

**Summer Food Service Program (SFSP)
Viability, Capability, and Accountability (VCA) Checklist**

Sponsor Name: _____

Sponsor Contact Person: _____

Doing Business As (DBA) Name: _____

Address: _____

City, State, Zip: _____

Agreement Number: _____

Federal regulation 7CFR Part 225.14 (c)(1) requires all new private nonprofit organizations, as well as returning private nonprofit organizations with a serious deficiency on their last Administrative Review applying for participation in the Summer Food Service Program to submit information sufficient to document that the institution is **financially** and **administratively capable** of operating the SFSP, 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 796-4, Rev. 4, *Financial Management - Summer Food Service Program for Children*. Answer all questions completely. Submit legible copies of all checklist items.

Organization Background and Eligibility

Indicate which describes the organization:

- A private nonprofit college/university currently participating in the National Youth Sports Program (NYSP)
- A private nonprofit residential summer camp
- Any other type of private nonprofit organization
- A church (as stated in **IRS Publication 557, Tax-Exempt Status for Your Organization**)

Note: There is no Federal requirement that a church provide documentation of its tax-exempt status. However, OSDE may request documentation to verify the tax-exempt status.

Financial Viability & Financial Management

7 CFR § 225.14(d)(6)(iii) requires "if the sponsor is a private nonprofit organization, it must certify that it demonstrates that the organization has adequate management and the fiscal capacity to operate the Program."

Do you understand this requirement? Yes No

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USDA FNS Instruction 796-4, Rev. 4, *Financial Management - Summer Food Service Program for Children* states: "Financial management includes such activities as budgeting, accounting, costing standards, management of revenues, management of property, procurement standards, and fiscal audits. Records of these activities must be supported by source documents to accurately and completely disclose the sources and applications of funds."

Do you understand this requirement? Yes No

- I. **A private nonprofit organization must have adequate financial resources to operate the SFSP on a daily basis, have adequate sources of funds to withstand temporary interruptions in Program payments and/or fiscal claims against the organization, and must be able to document its financial viability.**

Do you understand this requirement? Yes No

Submit one of the following:

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

- A. If applicable to your organization. Yes No

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

- B. If applicable to your organization. Yes No

Twelve months of comprehensive financial statements, to include the following:

- **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.

- C. If applicable to your organization. Yes No

For organizations less than 12 months old, provide the following financial documentation:

- **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.
- **Comprehensive financial statements and documentation** (i.e., cash flow statements, tax returns) for the amount of time for which the organization has a financial history.
- **Bank statements** for all account(s) in the name of the food organization for the amount of time for which the organization has a financial history.

Refer to the Summer Feeding Policy & Handbooks page on www.summerfood.org for USDA FNS Instruction 796-4, Rev. 4, *Financial Management - Summer Food Service Food Program for Children* and for the current *USDA Administrative Guidance for Sponsors*, which include definitions and explanations of allowable operating costs, allowable administrative costs, and unallowable costs.

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II. A private nonprofit organization must have procedures that demonstrate adequate management of financial operations to ensure fiscal integrity and accountability for all program funds.

Do you understand this requirement?

Yes No

Procedures must contain, at minimum, the following information:

- Step by step instructions for each procedure
- When the procedure is carried out (e.g., the date, or frequency such as daily, weekly, monthly)
- Position(s) responsible for performing tasks in the procedure
- How staff will be trained on the procedure(s)
- When staff will be trained on the procedure(s)
- Position(s) responsible for ensuring compliance of the procedure
- When monitoring/review of the procedure takes place (e.g., daily, weekly, biweekly, monthly)

A. 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):

B. Please outline and explain the organization's procedure that ensures all funds or donations received to operate the SFSP are documented and credited to the nonprofit food service account:

If you need to provide any additional information for either A or B, please enter it here:

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III. Describe below the organization's financial management system:

Note: SFSP sponsors using cash as a method of payment will be required to retain thorough and detailed records to support all Program transactions. Failure to retain the documents required by OSDE to fully support cash withdrawal transactions may result in adverse actions including meal disallowances and/or declaration of serious deficiency.

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

B. Please describe how the organization's accounting method will clearly present information on:

1. When a Program cost was incurred (i.e., the date):

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

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

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

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

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

F. Please note when reviews of actual expenses against budgeted amounts take place (e.g., daily, weekly, biweekly, monthly):

G. Please note the position(s) responsible for amending the budget, as needed:

If you need to provide any additional information for any of the above, A through G, please enter it here:

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Administrative Capability

7 CFR § 225.14(d)(6)(iii) requires that "if the sponsor is a private nonprofit organization, it must certify that it demonstrates that the organization has adequate management and the fiscal capacity to operate the Program."

Do you understand this requirement? Yes No

7 CFR § 225.14(c)(1) states "no applicant sponsor shall be eligible to participate in the Program unless it demonstrates financial and administrative capability for Program operations and accepts final financial and administrative responsibility for total Program operations at all sites at which it proposes to conduct a foodservice."

Do you understand this requirement? Yes No

7 CFR § 225.14(d)(3) requires that "sponsors which are private nonprofit organizations will only be approved to administer the Program at sites where they have administrative oversight. Administrative oversight means that the sponsor shall be responsible for: managing site staff, including the hiring, terminating and determining conditions of employment for site staff; and exercising management control over Program operations at sites throughout the period of Program participation by performing the functions specified in § 225.15."

Do you understand this requirement? Yes No

Refer to the *USDA Administrative Guidance for Sponsors* on information regarding personnel duties and descriptions of responsibilities.

A. As part of the checklist items, please provide a copy of the current Organizational Chart which includes:

1. All positions/titles/board members/officers associated with the Program, including:
 - a. All management personnel
 - b. All site personnel and sites they are designated for
 - c. All full legal names associated with the positions/titles
 - d. If applicable: List "Vacant" if personnel not hired yet. See "Hiring Plan" below.

Note: Your organizational chart must include an adequate number of site personnel to conduct proposed operations at each site.

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).

B. Please provide the organization's hiring plan.

Have all personnel been hired? Yes No

1. What is the plan for hiring all personnel prior to the first day of service (for all positions listed as "Vacant" in the organizational chart):

2. Which position(s) is/are responsible for hiring personnel?

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3. When will new personnel receive training?

4. Which position(s) is/are responsible for training new personnel?

C. Please provide the organization's Compensation Policy for Program Personnel:

1. What is/are the rate of pay for each position in the organizational chart?

2. Outline the hours of work, including breaks and meal periods:

I. **List all board members and officers and their titles below. Provide each member's full legal name, a description of their Program duties, and disclose any relationship to other board members or staff of the organization.**

Board Member / Officer Name	Title	SFSP Duties	Relationship to other members or staff of the organization
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

Note: the By-laws, or a similar document, must grant program oversight responsibility to the governing board/officers.

Program Accountability

7 CFR § 225.15(b)(3) states that "sponsors shall plan for and prepare or order meals on the basis of participation trends with the objective of providing only one meal per child at each meal service. The sponsor shall make the adjustments necessary to achieve this objective using the results from its monitoring of sites."

Do you understand this requirement? Yes No

7 CFR § 225.15(c) states that "sponsors shall maintain accurate records which justify all costs and meals claimed. Failure to maintain such records may be grounds for denial of reimbursement for meals served and/or administrative costs claimed during the period covered by the records in question. The sponsor's records shall be available at all times for inspection and audit ... for a period of three years following the date of submission of the final claim for reimbursement for the fiscal year."

Do you understand this requirement? Yes No

7 CFR § 225.6(e)(14) states that "records shall be retained for a period of 3 years after the end of the fiscal year to which they pertain, unless audit or investigative findings have not been resolved, in which case the records shall be retained until all issues raised by the audit or investigation have been resolved."

Do you understand this requirement? Yes No

7 CFR § 225.12(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, except as provided for in § 225.10(c). State agencies may consider claims for reimbursement not properly payable if a sponsor's records do not justify all costs and meals claimed. However, the State agency shall notify the sponsor of the reasons for any disallowance or demand for repayment."

Do you understand this requirement? Yes No

7 CFR § 225.9(c)(7) states that "upon demand of the State agency, sponsors shall repay any advance Program payments in excess of the amount cited on a valid claim for reimbursement."

Do you understand this requirement? Yes No

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I. Provide the organization's procedures for all items A to F.

Procedures must contain, at minimum, the following information:

- Step by step instructions for each procedure
- When the procedure is carried out (e.g., the date, or frequency such as daily, weekly, monthly)
- Position(s) responsible for performing tasks in the procedure
- How staff will be trained on the procedure(s)
- When staff will be trained on the procedure(s)
- Position(s) responsible for ensuring compliance of the procedure
- When monitoring/review of the procedure takes place (e.g., daily, weekly, biweekly, monthly)

A. Please describe the organization's procedure that ensures the number of meals prepared or ordered during the Program will be adjusted as needed to provide only one meal per child at each meal service:

B. Please describe the organization's procedure that ensures complete and accurate records of original daily site meal counts are kept in an organized manner:

C. Please describe the organization's procedure that ensures complete and accurate records of operating personnel time distribution reports are kept in an organized manner:

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D. Please describe the organization's procedure that ensures complete and accurate records of administrative personnel time distribution reports are kept in an organized manner:

E. Does the organization have camp and/or closed-enrolled sites? Yes No

If yes, please describe the organization's procurement procedure that ensures complete and accurate records of eligibility forms are kept in an organized manner:

F. Procurement Procedure

1. Please describe the organization's procurement procedure that ensures local, state, and federal procurement guidelines are followed:

2. Please describe the organization's procedure that ensures all food served is creditable:

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B. Which position(s) is/are responsible for repaying debt owed to OSDE?

C. What funds are to be used in order to repay debt owed to OSDE?

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

Do you understand this requirement? Yes No

Note: Debt owed to OSDE can occur due to organizations receiving advance payments greater than their reimbursement claims and/or OSDE's recoupment of funds.

Do you understand that receiving advance payments greater than the organization's reimbursement and/or OSDE's recoupment of funds can lead to a debt for your organization? Yes No

Note: Unpaid debts are turned over to the Oklahoma District Attorney's Office.

Do you understand this requirement? Yes No

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 Oklahoma 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 Oklahoma 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 Programs
Oklahoma State Department of Education
2500 North Lincoln Blvd.
Oklahoma City, OK 73105

USDA Nondiscrimination Statement

In accordance with Federal 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, age, disability, and reprisal or retaliation for prior civil rights activity. (Not all prohibited bases apply to all programs.)

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible State or local agency that administers the program or USDA's TARGET Center at **(202) 720-2600** (voice and TTY) or contact USDA through the Federal Relay Service at **(800) 877-8339**.

To file a program complaint of discrimination, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online, at <https://www.ascr.usda.gov/sites/default/files/USDA-OASCR%20P-ComplaintForm-0508-0002-508-11-28-17Fax2Mail.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:

mail:

U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or

fax:

(833) 256-1665 or (202) 690-7442

email:

program.intake@usda.gov.

This institution is an equal opportunity provider.