



INTRODUCTION TO *allowable expenses in the cacfp*

Operators of the CACFP must spend all their reimbursement on allowable CACFP-expenses. In addition, no more than 15% of the reimbursement may be attributed to administrative expenses, and at least 50% must be spent on quality food purchases.

The following chart summarizes allowable expenses in the CACFP.

	<u>Administrative</u>	<u>Operational</u>
Labor and Benefits	Time spent on administrative tasks, such as recordkeeping, training, monitoring, completing applications and claims, and planning for the CACFP. Commonly, the owner, director, assistant director, office manager, and monitor(s) perform administrative tasks.	Time spent on operational tasks for the CACFP, such as cooking, cleaning, engaging in the meal service, taking point of service meal counts, verifying creditability of meals and the meal service. Commonly, teachers and kitchen staff perform operational tasks.
Rent/Mortgage	Office Area	Kitchen, Food Storage, and Meal Service Areas
Contracted Services	Storage Facility, Computer Maintenance	Pest Control, Refrigerator Repair
Communications and Utilities	Phone and Internet	Electricity, Water, Waste Disposal
Food		Food and food items that compliment CACFP meals (such as seasonings, oils, dressings, and condiments)
Supplies		Food service supplies, such as bleach, plates, cups, pans, dish soap, paper goods, and utensils
Other Costs <i>Require prior written approval from your ADE specialist.</i>	<i>Computer, Copy Machine, CACFP Office Supplies (pens, paper, printer ink)</i>	<i>Large kitchen appliances, cost of gasoline when grocery shopping¹</i>

Other Costs: To attribute 'Other Costs' to the CACFP, you must contact your assigned program specialist *before an 'Other Cost' item is purchased* and receive ADE approval. You will be requested to submit quotes for higher priced items, such as computers, copy machines, stoves, refrigerators, etc.

If/when you receive approval, you may include the *CACFP portion* of the item(s) as 'Other Costs' on your sponsor claim.

- Administrative CACFP Portion = Square Footage of Administrative Space (Office Area/Desk) ÷ Square Footage of Entire Facility X Total Cost of Approved Administrative 'Other Cost' Item
- Operational CACFP Portion = Square Footage of Operational Space (Kitchen + Dining Areas Tables) ÷ Square Footage of Entire Facility X Total Cost of Approved Operational 'Other Cost' Item

¹ If you charge for gasoline when grocery shopping, you must maintain a mileage log and may only use the current state per diem rate, which can be found at the following: <http://gao.state.az.us/travel>.

This institution is an equal opportunity provider.