

**Los Angeles Regional Foodbank**  
**ACCOUNTING**  
**February 9, 2005**  
**Presenters:**  
**Usha Murthy, Finance Director**  
**Czarina Luna, Accounting Manager**

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1. What's New

- VAP fee increase of \$0.02/lb for gleaned products
- Statements mailed out twice a month
- Increases in credit limits
- Terms for SSS is net 30 days
- Credit card payments are now accepted

2. Methods of Payment

The Foodbank will receive payments on invoices in the form of agency checks and via corporate (agency) credit cards. The Agency checks need to be signed by authorized signor(s) on the account. This method of payment allows the Foodbank to keep a stricter control over agency payments and our internal record keeping. (See attachment A).

3. How to read your invoice and statement

Things to note when reading your statement:

- Your agency number and program number (i.e., KC, SSS) are on the upper right hand corner (below the statement date) of your statement/invoice. Some agencies have various programs. These programs include:
  - Kids Café (KC)
  - Soup Kitchen (SK)
  - Shop Smart and Save (SSS)
  - Brown Bag (BB)
- Terms:
  - Shop-Smart and Save (SSS) – net 30
  - Regular and Kids Café – net 30
  - Brown Bag- no SMF
  - Soup Kitchen – no SMF if USDA food
- For your added convenience, statements are printed twice a month and are mailed out. Any changes in agency information, such as address, contact person and phone number need to be updated with Agency Relations.
- Various credits from organizational grants may appear on your statements. The Accounting Department or Agency Relations Department generates letters to inform agencies of these credits. If you have any questions about any particular credit showing in your statement, please call Accounting. Credits cannot be refunded to agencies. All credits that have not been used and appear as credits on ending balances on the monthly statement *must* be used by agencies in the form of getting SMF food at the Foodbank within 6 months of it appearing on the statement.
- Questions regarding your statement may be directed to the following Accounting personnel:

Claudia Manzanares	(323) 234-3030	Ext.137
Jamela Smith	(323) 234-3030	Ext.166
Czarina Luna	(323) 234-3030	Ext.138

Request copies of invoices from the following Inventory Control Department personnel:

Norma Chavez (323) 234-3030 Ext. 184  
Paul Bass (323) 234-3030 Ext. 124  
Brisa Lepe (323) 234-3030 Ext. 123  
Martha Salas (323) 234-3030 Ext. 153  
Glynn Rivera (323) 234-3030 Ext. 122  
Krista Venning (323) 234-3030 Ext. 145

4. Value-Added Processing (VAP) fee increase as of January 1, 2005 from \$0.05 to \$0.07

See attached memo to agencies dated December 1, 2004.

5. Accounting "HOLDS"

An account is placed on accounting hold under the following circumstances:

- Past-due balances
- Balances over the credit limit
- Check payments returned by the bank

Agency Relations may also place an account on hold. At the time an agency places an order, they will be notified of the hold. Please contact Agency Relations for any accounts placed on hold due to Agency Relations issues (single audit, insurance requirements, etc.).

If an account is on hold, an agency may still be able to order USDA items.

6. Requests for credit limit increase

All requests for credit limit increase must be submitted in writing by an authorized individual (e.g. the Executive Director, or Program Manager) to the Finance Director via U.S. mail or email ([umurthy@lafoodbank.org](mailto:umurthy@lafoodbank.org)) at the Foodbank. Such requests must indicate the business reason and need for a credit limit increase. Any financial records (if available) and poundage participation reports are to be attached to the request. It takes approximately one week for any response to be communicated to the agency with respect to their request for increase in credit limit (See attachment C).

7. Single Audits of your agencies

As part of the Office of Management and Budget (OMB) Circular A-133, the Foodbank is required to obtain single audits of all its "sub-recipients" that have received federal awards, **and** meet the threshold of over \$500,000 for years ending after December 31, 2003.

The California Society of CPAs [www.calcpa.org](http://www.calcpa.org) (1-800-922-5272) is one of the many resources to find a CPA/CPA firm that is qualified to do all kinds of audits of your entity.

One copy of Single Audit reports must be submitted to the Agency Relations department of the Foodbank as soon as it becomes available to you.