing Business As:**

**Street Address:**

**City, State, Zip:**

Federal regulation 7CFR Part 226.15 (b) requires each new institution applying for participation in the Child & Adult Care Food Program (CACFP) to submit information sufficient to document that the institution is **financially** and **administratively capable** of operating the CACFP, and accepts final financial and administrative responsibility for total program operations. To document this, the new institution must demonstrate in its application, it is viable, capable, and accountable of operating in conformance with the following program requirements. The State agency must only approve applications that meet these program requirements, and must deny the applications of those new institutions that do not meet these program requirements or who submit fraudulent information or documentation when applying for program participation.

## Instructions:

It may be helpful to reference the *USDA Administrative Guidance for Sponsors* and FNS Instruction 796-2, Rev. 4, *Financial Management – Child & Adult Care Food Program.* Answer all questions completely. Submit legible copies of all VCA checklist items.

## Organization Background and Eligibility

### Indicate which describes the organization:

[ ]  Nonprofit (Secular) Organization

[ ]  Nonprofit (Faith-Based) Organization

[ ]  A private or For-Profit Organization

[ ]  Unit of Local, County, Municipal, State or Federal Government

[ ]  Public or Private Nonprofit College or University

[ ]  Educational

## Financial Viability & Financial Management

**7 CFR § 226.6(b)(1)(xviii) requires "Each new institution must submit information sufficient to document that it is financially viable, is administratively capable of operating the Program in accordance with this part, and has internal controls in effect to ensure accountability."**

Do you understand this requirement? [ ]  Yes [ ]  No

**7 CFR § 226.6(b)(1)(xviii)(A) states that “The new institution must be financially viable. Program funds must be expended and accounted for in accordance with the requirements of this part, FNS Instruction 796-2 (*Financial Management – Child & Adult Care Food Program)…”***

Do you understand this requirement? [ ]  Yes [ ]  No

### A new institution must demonstrate that it has adequate financial resources to operate the CACFP on a daily basis, have adequate sources of funds to continue to pay employees and suppliers during periods of temporary interruptions in Program payments and/or to pay debts when fiscal claims have been assessed against the institution, and must be able to document its financial viability.

Do you understand this requirement? [ ]  Yes [ ]  No

### Submit one of the following:

*Note: KSDE may request additional documentation as needed to determine financial viability.*

* 1. Audited financial statements performed by a Certified Public Accountant (CPA) in an independent audit conducted within the last two fiscal years;

**Or**

* 1. Twelve months of comprehensive financial statements, to include the following information:
* **Statement of financial position or statement of net assets** -- This shows the assets, liabilities, and net assets of private nonprofit organizations. This report is commonly known as the balance sheet in the for-profit world.
* **Statement of activities or statement of changes in net assets** -- This reports the revenue, expenses, gains and losses for a private nonprofit. This report is commonly known as the income statement in the for-profit world.
* **Statement of cash flows** -- This report has three sections - operating activities, investing activities, and financing activities.
* **Twelve months of all bank statements** for all account(s) in the name of the organization.

**Or**

* 1. For organizations less than 12 months old, provide the following financial information for the amount of time for which the organization has a financial history:
* **Statement of financial position or statement of net assets** -- This shows the assets, liabilities, and net assets of private nonprofit organizations. This report is commonly known as the balance sheet in the for-profit world.
* **Statement of activities or statement of changes in net assets** -- This reports the revenue, expenses, gains and losses for a private nonprofit. This report is commonly known as the income statement in the for-profit world.
* **Statement of cash flows** -- This report has three sections - operating activities, investing activities, and financing activities.
* **Bank statements** for all account(s) in the name of the organization.

### A new institution must have procedures that demonstrate adequate management of financial operations to ensure fiscal integrity and accountability for all program funds. Costs in the institution’s budget must be necessary, reasonable, allowable, and appropriately documented. Failure to document program costs may result in fiscal action against the institution.

Do you understand this requirement? [ ]  Yes [ ]  No

* 1. Please outline and explain the organization's procedure that ensures the integrity and accountability of all Program expenses, by ensuring Program funds are used for allowable costs and that expenses are supported by source documents (e.g., receipts, invoices):

* 1. Please describe the organization's current accounting method (e.g., accrual, cash basis, modified) used to track and manage financial information:

* 1. Please describe how the organization's accounting method will clearly present information on:
1. When a Program cost was incurred (i.e., the date):

1. Where a Program cost was incurred (i.e., the name of business where purchase was made):

1. What the Program cost was for and in what amount:

* 1. Please describe the organization's accounting software used, if applicable - mark "N/A" if not applicable:

* 1. Please note the position(s) responsible for developing the budget:

* 1. Please note the position(s) responsible for reviewing and comparing actual expenses against budgeted amount:

### Institutions may co-mingle CACFP funds with other funds in one single bank account or they may be kept separate from other funds in a segregated bank account. However, if funds are comingled, the institution must be able to track CACFP-related income and expenses separately from other funds.

Do you understand this requirement? [ ]  Yes [ ]  No

## Administrative Capability

**7 CFR 226.6 (b)(1)(xiii) states that “a state agency is prohibited from approving an institutions application if, during the past seven years, the institution or any of its principles have been declared ineligible for any other publicly funded program by reason of violating that programs requirements.”**

Do you understand this requirement? [ ]  Yes [ ]  No

**7 CFR § 225.6(b)(1)(XViii)(B) states that “The new institution must be administratively capable. Appropriate and effective management practices must be in effect to ensure that the Program operates in accordance with this part.”**

Do you understand this requirement? [ ]  Yes [ ]  No

### The institution must have an adequate number and type of qualified staff to ensure the operation of the Program.

1. Please provide a copy of the current Organizational Chart which includes all positions/titles/board members and/or For-Profit officers associated with the Program.
2. Please provide a list of site personnel who have CACFP responsibilities, indicating what site and their CACFP responsibility. *Note: If the same personnel are designated for multiple sites, you must ensure they can perform their duties at their designated sites during the designated time frame(s).*
3. Please provide the organization's hiring plan.
	1. Which position(s) is/are responsible for hiring personnel?

* 1. When will new personnel receive training on CACFP duties?

* 1. Which position(s) is/are responsible for training new personnel on CACFP duties?

### The institution must have an independent governing board of directors or for-profit officers which have adequate oversight of the Program.

### List all board members and/or For Profit officers and their titles below. Provide each member's full legal name, their position title, and disclose any relationship to other board members or staff of the organization.

Board Member / Board Position/ Relationship to other members or

Officer Name Title staff of the organization

1. Describe how the governing board and/or organization's officers will have adequate oversight of the Program.

## Program Accountability

**7 CFR § 225.6(b)(1)(xviii)(C) states that "New institutions must have internal controls and other management systems in effect to ensure fiscal accountability and to ensure that the Program will operate in accordance with the requirements of this part.**

Do you understand this requirement? [ ]  Yes [ ]  No

**7 CFR § 225.15(e) states that "Each institution shall establish procedures to collect and maintain all program records required under this part, as well as any records required by the State agency. Failure to maintain such records shall be grounds for the denial of reimbursement for meals served during the period covered by the records in question and for the denial of reimbursement for costs associated with such records.” Records include, but are not limited to, Enrollment of participants, Free and Reduced Price eligibility, Attendance and Meal counts, and Financial Management records**

Do you understand this requirement? [ ]  Yes [ ]  No

### The institution must follow procedures to ensure that the operation of the program is in accordance with program requirements.

1. Please describe the organizations procedures for ensuring each of the following requirements is met:
	1. Meals are served that comply with CACFP meal patterns:

* 1. Income Eligibility information is collected annually for any participant claimed as free or reduced price:

* 1. CACFP Enrollment information is collected annually for all required participants:

### Daily records indicating the number of participants in attendance and the daily meals counts, by type are collected:

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### Claims are processed accurately and in a timely manner:

### Program records must be retained in a secure location and must be available for review upon request.

1. What is the method to ensure original records are kept for three years after the program year end, or longer, if required?

1. What is the method to ensure original records are organized and available on-site for review when needed?

1. Where will original records be stored?

1. How will original records be secured?

1. **7 CFR § 226.14(a) states that "the State agency shall disallow any portion of a claim for reimbursement and recover any payment to a sponsor not properly payable under this part. State agencies may consider claims for reimbursement not properly payable if an institution does not comply with the recordkeeping requirements contained in this part.”**

Do you understand this requirement? [ ]  Yes [ ]  No

**Funds from other USDA Child Nutrition Programs cannot be used for repayment of debt or unallowable costs.**

Do you understand this requirement? [ ]  Yes [ ]  No

**Unpaid debts are turned over to the State of Kansas Setoff Program in the Kansas Department of Administration for collection.**

Do you understand this requirement? [ ]  Yes [ ]  No

1. What funds are to be used in order to repay debt owed to KSDE?

## Certification

I certify under penalty of perjury that the information submitted on this form and all information submitted on supporting documentation is true and correct. I further attest that I will promptly report to the Kansas State Department of Education any substantive changes that occur to the information submitted. I understand that this information is being given in connection with receipt of federal funds. I understand that the Kansas State Department of Education may verify information submitted here and may ask for additional information. **I understand that the deliberate misrepresentation of information will subject me to prosecution under applicable federal and state criminal statutes.**

Signature Date

Printed Name

**Return this completed form and other requested documentation to:**

Child Nutrition & Wellness

Kansas State Department of Education

900 SW Jackson Street, Suite 251

Topeka, KS 66612

**USDA Nondiscrimination Statement**

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.

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To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf>, 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:**
           program.intake@usda.gov

This institution is an equal opportunity provider.