



ARKANSAS
DEPARTMENT OF
**HUMAN
SERVICES**

Division of Child Care & Early Childhood Education
P.O. Box 1437, Slot S155, Little Rock, AR 72203-1437
P: 501.682.8869 TDD: 501.682.1550

MEMORANDUM

TO: All CACFP Food Program Participants
FROM: DCCECE / HNU
DATE: August 8, 2023
SUBJECT: CACFP 2022-2023 APPLICATION BUDGETS

It is time to submit your CACFP applications for Fiscal Year (FY) 2022-2023. Related to your application is the annual budget. As part of our customer service to our organizations, we want to ensure you understand the purpose of budgets in conjunction with their approval.

Any time a budget is submitted to the Health and Nutrition Unit for approval for any of our Child Nutrition Programs that is more than the expected reimbursement for the year, institutions must provide documentation of other funds that are available to cover any expenses over and above the expected reimbursement. Documentation that will be accepted as proof are financials, bank statements, audits, etc. This will be expected of all organizations submitting budgets that are in excess of expected reimbursement to ensure the organization is viable to operate CACFP.

The CACFP Regulation at 226.6(b)(2)(vii) requires renewing institutions to provide information sufficient to document it is financially viable. Immediately following this citation, the Regulation under paragraph (A) is specific to Performance Standard 1 related to Financial Viability and Management. Moving further to item (2) under Paragraph (A), the institution must demonstrate it has adequate financial resources to operate the CACFP on a daily basis and has adequate sources of funds for its operation. And item (3) states the budget must be reasonable, allowable, and appropriately documented.

A resource that you may find helpful is from USDA/FNS: [Microsoft Word - Guidance for Management Plans and Budgets Final \(azureedge.us\)](#)

It is highly recommended that you keep a copy of this MEMORANDUM on file for quick and easy reference. A copy is also available in the resource library under **2022 Mass Alerts**.