

# Business Records: Serving Up Success



One hour **free** voluntary training credit!

The 2015 CACFP Calendar you received from your Nutrition Educator is designed as a business tool for your Child Care business. Each month contains activity pages filled with recipes, snack ideas, nutrition tips, physical activities, craft suggestions, and timely events. This training component highlights the importance of good “record- keeping” for your Child Care business.

Child Care providers that are interested in the **voluntary** credit will review the information in the calendar and complete the quiz. Quiz must be completed and sent to **SENDCAA** to earn the training hour. This training opportunity is only available to **SENDCAA** providers.

This **one hour** training credit is **Growing Futures approved**. At the end of each month, providers that have completed the credit will be sent a completed certificate and their name will be sent to Growing Futures.

Directions: Please read each month’s information of the calendar and then complete the questions on the “Business Records” quiz.

Name \_\_\_\_\_

Birth date \_\_\_\_\_

Address \_\_\_\_\_

City and Zip \_\_\_\_\_

Email \_\_\_\_\_

Phone \_\_\_\_\_

Deadline: December 31<sup>st</sup>, 2015

Mail or email the completed quiz and this form to:

SENDCAA CACFP  
3233 S University Drive  
Fargo ND 58104

Email: [sharlao@sendcaa.org](mailto:sharlao@sendcaa.org)



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# BUSINESS RECORDS: Serving Up Success

## What is a Family Child Care Provider?

A family child care provider is many things – one of them is a small business owner.

As a family child care provider, you are a self-employed professional operating a business out of your home. This defines you as a small business owner. As a taxpayer and self-employed proprietor you are required by the Internal Revenue Service (IRS) to file an accurate tax return at the end of each year.

## Keeping Business Records

As a small business owner, you need to keep track of business income, or money coming in, and business expenses, or money paid out. This is called “record- keeping.” Keeping a good, organized account of income and expenses will help you file an accurate tax return. Record-keeping is not only necessary for tax purposes, it helps you determine if your tuition rates are enough to maintain your desired level of net profit, or money left over after paying all expenses associated with your business. It helps to see just where and how you are spending your hard- earned money.

## Where Do You Start?

With the NCA Calendar Nutrition & Record Keeping System!

## Record Income and Expenses

Let's start with income, or money coming in each month from the CACFP or money charged to child care. In most cases, tuition is based on attendance.

## Monthly Attendance and Payment Record

Use the monthly Attendance and Payment Record to record arrival time (Time In) and departure time (Time Out) for each child on a daily basis. The amount owed is entered as money due (\$ Due). When a payment is made, the amount paid is entered as money paid (\$ Paid). In this example, J. Smits was present 4 days this week. His tuition is \$25 per day. On the 5th, his parents paid \$100.

MONTHLY 2015 Attendance & Payment Record

In & Out - Use to record time child is admitted in and out of child care. \$ Due & \$ Paid - Use to record amounts each parent owes and has. Record total monthly payments collected on monthly Business Expense & Income page.

Child's Name	Month 2015	Su 1	Mo 2	Tu 3	We 4	Th 5	Fr 6	Sa 7	Su 8	Mo 9	Tu 10	We 11	Th 12	Fr 13	Sa 14	Su 15	Mo 16	Tu 17	We 18	Th 19	Fr 20	Sa 21	Su 22
J.Smits	Time In		8	8	8	8																	
	Time Out		5	5	5	5																	
	\$ Due		25	25	25	25																	
	\$ Paid					100																	
	Time In																						
	Time Out																						
	\$ Due																						
	\$ Paid																						

## Monthly Business

### Expense and Income Record

The monthly Business Expense and Income Record gives you a place to record both your income and expenses. At the end of each month, carry over the total monthly income from the Attendance and Payment Record to the Monthly Income Received section on the right side of the Business Expense and Income Record. Next, record the monthly income received from the CACFP in the same area.

### Month 2015 Income Received

Date	Source	Amt
	CACFP	\$
	This month's total payments received from parents	\$
	Other (specify)	\$
	Other (specify)	\$
=	This month's total income	\$
+	Previous YTD Income Received Balance Brought Forward	\$
=	New YTD Income Received Balance	\$
	Amount put in savings for tax payment	\$

Now let's look at your expenses, or money going out. Most of the Business Expense and Income Record is devoted to your expenses. This is where monthly purchases and other monthly business expenses are recorded. As purchases are made, record the date, place or purchase, check number, and the type of purchase. It is important to keep all of your business receipts, whether you pay with cash, credit card, or check. Most columns on our form match the tax deductible items on the IRS Form Schedule C.

### MONTHLY 2015 Business Expenses & Income For IRS Schedule C (Form 1040) Profit or Loss from Business

Record your business expenses below. Record 2015 utilities and home expenses on the worksheet provided at the back of the calendar.

Date	Purchased From	Chk#	Food	Household Supplies	Program Supplies	Supplies, Postage, & Bank fees	Toys & Equip.	Business Repair & Maintenance	Laundry & Cleaning	Training & Dues	Wages
6/3	X Y Z Store	123	\$108	\$32.90	\$12.43						

### Standard Meal Allowance Record

Business food expenses can be calculated for tax purposes in two ways. You can claim your actual business food costs (by saving all business and personal food receipts) or you can use the Standard Meal Allowance method. With this method, you keep track of all meals and snacks served to children in your care, not just CACFP- reimbursed meals and snacks. You can claim up to one breakfast, one lunch, one dinner, and three snacks per child per day for tax purposes. Do not include meals and snacks served to your own children or other residential children, even if income eligible. These totals are recorded monthly using the Standard Meal Allowance Record on the Business Expense and Income Record.

For "standard meal allowance" record the total number of meals and snacks served including meals and snacks not reimbursable by the CACFP. Do not include your own children's meals.

Breakfasts \_\_\_\_\_  
AM Snacks \_\_\_\_\_  
Lunches \_\_\_\_\_  
PM Snacks \_\_\_\_\_  
Dinners \_\_\_\_\_  
Evening Snacks \_\_\_\_\_

### Utilities and Home Expense Worksheet

A separate page called the Utilities and Home Expense Worksheet is found near the back of the calendar. This page is used to record your monthly utility and home expenses such as electric, water, gas, trash, and other categories from IRS Form 8829. Simply record the date paid and the dollar amount spend on the utility or home expense. This example shows what the provider paid for electricity, natural gas, water and sewer, trash and recycling, and homeowners insurance in the month of January.

### Utilities and Home Expenses Worksheet For IRS Form 8829 - Expenses for Business Use of Your Home

2015	Electric		Natural Gas		Water & Sewer		Trash & Recycling		General Home Repairs		Homeowner's Insurance		Real Estate Taxes	
	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount
January	1/7	\$62.90	1/7	\$45.12	1/30	\$15.67	1/8	\$34.27			1/10	\$50.00		
February														

### Organize Your Receipts

After entering your expenses, file each receipt in a folder, envelope, or file labeled with the name of that category. For example, the receipt from Acme Food Market would go in a file titled Food Expenses. The receipt from Bill's Toy Store would go in a file titled Toys and Equipment.

### Extra Features

There are many features in the Monthly Business Expense and Income Record in addition to the ones we have discussed. NCA has included a Federal Income Tax worksheet to complete your file organization for tax time. Enjoy the record-keeping portion of the calendar and make use of it. This will help you to get organized and take some of the stress out of tax time!

### Reminder

The CACFP requires that you keep accurate daily records on the foods you offer and the children you serve each day to earn your reimbursement.

# QUIZ

## BUSINESS RECORDS: Serving Up Success

Use the training module and your 2015 Nutrition Calendar & Record Keeping System to answer these questions.

1. TRUE OR FALSE?

CACFP requires a daily record of foods you offer and the children served.

\_\_\_\_\_ TRUE \_\_\_\_\_ FALSE

2. How many meals and snacks may be claimed for the Standard Meal Deduction?

- a. Two meals and one snack per child per day.
- b. Two snacks and one meal per child per day.
- c. One breakfast, one lunch, one dinner, and three snacks per child per day.
- d. None of the above.

3. TRUE OR FALSE?

With the Standard Meal Deduction, you may only record meals and snacks for child care children, not your own children or children living in your house.

\_\_\_\_\_ TRUE \_\_\_\_\_ FALSE

4. How often should you record child attendance?

\_\_\_\_\_

5. TRUE OR FALSE?

Receipts for credit card purchases do not need to be kept since these transactions will be kept electronically.

\_\_\_\_\_ TRUE \_\_\_\_\_ FALSE

6. Complete the sample Business Expense and Income Record below for a purchase made from A+ Superstore on June 1, 2015. Check 2345 was used and you spent \$100 on household items, \$50 on snacks, and \$25 on outdoor toys.

**MONTHLY 2015 Business Expenses & Income**  
**For IRS Schedule C (Form 1040) Profit or Loss from Business**

Record your business expenses below. Record 2015 utilities and home expenses on the worksheet provided at the back of the c ar.

Date	Purchased From	Chk#	Food	Household Supplies	Program Supplies	Supplies, Postage, & Bank fees	Toys & Equip.	Business Repair & Maintenance	Laundry & Cleaning	Training & Dues	Wages

7. List three ways the Record Keeping system will help you as a family child care provider:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. TRUE OR FALSE?

Is it acceptable to change the expense categories to fit your needs?

\_\_\_\_\_ TRUE \_\_\_\_\_ FALSE