



# COLORADO DEPARTMENT OF EDUCATION

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**William J. Moloney**  
Commissioner of Education

**Karen Stroup**  
Deputy Commissioner

**CN07-F-013**

TO: Nutrition Service Directors

FROM: Dan C. McMillan, Director, Nutrition and Transportation

DATE: May 24, 2007

SUBJECT: Record Retention for the Child Nutrition Programs:  
Special Considerations

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Please refer to the attachment, "Special Record Retention Considerations."

The CDE Auditing Unit has recently encountered several situations where certain Child Nutrition Program records were not being retained on file that are needed for audits under the School Finance Act and the related Pupil Count. As a result, audit exceptions and significant overpayments have been reclaimed that could have been minimized or eliminated had records been retained as required.

The attachment explains general retention requirements for Child Nutrition programs, as well as the expanded requirements for records pertaining to the eligibility for free and reduced price school meals.

If you have any questions, please contact our office at 303.866.6661 or 888.245.6092 (outside of the Denver Metro area). Specific questions relating to the audit process should be directed to Tracey Cantrell at 303.866.6880, or you may email her at: [cantrell\\_t@cde.state.co.us](mailto:cantrell_t@cde.state.co.us).

# **Special Record Retention Considerations Free and Reduced Price Meal Applications And Verification Documentation**

General requirements:

Federal regulations require that Child Nutrition Program records be retained for three years after the federal fiscal year to which they pertain. As the federal fiscal year (October through September) is different from the school year (July through June) it is safest and easiest to keep these records for a minimum of Four (4) School Years beyond the school year to which they pertain.

The records must be kept beyond this four (4) plus current school year period when:

- There are still unresolved findings pertaining to an audit, in which case they shall be maintained until the issues of the audit are resolved.

Free and Reduced Price Records:

Due to the fact the at-risk funding under the School Finance Act is tied to eligibility for free/reduced price meals under the National School Lunch Act, special record retention requirements are necessary.

State rules allow for CDE-conducted audits for School Finance and Pupil Count compliance to go back up to five school years. As such, the following records must be retained for a minimum of five (5) school years beyond the school year to which they pertain:

- All free and reduced price meal applications
- Direct Certification lists
- Lists of categorically eligible students for homeless, runaway, and migrant
- Verification documentation and summary
- Family Economic Data Survey forms from non-participating schools (if applicable)

It is permissible to keep an electronic file of the applications, providing that they are filed as an image that preserves the signature, and must be readily retrievable by school. It is important that they be maintained in a file format that can be retrieved regardless of the software version or manufacturer that created the file, or the software version or manufacturer currently in use. Check with your software vendor(s) to prevent irretrievable records and subsequent audit findings.

(revised May 17, 2007)