

**Child and Adult Care Food Program (CACFP)
Compensation Plan Form**

Name of Center or Day Care Home:

Contact Person:

Email:

Telephone:

An organization must complete this form if any CACFP operational or administrative labor costs will be submitted for reimbursement by the Program. If the form is not submitted, the organization is not eligible for reimbursement of any labor costs.

Sponsoring organizations must provide one plan for all centers.

Identify who is responsible for developing and maintaining the compensation plan for any operational and/or administrative labor costs for which the organization will seek CACFP reimbursement.

- Board of Directors
- Chief Executive Officer
- Director
- Other: _____

Section 1: Written Policy

1. Copies of the following documents must be submitted.
 - Written compensation policy (may be excerpts from the Employee Handbook, the Human Resources Manual, and/or the Personnel Payroll Policy)
 - Minutes from Board of Directors meetings with agenda items related to compensation policy.
 - Three months of bank statements
 - Time and Attendance Record (time sheet) template that documents:
 - The total time worked, not just the time spent on Program activities.
 - Start time, end time, and absences.
 - Hours worked are reported in no less than 15-minute intervals.
 - Time Allocation Record used for employees who work on two or more programs (for example, CACFP and non-CACFP tasks or two different Child Nutrition programs), if applicable, that document meeting the following criteria:
 - Time Allocation Records are daily logs that establish the portion of costs that may be claimed for reimbursement.
 - Time Allocation Records are prepared in timely manner and coincide with the pay periods.
 - Time Allocation Records reflect an after-the-fact determination of the actual activity for each employee.
 - Only time spent working on CACFP tasks are submitted for reimbursement.
 - Hours worked are reported in no less than 15-minute intervals.
 - Indirect Cost Documentation, if applicable.
 - Pay scales from public school systems or state agencies, if the minimum wages exceed the amounts listed in the Comparable Salary or Wage Scales section.

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2. **Labor Costs** (wages, salaries, and fringe benefits that are requested in the proposed budget)

Responses to questions below must reference the compensation policy documents(s) and page number(s) where the information can be found.

Regular Compensation

A. How does the organization determine wage and salary offers for new employees?

Location in Organization’s Compensation Policy:

B. When and how are salaries and wages adjusted?

Location in Organization’s Compensation Policy:

C. Who is responsible for approving payroll deductions?

Location in Organization’s Compensation Policy:

D. What is the timing and frequency of regular payments to employees?

Location in Organization’s Compensation Policy:

E. How does the organization ensure that any proposed revision to wages, salaries, or benefits includes a rationale on how the change will improve food service and/or benefit participants?

Location in Organization’s Compensation Policy:

F. How does the organization ensure that board members recuse themselves from votes related to their compensation or compensation for family members or financially related parties?

Location in Organization’s Compensation Policy:

Fringe Benefits

Federal regulations allow organizations to seek approval from the Alabama State Department of Education (ALSDE) to use CACFP funds for fringe benefits. CACFP funds may not be used to cover any labor costs for fringe benefits unless approved by the ALSDE. (Appendix C in this document includes a link to FNS 796-2, Rev., 4. Section VIII 23 a and b lists allowable and unallowable labor costs.) Fringe benefit must be allowable under federal regulations. The three most recent bank statements must be submitted to demonstrate there are sufficient CACFP funds to cover the cost.

Complete the chart below to identify fringe benefits for which the organization seeks ALSDE approval to use CACFP funds. ALSDE staff may request additional information while reviewing the request.

Type of Fringe Benefit	Location in Compensation Plan <i>Specify document and page.</i>	Eligible Employees <i>Check all that apply.</i>
		<input type="checkbox"/> All employees <input type="checkbox"/> Full-time operational <input type="checkbox"/> Full-time administrative <input type="checkbox"/> Part-time operational

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		<input type="checkbox"/> Part-time administrative
		<input type="checkbox"/> All employees <input type="checkbox"/> Full-time operational <input type="checkbox"/> Full-time administrative <input type="checkbox"/> Part-time operational <input type="checkbox"/> Part-time administrative
		<input type="checkbox"/> All employees <input type="checkbox"/> Full-time operational <input type="checkbox"/> Full-time administrative <input type="checkbox"/> Part-time operational <input type="checkbox"/> Part-time administrative

Additional pages may be attached if necessary.

3. List job titles and provide written job descriptions with reasonable tasks for the job titles.

Location in Organization's Compensation Policy:

4. How does the organization ensure the annual review and update of its compensation policy?

Location in Organization's Compensation Policy:

5. Demonstrate meetings at least minimum CACFP staff to child ratios. See Appendix A for additional information.

- How many children are enrolled? _____
- How many staff are employed? _____
- How many cooks are employed? _____

Section 2: Allowable Labor Costs

1. How does the organization ensure that all compensation is consistent with the organization's compensation plan?

Location in Organization's Compensation Policy:

1. How does the organization ensure that labor costs are allowable under federal regulations?

Location in Organization's Compensation Policy:

2. How does the organization ensure that labor costs are necessary and reasonable for effective and efficient operation of the Program?

Location in Organization's Compensation Policy:

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3. How does the organization ensure that any wages or salaries for contracted employees, if any, are listed under Purchased Services in the proposed budget?

Location in Organization's Compensation Policy:

Section 3: Unallowable Labor Costs

1. How does the organization ensure no unallowable costs are included in the compensation plan?

Location in Organization's Compensation Policy:

2. How does the organization ensure wages or salaries for contracted employees, if any, are listed under Purchased Services in the proposed budget?

Location in Organization's Compensation Policy:

Section 4: Allocating Labor Costs

1. How does the organization ensure that only time working on CACFP tasks is submitted for reimbursement?

Location in Organization's Compensation Policy:

2. How does the organization ensure that salaries or wages are allocated appropriately among different CNP programs?

Location in Organization's Compensation Policy:

3. How does the organization ensure that all other labor costs (for example, fringe benefits, payroll taxes) are allocated appropriately?

Location in Organization's Compensation Policy:

Section 5: Compensation Provided by the Organization

Food Service Employees

<p>Job Title</p> <ul style="list-style-type: none"> List each employee separately. For example, list Cook #1 and Cook #2. Do <u>not</u> list names of employees. 	<p>Hourly Rate of Pay</p>	<p>Number of Hours Per Day</p>	<p>Number of Days Per Week</p>	<p>Number of Weeks Per Year</p>	<p>Annual Salary <i>(Rounded to the nearest whole dollar.)</i></p>

Note: Public school systems and state agencies may have minimum wages that exceed the amounts listed in the chart above. If applicable, documentation of the pay scales must be submitted.

Administrative Employees

<p>Job Title</p> <ul style="list-style-type: none"> List each position separately. For example, list Cook #1 and Cook #2. Do not list names of employees. 	<p>Hourly Rate of Pay</p>	<p>Number of Hours Per Day</p>	<p>Number of Days Per Week</p>	<p>Number of Weeks Per Year</p>	<p>Annual Salary <i>(Rounded to the nearest whole dollar.)</i></p>

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Section 6: Required Documentation

(Note: Documentation will be inspected during the onsite visit.)

- 1. How does the organization ensure that proper documentation is maintained to support claims for reimbursement?

Location in Organization’s Compensation Policy:

- 2. How does the organization ensure that Time and Attendance Records and Time Allocation Records are completed for all employees and account for all work for which the employee is compensated?

Location in Organization’s Compensation Policy:

- 3. How does the organization ensure that if an employee performs both administrative and operating tasks, the hours are reported separately?

Location in Organization’s Compensation Policy:

- 4. How does the organization ensure that Time and Attendance Records and Time Allocation Records are completed by the employee and then approved by the employee and supervisor?

Location in Organization’s Compensation Policy:

- 5. *(For proprietary and nonprofit organizations only)* How does the organization ensure that Time Allocation Records are prepared at least monthly and coincide with one or more pay period?

Location in Organization’s Compensation Policy:

Section 7: Additional Requirements Only for Public Organizations

Is the organization a public organization? Yes No *If no, skip to the next section.*

1. Compensation charged as a direct cost: Provide a copy of the organization’s monthly time distribution report that is required for each employee that works on Program and non-Program activities when the employee’s compensation is charged as a direct cost.

Location in Organization’s Compensation Policy:

2. Compensation that is charged entirely as an indirect cost: Provide a copy of the organization’s time distribution report that includes the requirements of the approved indirect cost rate agreement or cost allocation plan. The following criteria must be included if appropriate:
 - a. Time distribution reports are not required for an employee who works in a single indirect cost activity or in multiple indirect cost activities which are all allocated using the same allocation base.
 - b. An employee who works in two or more indirect cost activities which are allocated using different allocation bases must prepare time a distribution report.

Location in Organization’s Compensation Policy:

3. For employees who work only on the Program, certifications completed at least semi-annually can be substituted for time distribution reports. Program salaries that serve both operational and administrative functions must be allocated between those accounts and certification must be completed at least semi-annually.

Location in Organization’s Compensation Policy:

Section 8: Certification Statement

I certify that the information on this form and subsequent attachments is true and correct to the best of my knowledge. I understand that this information is being given in connection with the receipt of federal funds and that deliberate misrepresentation may subject me to prosecution under applicable state and federal criminal statutes.

Printed Name and Title of Authorized Representative

Signature of Authorized Representative **Date**

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Appendix A: CACFP Staff to Child Ratios

1. The U.S. Department of Agriculture Food and Nutrition Service requires the following staff-to-child ratios for CACFP operations:

Age	Staff to Child Ratio
Children under 6 weeks of age	1 to 1
For children ages 6 weeks up to 3 years	1 to 4
Children ages 3 years up to 6 years	1 to 6
For children ages 6 years up to 10 years	1 to 15
For children ages 10 and above	1 to 20

7 CFR 226.6(d)(3)(i)

2. Service staff, such as cooks, janitors, or bus drivers, may not be counted in the required staff-child ratio unless they meet child-care worker qualifications, are acting as a child-care worker, and are giving full attention to the children.
3. The ALSDE guideline for cooks to children is 1 cook to 100 children.

Appendix B: Determining Comparable Salaries or Wages

1. ALSDE CACFP staff will use the Interactive Occupation and Wage Estimate tool on the Alabama Department of Labor website to determine whether wages and salaries paid by an organization are comparable to wages and salaries for similar positions in the same geographic area. A sample chart is below.
2. Public school systems and state agencies may have minimum wages that exceed the amounts listed in the chart. Documentation of the pay scales must be submitted.

Example: Mobile, Alabama

March 2023 Occupational Employment and Wages Estimate

Job Category Title and Code	Mean (average)	Entry	Experienced
Education and Child Care Administrators (Preschool and Day Care) (11-9031)	Hourly: \$21.30	Hourly: \$14.92	Hourly: \$24.50
Food Service Manager (11-9051)	Hourly: \$31.04	Hourly: \$21.50	Hourly: \$36.10
Cooks and Food Preparation Workers (35-2000)	Hourly: \$12.89	Hourly: \$10.07	Hourly: \$14.29
Janitors and Cleaners (37-2011)	Hourly: \$12.90	Hourly: \$9.87 hourly	Hourly: \$14.41
Bookkeeping, Accounting, and Auditing Clerks (43-3031) (including monitors)	Hourly: \$18.63	Hourly: \$12.65	Hourly: \$21.62

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Definitions: The Alabama Department of Labor uses the following definitions for the wage levels used in the chart:

- **Mean wage:** This is an average of what people in the occupation, industry, and area make. It is determined by dividing the total estimated wages by the total estimated employment.
- **Entry wage:** This includes beginning level employees (Level 1) who have a basic understanding of the occupation through education or experience. They perform routine or moderately complex tasks that require limited exercise of judgment and provide experience and familiarization with the employer's methods, practices, and programs. Work is closely monitored and reviewed for accuracy. By definition, entry wage is the mean of the lower third of the population.
- **Experienced wage:** This includes fully competent employees who have sufficient experience in the occupation to plan and conduct work requiring judgment and the independent evaluation, selection, modification and application of standard procedures and techniques. These employees may supervise or provide direction to staff performing tasks requiring skills equivalent to a Level I. Level II employees receive only technical guidance and their work is reviewed for application of sound judgment and effectiveness in meeting the establishment's procedures and expectations. By definition, experienced wage is the mean of the upper two-thirds of the population.

Appendix C: Links to Resources

Alabama Department of Labor Employment and Wage Statistics

[AL Occupational Employment and Wage Statistics \(alabama.gov\)](#)

Alabama's Interactive Occupational Employment and Wages Webpage

[AL Interactive OES \(alabama.gov\)](#)

FNS Instruction 796-2, Rev. 4

[Microsoft Word - 796-2 Rev 4 FINAL 12 17 2013 2 \(azureedge.us\)](#)

North American Industry Classification System

[North American Industry Classification System \(NAICS\) U.S. Census Bureau](#)

Standard Occupational Classification Manual (2018)

USDA Guidance for Managements Plans and Budgets (2013) (for CACFP)

[Guidance for Management Plans and Budgets | Food and Nutrition Service \(usda.gov\)](#)

2 CFR 225, Appendix B

[CFR-2012-title2-vol1-part225-appB.pdf \(govinfo.gov\)](#)

7 CFR 230 Cost Principles for Non-Profit Organizations

[2 CFR 230 - COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS \(OMB CIRCULAR A-122\) - Content Details -](#)

[CFR-2012-title2-vol1-part230 \(govinfo.gov\)](#)

Approved: 7-14-2023

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