TO:        Child and Adult Care Food Program Sponsors  
FROM:     Peggy Pawelek Brown, Manager 
          Food and Nutrition Program  
DATE:     November 13, 2001  
SUBJECT:  FNS Instruction 796-2, Revision 3  

Enclosed is a copy of the revised Financial Management Instruction for the Child and Adult Care Food Program (FNS Instruction 796-2, Revision 3). It provides additional detail and guidance for use in operating the Child and Adult Care Food Program (CACFP). It establishes program standards, principles and guidelines for financial management to assure that costs charged to the nonprofit food service are for food service provided principally to enrolled, eligible participants and that costs claimed for reimbursement under the CACFP are allowable, necessary and reasonable for effective and efficient operation of the nonprofit food service.

This Instruction will be the basis of training that will be offered in March and April. You will receive further information on the training at a later date.

We recommend that you review the Instruction prior to the training. Keep it in a convenient location for reference as you continue to operate the Child and Adult Care Food Program.

Enclosure

FISCAL YEAR 2002  
CHILD AND ADULT CARE FOOD PROGRAM  
OPERATIONAL MEMO #3