



COMMODITY SUPPLEMENTAL FOOD PROGRAM  
POLICY AND PROCEDURE MANUAL

SUBJECT:	Financial Management Systems	Chapter:	8
		Section:	8.1
REFERENCES:	7 CFR part 247.27, part 3016 and part3019, and OMB Circulars A-87 and A-122	Page:	1 of 1
		Revised:	12-2005

**PURPOSE:** To describe the financial management systems maintained to assure compliance with financial management regulations.

**POLICY:** There will be accurate, current and complete disclosure of the financial status of the Program in accordance with federal regulations, including an accounting of all program funds received and expended each fiscal year.

**PROCEDURES:**

- A. The State of Missouri’s SAM II system is a comprehensive, automated, financial management system that assures accurate and timely drawdown of federal funds. SAM II assigns each agency, bureau, program unique fund codes to which all purchases and expenditures for the program are coded. SAM II also provides access to a data warehouse of financial information that can be accessed almost any time throughout the month during regular business hours. The data warehouse provides timely reports of funds available and year to date expenditures.
- B. Local agencies are required by contract to follow state or federal procurement procedures. Both the State Agency and local agencies are required to maintain property inventory records for all equipment purchased in whole or in part with federal funds. State policy requires that property valued at \$1,000.00 or more purchased with state and/or federal funds must be inventoried and maintained on annual property inventory records at the state agency. In addition, these records are maintained on file at the respective agencies, and are monitored as part of the monitoring process.
- C. Funds are made available to each of the local CSFP agencies through contracts by the Missouri Department of Health and Senior Services. The contracts specify the services to be performed according to federal regulations and the state plan of operation. Contracts also specify the allocation of administrative funds and caseload. All payments for administrative funds are disbursed in the form of reimbursements for administrative costs incurred by the local agency under contract with the state and are recorded and monitored through SAM II. See Section 8.2 Administrative Costs.
- D. The local agencies are responsible for the cost of receiving, storing and distributing the commodities from their location to recipients or other distribution sites, (see Section 8.2). Contractors submit Attachment 8.1 – Record of Expenditures & Administrative Claim to request reimbursement of administrative costs incurred in the operation of the CSFP. Any claims containing expenses that do not reflect appropriate program expenditures will be adjusted pending further justification from the contractor.