

Financial Management Evaluation Checklist

The U.S. Department of Agriculture's Food and Nutrition Service (FNS) published a Child Nutrition Program Integrity Final Rule on August 23, 2023. Certain provisions affecting ISBE's monitoring of the Child and Adult Care Food Program (CACFP) went into effect August 23, 2024. The integrity final rule amended regulations to codify the requirement for an annual reconciliation of bank account activity and accounting of actual expenditures with CACFP payments. ISBE is required to annually review the bank account activity for all CACFP sponsors with 2 or more sites. This process is herein referred to a Financial Management Evaluation.

To prepare for the Financial Management Evaluation, please use this checklist to organize records for the test month identified by the ISBE monitor,

____ The following expenditure documentation will be evaluated:

- Cash disbursements journal. Click here for a sample [Cash Disbursements form](#).
- Itemized receipts for food/milk. Ensure all unallowable items are identified.
- Itemized receipts for nonfood supplies. Ensure all unallowable items are identified.
- Documentation of administrative labor and operational labor (if applicable), including personnel activity reports, payroll records and paystubs **for the month of review**. Click here for a sample [Personnel Activity Report](#).
- Depreciation allowance (if applicable).
- Documentation of overhead expenditures (if applicable).
- Records to support allocations; and records to support credit card and cash transactions.

____ Documentation to demonstrate a non-profit food service program (Monthly Profit/Loss Summary) must be maintained by the sponsor. Click here for a sample form. [Monthly Profit/Loss Summary](#)

____ Proofs of payment (bank statements, cancelled checks, EFT deposit verification, etc.) for all CACFP expenses must be available for review. Employee pay stubs must be available for all PAR's.