

# Sponsoring Organization of Centers

Sponsoring organization of centers is one type of Institution that may enter into an agreement with the SDE. A sponsoring organization of centers is a public or nonprofit private organization that is entirely responsible for the administration of the CACFP in:

1. A child care center, emergency shelter, At-risk afterschool care center, outside-school-hours care center, or adult day care center which is unaffiliated (legally distinct entity) from the sponsoring organization;
2. Two or more child care centers, emergency shelters, At-risk afterschool care centers, outside-school-hours care center, adult day care centers; or
3. Any combination of child care centers, emergency shelters, At-risk afterschool care centers, outside-school-hours care centers, and adult day care centers. A sponsoring organization also includes an organization that is entirely responsible for administration of CACFP in any combination of two or more child care centers, At-risk afterschool care centers, adult day care centers or outside-school-hours care centers, which are For-profit center(s) and affiliated (part of the same legal entity) to the sponsoring organization.

***For-Profit Center***, a child care center, outside-school-hours care center, or adult day care center providing nonresidential care to adults or children that does not qualify for tax-exempt status under the Internal Revenue Code of 1986.

A sponsoring organization of centers may also participate in the CACFP as a sponsoring organization of day care homes. In addition, Head Start programs with more than one center may operate in CACFP as a sponsoring organization of centers

This manual section provides the following guidance for sponsoring organization of centers:

1. Eligible Organizations and Participants
2. Application Requirements
3. Program Agreement
4. Training Requirements for Organization Employees
5. Record Maintenance Requirements
6. Monitoring Requirements
7. Serious Deficiency Process
8. Administrative Review Procedures (appeal process)
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## Eligible Organizations and Participants

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Except for for-profit centers and sponsoring organizations of such centers, organizations must be public, or have tax exempt status under the Internal Revenue Code of 1986. A for-profit organization shall be eligible to serve as a sponsoring organization for for-profit centers which have the same legal identity (affiliated) as the organization, but shall not be eligible to sponsor for-profit centers which are legally distinct (unaffiliated) from the organization, day care homes, or public or private nonprofit centers.

### ELIGIBLE PARTICIPANTS

CACFP serves the following participants enrolled in non-residential day care programs or residential homeless shelters:

1. Children age 12 years or under;
2. Children of migrant workers age 15 or under;
3. Children and youth age 18 or under in emergency shelters;
4. Children and youth age 18 or under at the start of the school year participating in At-Risk Afterschool Centers;
5. Participants of any age who have one or more disabilities, as determined by the State of Idaho, and when the majority of enrollees in the center are age 18 or under; and
6. Adults participating in a qualifying adult day care center who are functionally impaired or 60 years of age or older.

# Application Requirements

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New and renewing sponsoring organizations must submit to SDE a complete application packet in MyldahoCNP with all information required for its approval, and the approval of the facilities under its jurisdiction. [7 CFR 226.6(b) and 226.6(f)] The information must demonstrate that a new sponsoring organization has the administrative and financial capability to operate CACFP in accordance with 7 CFR 226.15, 226.16, and with the performance standards set forth in 7 CFR 226.6(b) (1) (xviii), and that a renewing sponsoring organization has the administrative and financial capability to operate CACFP in accordance 7 CFR 226.15, 226.16, and with the performance standards set forth in 7 CFR 226.6(b) (2) (vii). These requirements are also included in the Application Process and Annual Updates section of this manual.

The following items must be provided to SDE when a sponsoring organization is new and when updated by the sponsoring organization. Each must be either attached to the application packet in MyldahoCNP under the checklist or certified in the application packet.

## MANAGEMENT PLAN AND ADMINISTRATIVE BUDGET

A sponsoring organization management plan and administrative budget must include information sufficient to document the sponsoring organization's compliance with the performance standards. [7 CFR 226.6(b) (1) (xviii) and 226.6(b) (2) (vii)] See the Financial Audits and Budget Requirements section of this manual for more information on budget and reporting requirements.

## MONITORING STAFF RATIOS

A sponsoring organization of centers must document that, to perform monitoring, it will employ the equivalent of one full-time staff person for each 25 to 150 centers it sponsors.

SDE determines the appropriate level of staffing for monitoring for each sponsoring organization shall be consistent with the above specified ranges and factors. SDE requires sponsoring organizations to complete and submit a Monitoring Staff Ratio form to determine the appropriate level of monitoring staff is provided by each organization. The monitoring staff equivalent includes the employee's time spent on scheduling, travel time, review time, follow-up activity, report writing, and activities related to the annual updating of participants enrollment forms.

If the sponsoring organization sponsors both homes and centers and meets either the 50 homes or 25 centers thresholds, SDE will utilize the staffing standard for the most common

type of facility operated by that sponsor.

## **MONITORING PROCEDURES**

Each sponsoring organization must provide the organization's most current monitoring procedures to SDE in the MyIdahoCNP application packet attached to the checklist. The monitoring procedures must include a procedure to conduct pre-approval visits to all new facilities prior to claiming meals for reimbursement and submitting their site application for approval in MyIdahoCNP. The pre-approval visits are conducted to discuss CACFP benefits and verify that the proposed food service does not exceed the capability of the center (facility).

## **ADMINISTRATIVE COSTS**

For sponsoring organizations of centers, the portion of the administrative costs to be charged to CACFP may not exceed 15 percent of the *meal reimbursements* estimated or actually earned during the budget year, unless SDE grants a waiver in accordance with 7 CFR 226.7(g). A sponsoring organization of centers must include in the administrative budget all administrative costs, whether incurred by the sponsoring organization or its sponsored centers. If at any point a sponsoring organization determines that the meal reimbursements estimated to be earned during the budget year will be lower than that estimated in its administrative budget, the sponsoring organization must amend its administrative budget to stay within the 15 percent limitation (or any higher limit established pursuant to a waiver granted under 7 CFR 226.7(g)) or seek a waiver. Failure to amend the budget will result in appropriate fiscal action in accordance with 7 CFR 226.14(a).

## **SITE APPLICATION**

A complete new or renewing site application must be submitted for approval in MyIdahoCNP for each sponsored child care and adult day care facility, including all necessary license or health/safety inspections. The site application must include all eligibility information for the site and participants. Each center owner and director's contact information must be provided in the application. This includes the name of the center owner and director, their mailing address, and date of birth. Sponsoring organizations must immediately notify SDE in writing if any sites are terminating for convenience. The termination for convenience procedures are provided in this manual section.

## **LICENSE OR HEALTH AND SAFETY INSPECTIONS**

Each facility's license, or if the facility is exempt from licensing, their most current health and fire safety inspection, must be attached in the application packet checklist in

MyIdahoCNP before the packet may be submitted for approval.

### **PARENT NOTIFICATION LETTER**

A copy of the sponsoring organization's parent notification letter, in a form and language easily understandable by the participant's parents or guardians, must be submitted in MyIdahoCNP application packet if the organization chooses to use a different letter than provided by SDE. The notice must inform parents of their facility's participation in CACFP, CACFP's benefits, the name and telephone number of the sponsoring organization, and the name and telephone number of the SDE CACFP office.

### **TERMINATION FOR CAUSE (SERIOUS DEFICIENCY PROCESS) AND ADMINISTRATIVE REVIEW PROCEDURES**

SDE has determined that the sponsoring organization is responsible for the administrative review of a proposed termination of a day care home or unaffiliated center's agreement for cause, pursuant to 7 CFR 226.6(l)(1), therefore, a copy of the sponsoring organization's administrative review procedures and serious deficiency process must be provided to SDE. The sponsoring organization's supplemental serious deficiency and administrative review procedures must comply with the procedures provided in this section and 7 CFR 226.6(l);

### **OUTSIDE EMPLOYMENT POLICY**

A copy of the sponsoring organization's outside employment policy must be submitted. The policy must restrict other employment by employees that interferes with an employee's performance of CACFP related duties and responsibilities, including outside employment that constitutes a real or apparent conflict of interest.

### **ADMINISTRATIVE, FINANCIAL AND MONITORING RESPONSIBILITY**

Each sponsoring organization shall accept final administrative and financial responsibility for CACFP food service operations in all centers under its jurisdiction. Sponsoring organizations may not contract out for management of CACFP. In addition, sponsoring organizations shall provide adequate supervisory and operational personnel for the effective management and monitoring of the CACFP at all facilities it sponsors.

### **SPONSORING ORGANIZATION PLANS TO TRAIN ALL KEY STAFF AND FACILITIES**

Sponsoring organizations must provide training on CACFP duties and responsibilities to key staff from all sponsored facilities prior to the beginning of CACFP operations and at least annually thereafter. At a minimum, such training must include instruction, appropriate to the level of staff experience and duties, on CACFP's meal patterns, meal counts, claims

submission and review procedures, recordkeeping requirements, and reimbursement system. Attendance by key staff is mandatory. Sponsoring organizations must also provide training to key staff at new facilities before claiming meals at those sites. See the training section under Centers Provision for more information. The sponsoring organization's training plans must be attached to the checklist in MyIdahoCNP application packet.

# Program Agreement

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Each organization shall enter into a single permanent program agreement with SDE in accordance with 7 CFR 226.6(b) (4). The agreement must be maintained by both SDE and the organization for the entire time the organization operates the CACFP under SDE and for three years thereafter. For the full definition of the program agreement and required information in the agreement, please refer to the Acronyms and Definitions section of this manual.

SDE requires a sponsoring organization to enter into a written permanent agreement for the administration of CACFP with their unaffiliated facilities (child care centers, adult day care centers, emergency shelters, At-risk afterschool care centers, and outside-school-hours care centers). The agreement must be maintained by both the sponsoring organization and the facility for the entire time the facility operates in CACFP under the sponsoring organization and for three years thereafter.

The agreement shall specify the rights and responsibilities of both parties. Nothing in the preceding sentence shall be construed to limit the ability of the sponsoring organization to suspend or terminate the permanent agreement in accordance with 7 CFR 226.16(l).

## **SPONSORING ORGANIZATION AGREEMENTS WITH CENTERS**

SDE developed a written permanent agreement in English and Spanish that the sponsoring organization may use, or, if requested by the sponsoring organization, they may develop a written permanent agreement that must be approved by SDE before implementing. At a minimum, the agreement shall embody:

1. The right of the sponsoring organization, SDE, USDA, and other State and Federal officials to make announced or unannounced reviews of the facility's operations and to have access to its meal service and records during normal hours of operation;
2. The responsibility of the sponsoring organization to require key staff, as defined by SDE, to receive CACFP training prior to the facility's participation in CACFP, and at least annually thereafter, on content areas established by SDE, and the responsibility of the facility to participate in that training;
3. The responsibility of the facility to prepare and serve meals which meet the meal patterns specified in 7 CFR 226.20;
4. The responsibility of the facility to maintain records of menus, and of the number of meals, by type, served to enrolled participants;
5. The responsibility of the facility to promptly inform the sponsoring organization about any change in the number of participants enrolled for care or in its licensing or

- approval status;
6. The meal types approved for reimbursement to the facility by SDE;
  7. The right of the facility to receive in a timely manner the meal reimbursement rate for each meal served to enrolled participants for which the sponsoring organization has received payment from SDE. The sponsoring organization must not withhold CACFP payments to any facility for any other reason, except any amounts that the sponsoring organization has reason to believe are invalid, due to the facility having submitted a false or erroneous meal count;
  8. The right of the sponsoring organization or the facility to terminate the agreement for cause or, subject to stipulations by SDE, convenience;
  9. A prohibition of any sponsoring organization to charge a fee to the facility for its CACFP administrative services. The sponsoring organization may only maintain up to 15% of the facilities meal reimbursement for the organizations administrative expense;
  10. If SDE has approved a time limit for submission of meal records by facilities, that time limit shall be stated in the agreement;
  11. SDE's policy to restrict transfers of facilities between sponsoring organizations;
  12. The responsibility of the facility to notify their sponsoring organization in advance whenever they are planning to be closed during the meal service period. The agreement must also state that, if this procedure is not followed and an unannounced review is conducted when the children are not present in the facility, claims for meals that would have been served during the unannounced review will be disallowed;
  13. The facility's opportunity to request an administrative review if a sponsoring organization issues a notice of proposed termination of the facility's CACFP agreement, or if a sponsoring organization suspends participation due to health and safety concerns, in accordance with 7 CFR 226.6(1) (2); and
  14. If so instructed by its sponsoring organization, the facility's responsibility to distribute to parents a copy of the sponsoring organization's notice to parents.

## Training Requirements for Organization Employees

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The SDE provides training and technical assistance to new and renewing sponsoring organizations' key staff. In turn, sponsoring organizations must provide CACFP training and require their staff who did not attend SDE training, to attend their training prior to the organization's participation in CACFP, and annually thereafter. The training must be provided to all staff who is involved with CACFP operations and record keeping. The sponsoring organization is responsible for training their monitoring staff on monitoring requirements and their monitoring procedures. The monitoring training must be documented in the sponsoring organization's staff training, in addition to the SDE training requirements and recommendations listed in the Center Provision provided later in this section. Sponsoring organizations must follow the same documentation requirements as centers.

Sponsoring organizations are required to train all new staff in the organization on CACFP and Civil Rights requirements soon after they are hired and before they take responsibility for their CACFP duties. To provide adequate back-up, more than one staff person should be thoroughly trained in each CACFP function.

Key staff required to complete SDE new sponsoring organization training are:

- Executive Director: and
- Program contact if different from executive director;
- If applicable, the financial or business manager

### **SDE ANNUAL CACFP MANDATORY TRAINING**

Each year the program contact is required to attend the SDE CACFP training and additional key staff may be requested by SDE to attend as well. Mandatory annual training occurs in August of each year and may be a combination of online and in person training. SDE will notify organizations each year of the dates and places of the annual training(s) and provide registration information. Annual training highlights changes in policy and procedures, provides program updates, and focuses training on review findings from the current fiscal year.

For information on current SDE CACFP trainings available, please contact the Idaho State Department of Education, Child Nutrition Programs, at (208) 332-6821 or check the CNP website for information about current trainings available.

## Record Maintenance Requirements

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Each sponsoring organization shall establish procedures to collect and maintain all CACFP records required in order to comply with the recordkeeping requirements established in 7 CFR 226.10(d) and 226.15(e), as well as any records required by SDE in order to justify the administrative payments made in accordance with 7 CFR 226.12(a). Failure to maintain such records shall be grounds for the denial of reimbursement for meals served during the period covered by the records in question and for the denial of reimbursement for costs associated with such records. Sponsoring organizations must maintain records for three years plus the current program year. SDE allows sponsoring organizations to maintain records either in hard copy or electronically. The records must be legible and available to SDE during CACFP reviews. At a minimum, the following records shall be collected and maintained:

1. The sponsor application packet and supporting documents in MyIdahoCNP, SDE's online application and claiming system. Sponsors may maintain the completed application forms in the system and are not required to print and maintain as hard copy records;
2. Documentation of the enrollment of each participant at centers (except for outside-school-hours care centers, emergency shelters, and At-risk after school care centers). For child care centers, documentation of enrollment must be updated annually, signed by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care.
3. All types of centers, except for emergency shelters and At-risk afterschool care centers, must maintain information used to determine eligibility for free or reduced-price meals in accordance with 7 CFR 226.23(e)(1).
4. Daily records indicating the number of participants in attendance and time of service meal counts, by type (breakfast, lunch, supper, and snacks), served to center participants.
5. Daily records indicating the number of meals, by type, served to adults performing labor necessary to the food service;
6. Copies of invoices, receipts, or other records required by SDE financial management instruction to document:
  - a) Administrative costs claimed by the sponsoring organization;
  - b) Operating costs claimed by the sponsoring organization; and
  - c) Income to the CACFP.
7. Copies of all claims for reimbursement submitted to SDE;
8. Receipts for all CACFP payments received from SDE;
9. For sponsoring organizations of unaffiliated centers, information concerning the

- dates and amounts of disbursement to each center;
10. Copies of menus and menu records required by SDE as provided in the Menu Planning and Menu Record Requirement section of this manual;
  11. Each CACFP monitoring review conducted by SDE with technical assistance, findings and the corrective action prescribed and completed. Information concerning the location and dates of each child care or adult day care facility monitoring review, any problems noted, and the corrective action prescribed and effected;
  12. Information on training session date(s) and location(s), as well as topics presented and names of participants;
  13. Documentation of nonprofit food service to ensure that all CACFP reimbursement funds are used:
    - a) Solely for the conduct of the food service operation; or
    - b) To improve such food service operations, principally for the benefit of the enrolled participants.
  14. For sponsoring organizations, records documenting the attendance at annual training of each staff member with monitoring responsibilities. Training must include instruction, appropriate to the level of staff experience and duties, on CACFP's meal patterns, meal counts, claims submission and claim review procedures, recordkeeping requirements, and an explanation of CACFP's reimbursement system.

#### **AREA ELIGIBILITY DETERMINATIONS FOR AT-RISK AFTERSCHOOL CARE CENTERS.**

Sponsoring organizations of At-risk afterschool care centers must maintain the current school year attendance area information that it has obtained or verified with the appropriate school officials. The site and school boundary maps will be reviewed by the state agency during the program reviews. This information will permit SDE to validate what the sponsor submitted in the site applications for their sponsored centers supports the centers are located in eligible areas. Center area eligibility approval is effective for five years.

#### **CLAIM SUBMISSION**

Each sponsoring organization shall submit claims for reimbursement to SDE in accordance with 7 CFR 226.10. Please see the Claiming System and Required Records section of this manual for more information on SDE claim process and record keeping requirements.

#### **DISBURSEMENT OF FUNDS TO FACILITIES**

Sponsoring organizations shall make payments of CACFP funds to unaffiliated child care centers, adult day care centers, emergency shelters, At-risk afterschool care centers, or outside-school-hours care centers within five working days of receipt from SDE, on the basis of the management plan approved by SDE. The SDE issues reimbursement payments based

on meals times rates, payments to each facility may not exceed the rate times number of meals documented on meal count records at each facility during any fiscal year. The sponsoring organization is required to maintain records of provider monthly payments, how the payment was distributed (check, direct deposit) and when the payment was issued. In addition, during SDE program reviews the SDE will review the organization bank statements to validate the payments.

### **SPECIAL MILK PROGRAM**

Organizations may not participate in both the Child and Adult Care Food Program and the Special Milk Program at the same time. This will be monitored and validated by the SDE through MyIdahoCNP application and claiming system.

### **ELDERLY FEEDING PROGRAMS**

Institutions which are school food authorities may use facilities, equipment and personnel supported by CACFP funds to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C.3001 et seq.). Any CACFP reimbursement claimed with these expenses must be documented in the organization's financial records and reports.

### **REGULATIONS AND GUIDANCE**

Each sponsoring organization must comply with all regulations issued by FNS and USDA, all instructions and handbooks issued by FNS and USDA to clarify or explain existing regulations, and all regulations, instructions and handbooks issued by SDE that are consistent with the CACFP regulations. All of these resources support the record keeping requirements described in the CACFP manual sections.

### **INFORMATION ON WIC**

Each organization facility (other than outside-school-hours care centers, At-risk afterschool care centers, emergency shelters, and adult day care centers) must ensure that parents of enrolled children are provided with current information on the benefits and importance of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the eligibility requirements for WIC participation. This may be accomplished by maintaining WIC brochures and/or poster in each facility in a location easily accessible by parents or legal guardians.

## Monitoring Requirements

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A sponsoring organization must review each facility to ensure it operates according to program standards and requirements; provide adequate supervisory and operational personnel to effectively monitor each facility; and conduct all required facility reviews according to program regulations 7 CFR 226.16.

It is the responsibility of the sponsoring organization to provide sufficient training and technical assistance during the pre-approval and 4 week follow-up visits to assure successful participation for all facilities. The pre-approval visit must occur before CACFP operations begin. It is important to note; site staff may not monitor their own site. Technical assistance must be provided and documented during the early stages of CACFP participation.

Monitors are considered key staff in the sponsoring organization and must receive training when hired and annual thereafter by the organization. Sponsoring organizations must thoroughly train the sponsoring organization's monitors in CACFP and Civil Rights requirements and provide each monitor with the sponsoring organization's written monitoring procedures. The monitors are required to conduct regular visits at all facilities to determine compliance with meal patterns, record keeping, and other CACFP requirements. Monitoring reviews must assess whether the facility has corrected problems noted on the previous review(s), a reconciliation of the facility's meal counts with enrollment and attendance records for a five-day period, and an assessment of the facility's compliance with CACFP requirements pertaining to:

1. The meal pattern;
2. Licensing or if license exempt (current Health/Safety Inspections) ;
3. Attendance at training;
4. Meal counts;
5. Attendance records per participant;
6. Meal serving times and type of meal service;
7. Detailed menu and menu records;
8. Food safety and sanitation;
9. Infant meals and records if infants in care;
10. Medical statements for food substitutions forms;
11. Civil rights compliance;
12. The annual updating and content of enrollment forms (if the facility is required to have enrollment forms on file, as specified in 7 CFR 226.15(e) (2) and 226.15(e) (3)).

## **FIVE DAY RECONCILIATION OF MEAL COUNTS.**

Monitoring reviews must examine the meal counts recorded by the facility for five consecutive days during the current and/or prior claiming period month. For each day examined, monitors must use enrollment and attendance records (except in those outside-school-hours care centers, At-risk afterschool care centers, and emergency shelters where enrollment records are not required) to determine the number of participants in care during each meal service and attempt to reconcile those numbers to the numbers of breakfasts, lunches, suppers, and/or snacks recorded in the facility's meal count for that day. Based on that comparison, monitors must determine whether the meal counts were accurate. If there is a discrepancy between the number of participants enrolled or in attendance on the day of review and prior meal counting patterns, the monitor must attempt to reconcile the difference and determine whether the establishment of an over claim is necessary.

## **FREQUENCY AND TYPE OF REQUIRED FACILITY MONITORING REVIEWS**

Sponsoring organizations must review each facility three times each year, except when averaging is allowed. In addition:

1. At least two of the three reviews must be unannounced;
2. At least one unannounced review must include observation of a meal service;
3. At least one review must be made during each new facility's first four weeks of CACFP operations;
4. Not more than six months may elapse between reviews; and
5. Monitors must vary the timing of unannounced visits so they are unpredictable.

## **AVERAGING OF REQUIRED REVIEWS**

If a sponsoring organization conducts one unannounced review of a facility in a year and finds no serious deficiencies (regardless of the type of facility), the sponsoring organization may choose not to conduct a third review of the facility that year, and may make its second review announced, provided that the sponsoring organization conducts an average of three reviews of all of its facilities that year, and that it conducts an average of two unannounced reviews of all of its facilities that year. When the sponsoring organization uses this averaging provision, and a specific facility receives two reviews in one review year, its first review in the next review year must occur no more than nine months after the previous review. A sponsoring organization must include in their monitoring procedures if they intend to use the averaging method when applicable.

## **SPONSORING ORGANIZATIONS MONITORING REQUIREMENTS WHEN FACILITIES OPERATE LESS THAN 12 MONTHS OUT OF THE YEAR**

According to CACFP Memorandum #1-04: “Sponsor Monitoring Requirements in the Child and Adult Care Food Program (CACFP)”, SDE in consultation with Western Regional Office (WRO) USDA, may exercise judgment in determining the minimum review requirements for a given sponsoring organization and its facilities. Below is Idaho SDE policy as of December 22, 2008.

1. Sponsored facilities that operate less than 12 months per year shall be reviewed, on site, according to the following schedule :
  - a) Facilities operating 0-4 months out of the year must be reviewed one (1) time.
  - b) Facilities operating 5-8 months out of the year must be reviewed two (2) times.
  - c) Facilities operating 9-12 months out of the year must be reviewed three (3) times.
2. If a serious deficiency is found at a facility, the sponsoring organization must review the facility at a minimum of three times per year for three years after the serious deficiency determination.
3. If a serious deficiency is found in the sponsoring organization operations, all sponsored facilities must be reviewed a minimum of three times per year for three years after the serious deficiency determination.

## **FOLLOW-UP MONITORING REVIEWS**

Any non-compliance findings or if the monitor detects one or more serious deficiencies during a facility monitoring review, the next review must be unannounced. A follow-up review must occur within 30 days of acceptable corrective action to ensure the facility corrected the finding(s) or serious deficiency(ies).

## **MONITORING DOCUMENTATION**

Sponsoring organizations must document all monitoring visits by completing a Sponsoring Organizations of Centers or Homes Monitoring Form. The monitor must thoroughly document what was observed on site visits and in required records. All questions and sections on the monitoring form must be completed. In this process, the monitor would be able to identify any problems and patterns of non-compliance if occurring. The monitor must review the results of the monitoring visit with the facility owner/director or provider. Both the monitor and facility owner/director or provider must sign the monitoring form prior to the monitor leaving the facility. Since SDE allows sponsoring organizations to maintain records electronically they may also collect electronic signatures when using a certification statement. Both forms are located in MyIdahoCNP under download forms. If the sponsoring

organization chooses, they may develop their own monitoring form and submit it to SDE for approval prior to implementing the form.

Monitoring reviews that include a meal observation, the monitor must remain onsite during the entire approved meal service time to monitor the entire meal service. This is to verify the start and end time of meals service are within the approved meal service times and all reimbursable meals observed are recorded accurately on the meal count records. The meal counts shall also be verified by the monitor when the facility submits their claim to the sponsoring organization to ensure the number of meals observed match the number of meals claimed by the facility.

The sponsoring organization must also maintain a monitoring tracking log that reports:

1. Site name;
2. Date of each site review;
3. Meal observed-what was assessed;
4. Findings observed;
5. Corrective actions required;
6. Dates corrective action was due and received;
7. Any training or technical assistance that was provided;
8. Follow up action(s) or date of visit, if any; and
9. Date findings are corrected.

In addition, the sponsoring organization of unaffiliated centers must also maintain a serious deficiency tracking log that reports:

1. Site name;
2. Date of serious deficiency;
3. Description of serious deficiency;
4. Date serious deficiency letter sent to SDE;
5. Dates Corrective Action Plan (CAP) due and received;
6. Date of follow-up visit;
7. Date serious deficiency was temporarily deferred;
8. Date temporarily deferred letter was sent to SDE;
9. Date proposed termination;
10. Date proposed termination sent to SDE;
11. Date center terminated; and
12. Date termination letter sent to SDE.

SDE has a sample monitoring tracking log and a serious deficiency tracking log. Sponsoring

organizations may use both logs or develop their own and submit their logs to SDE for approval prior to implementing.

If the monitor notes issues that need follow-up, a date for follow-up must be recorded on the original monitoring form and the tracking log, and the follow-up visit must be conducted and documented with resolutions noted.

### **NOTIFICATION OF UNANNOUNCED REVIEWS**

Sponsoring organizations must provide each facility with written notification of the right of the sponsoring organization, SDE, USDA, and other State and Federal officials to make announced or unannounced reviews of its operations during the facility's normal hours of operation, and must also notify sponsored facilities that anyone making such reviews must show photo identification that demonstrates that they are employees of one of these entities. The sponsoring organization must provide the notice before meal service under CACFP begins. The written notice is included in the permanent CACFP agreement between the sponsoring organization and the facility.

### **OTHER REQUIREMENTS PERTAINING TO UNANNOUNCED REVIEWS**

Unannounced reviews must be made only during the facility's normal hours of operation, and monitors making such reviews must show photo identification that demonstrates that they are employees of the sponsoring organization, SDE, USDA, or other State and Federal agencies authorized to audit or investigate CACFP operations.

### **IMMINENT THREAT TO HEALTH OR SAFETY**

Sponsoring organizations that discover in a monitoring review, facility conduct or conditions that pose an imminent threat to the health or safety of participants or the public, the sponsoring organization must immediately notify the appropriate State or local licensing or health authorities and take action that is consistent with the recommendations and requirements of those authorities.

### **HOUSEHOLD CONTACTS**

Sponsoring organizations, as part of their monitoring of facilities, must comply with the household contact requirements established pursuant to 7 CFR 226.6(m) (5).

#### **When Household Contacts must be made by the Sponsoring Organization:**

Sponsoring organizations are required to contact households in writing or by telephone within 60 days of finding irregularities. The sponsoring organization must conduct household

contacts to verify the accuracy of a claim (or claims) and supporting records whenever one or more of following instances take place:

1. During a site monitoring visit:
  - a) Substantially fewer participants are present on the review day than are regularly claimed without good reason (flu epidemic, field trip, etc.);
  - b) Participant attendance records or enrollment forms appear unauthentic;
  - c) Records were completed in advance;
  - d) A meal is always claimed by the facility; however, the facility is not serving that meal when the monitor conducts the visit, including holiday and weekend visits. Example, a facility always serves supper at 5:30 PM, but when the monitor visits at 5:30 PM, the facility is not serving a meal or planning to serve a meal;
  - e) The provider is not at the home or the center is closed when the monitor or SDE attempts to visit, but the facility claims the meal for reimbursement with the sponsoring organization; and
  - f) Discrepancies in record keeping and other various reasons that cause a sponsoring organization to question the claim.
2. The sponsoring organization or SDE receives a whistleblower complaint regarding meal claiming.
3. The sponsoring organization questions the validity of a provider's reimbursement claim.
4. Any other time deemed necessary by the sponsoring organization.

#### Household Contact Procedure:

1. The sponsoring organization must contact households either by phone or by a mail-back survey. The sponsoring organization must also keep a tracking log to document the results of such an investigation.
2. If the sponsoring organization staff conducts parent surveys to verify child attendance and participation in the CACFP, the sponsoring organization is responsible for developing their own survey tool. The tool must ask parents to provide information regarding such items as:
  - a) What days and hours their children are/were in care;
  - b) Which meals the children eat/ate while in care; and
  - c) Other information may include verifying that the child is still attending the facility or verifying the child's birth date.
3. The sponsoring organization may obtain the information via telephone or via mail. If obtained via telephone the sponsoring organization must thoroughly complete the household contact survey, date, and sign it. It is recommended the survey is mailed

to the parent for verification. If mailed, the parent completes the survey and returns it to the sponsoring organization. When written contact is not successful, follow-up contact by phone must be completed.

4. At a minimum, sponsoring organizations must receive at least a 25% response rate to the surveys. A response of less than 25% requires additional follow-up by the sponsoring organization.

#### Household contact follow-up:

1. If evidence from parent contacts validates the complaint or review concerns, the sponsoring organization will disallow meals and commence the Serious Deficiency process per regulations;
2. If evidence from parent contacts does not validate the complaint or review concerns, the sponsoring organization is not required to take action. However, if other problems are revealed, the sponsoring organization is required to follow-up with those problems appropriately, via technical assistance or the Serious Deficiency process.

# Serious Deficiency Process

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The sponsoring organization must initiate the serious deficiency process if the sponsoring organization determines the day care home or unaffiliated center has committed one or more serious deficiency listed below. If a successful corrective action plan is not submitted or accepted, the sponsoring organization must initiate the action to terminate the agreement of a day care home or unaffiliated center for cause.

## **SERIOUS DEFICIENCIES FOR DAY CARE HOMES AND UNAFFILIATED CENTERS ARE:**

1. Submission of false information on the application;
2. Submission of false claims for reimbursement;
3. Simultaneous participation under more than one sponsoring organization;
4. Non-compliance with CACFP meal pattern;
5. Failure to keep required records;
6. Conduct or conditions that threaten the health or safety of a participants in care, or the public health or safety;
7. A determination that the day care home or unaffiliated center has been convicted of any activity that occurred during the past seven years and that indicated a lack of business integrity. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity, or the concealment of such a conviction;
8. Failure to participate in training; or
9. Any other circumstance related to non-performance under the sponsoring organization day care homes or unaffiliated center's agreement, as specified by the sponsoring organization or SDE.

## **SERIOUS DEFICIENCY NOTIFICATION PROCEDURES**

If the sponsoring organization determines that a day care home or unaffiliated center has committed one or more of the serious deficiencies listed above, the sponsoring organization must use the following procedures to provide the day care home or unaffiliated center notice of the serious deficiency(ies) and offer it an opportunity to take corrective action. However, if the serious deficiency(ies) constitutes an imminent threat to the health or safety of participants, or the day care home or unaffiliated has engaged in activities that threaten the public health or safety, the sponsoring organization must follow the suspension procedures

provided below under Suspension of Participation for Day Care Homes or Unaffiliated Centers.

SDE provided USDA prototype day care home letters in the USDA Handbook “Serious Deficiency, Suspension, & Appeals for State Agencies & Sponsoring Organizations” to organizations to use in the serious deficiency process. The handbook is located on the CNP website at <https://www.sde.idaho.gov/cnp/cacfp/>. Sponsoring organization of unaffiliated centers shall use the day care home letter prototypes until USDA develops letters for unaffiliated centers.

### Notice of serious deficiency

The sponsoring organization must notify the day care home or unaffiliated center, in writing and in a method of delivery that confirms receipt and/or delivery of notice that it has been found to be seriously deficient. The sponsoring organization must provide a copy of the serious deficiency notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign the serious deficiency notice. The notice must specify:

1. The serious deficiency (ies);
2. The actions to be taken by the day care home or unaffiliated center to correct the serious deficiency (ies);
3. The time allotted to correct the serious deficiency (ies) (as soon as possible, but not to exceed 30 days);
4. That the serious deficiency determination is not subject to administrative review/appealable;
5. That failure to fully and permanently correct the serious deficiency(ies) within the allotted time will result in the sponsoring organization’s proposed termination of the day care home or unaffiliated center’s agreement and the proposed disqualification of the day care home or unaffiliated center and its principals; and
6. That the day care home or unaffiliated center’s voluntary termination of its agreement with the sponsoring organization after having been notified that it is seriously deficient will still result in the day care home or unaffiliated center’s formal termination by the sponsoring organization and placement of the day care home and its principals on the National disqualified list, and placement of the unaffiliated center and its principals on the Idaho disqualified list.

The sponsoring organization will provide technical assistance as appropriate in the areas identified as seriously deficient.

## Corrective Action Plan (CAP)

In response to the serious deficiency notice, the family day care home or unaffiliated center must submit a Corrective Action Plan (CAP) that details the internal controls implemented to ensure that the serious deficiency(ies) is/are fully and permanently corrected. A successful CAP must include:

1. Name(s) of the facility, day care home provider, executive director, chairman of the board of directors and other responsible principals and responsible individuals (RPIs) associated with the serious deficiencies;
2. Address of the facility;
3. Date of birth of the day care home provider, executive director, chairman of the board of directors and other responsible principals and responsible individuals associated with the serious deficiency(ies); and
4. Details of the serious deficiencies.

### What

- List each serious deficiency and the detailed procedures that will be implemented to address each serious deficiency;

### Who

- In the procedures that address each serious deficiency, list the personnel responsible for each task. Use the personnel title.

### When

- The timeline for implementing each procedure to correct the issue and how often the procedure will occur: daily, weekly, monthly, or annually. Include when the implementation began and the date(s) when each procedure will be fully implemented.

### Where

- The location where records and CAP documentation will be maintained.

### How

- Additional supporting documentation used to correct the issue. This might include copies of enrollment forms, training documentation, menu records, income eligibility records, attendance records, meal count forms, etc.; and
- Describe how the Institution will inform other responsible principals and responsible individuals (staff) of the new policies and procedures (e.g., Handbook, training).

## Successful corrective action plan (CAP)

If the day care home or unaffiliated center's CAP is acceptable to the sponsoring organization's satisfaction within the allotted timeframe, the sponsoring organization must

notify the day care home or unaffiliated center, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that it has temporarily deferred its determination of serious deficiency. The sponsoring organization must also provide a copy of the notice to SDE. However, if the sponsoring organization accepts the day care home or unaffiliated center's corrective action plan, but later determines that the corrective action was not permanent or complete, the sponsoring organization must issue a notice proposing to terminate the day care home or unaffiliated center's agreement for cause and disqualify the day care home or unaffiliated center and responsible principals.

#### Proposed termination of agreement and proposed disqualification.

If the day care home or unaffiliated center fails to submit a timely CAP or no CAP is submitted to fully and permanently correct the serious deficiency(ies) cited, the sponsoring organization must issue a notice proposing to terminate the day care home or unaffiliated center's agreement for cause. The notice must explain the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination in accordance with 7 CFR 226.6(l). The sponsoring organization must provide a copy of the notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign this notice. The notice must:

1. Provide explanation of the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination and the procedures to request such an administrative review (appeal);
2. Inform the day care home or unaffiliated center that it may continue to participate and receive CACFP reimbursement for eligible meals served until its administrative review is concluded;
3. Inform the day care home or unaffiliated center that termination of the day care home or unaffiliated center's agreement will result in the day care home or unaffiliated center's termination for cause and disqualification; and
4. State that if the day care home or unaffiliated center seeks to voluntarily terminate its agreement after receiving the notice of intent to terminate, the day care home and responsible principals will still be placed on the National disqualified list and the unaffiliated center and responsible principals will be placed on Idaho's disqualified list.

If an administrative review (appeal) is requested by the day care home or unaffiliated center, the sponsoring organization and the administrative (appeal) official must follow the sponsoring organization's Administrative Review (Appeal) Procedures. If the administrative review (appeal) official overturns the sponsoring organization's proposed actions to terminate the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals, the sponsoring organization

must issue a notice, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the proposed termination of the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals is temporarily deferred.

#### Program payments

The sponsoring organization must continue to pay any claims for reimbursement for eligible meals served until the serious deficiency(ies) is/are corrected or the day care home or unaffiliated center's agreement is terminated, including the period of any administrative review.

#### Agreement termination and disqualification

The sponsoring organization must immediately terminate the day care home or unaffiliated center's agreement and disqualify the day care home or unaffiliated center when the administrative review official upholds the sponsoring organization's proposed termination and proposed disqualification, or when the day care home or unaffiliated center's opportunity to request an administrative review expires. The sponsoring organization must issue a notice ***within 10 days*** of the administrative review official's determination, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the day care home or unaffiliated center's agreement is terminated and the day care home or unaffiliated center and responsible principals are disqualified. At the same time the notice is issued, the sponsoring organization must provide a copy of the termination and disqualification letter to SDE.

### SUSPENSION OF PARTICIPATION FOR DAY CARE HOMES OR UNAFFILIATED CENTERS

If State or local health or licensing officials have cited a day care home or unaffiliated center for serious health or safety violations, the sponsoring organization must immediately suspend the home or unaffiliated center's CACFP participation prior to any formal action to revoke the home or unaffiliated center's licensure or approval.

If the sponsoring organization determines that there is an imminent threat to the health or safety of participants at a day care home or unaffiliated center, or that the day care home or unaffiliated center has engaged in activities that threaten the public health or safety, and the licensing agency cannot make an immediate onsite visit, the sponsoring organization must immediately notify the appropriate State or local licensing and health authorities and take action that is consistent with the recommendations and requirements of those authorities.

An imminent threat to the health or safety of participants and engaging in activities that threaten the public health or safety constitute serious deficiencies; however, the sponsoring organization must use the procedures below to provide the day care home or unaffiliated center notice, in writing and in a method of delivery that confirms receipt and/or delivery of notice, of the suspension of participation, serious deficiency, and proposed termination of the day care home or unaffiliated center's agreement.

#### Notice of suspension, serious deficiency, and proposed termination

The sponsoring organization must notify the day care home or unaffiliated center *within 10 days* of the determination of imminent threat to health or safety that its participation has been suspended, that the day care home or unaffiliated center has been determined seriously deficient, and that the sponsoring organization proposes to terminate the day care home or unaffiliated center's agreement for cause, and must provide a copy of the notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign this notice. The notice must:

1. Specify the serious deficiency(ies) found and the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination in accordance with 7 CFR 226.6(l);
2. State that participation (including all CACFP payments) will remain suspended until the administrative review is concluded;
3. Inform the day care home or unaffiliated center that if the administrative review official overturns the suspension, the day care home or unaffiliated center may claim reimbursement for eligible meals served during the suspension;
4. Inform the day care home or unaffiliated center that termination of the day care home or unaffiliated center's agreement will result in the placement of the day care home on the National disqualified list and the unaffiliated center on the Idaho disqualified list; and
5. State that if the day care home or unaffiliated center seeks to voluntarily terminate its agreement after receiving the notice of proposed termination, the day care home or unaffiliated center will still be terminated for cause and disqualified.

If an administrative review (appeal) is requested by the day care home or unaffiliated center, the sponsoring organization and the administrative (appeal) official must follow the sponsoring organization's Administrative Review (Appeal) Procedures. If the administrative review (appeal) official overturns the sponsoring organization's proposed actions to terminate the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals, the sponsoring organization must issue a notice in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the serious deficiency, suspension, proposed termination of the day

care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals is temporarily deferred. The sponsoring organization must provide a copy of the notice to SDE.

#### Agreement termination and disqualification

The sponsoring organization must immediately terminate the day care home or unaffiliated center's agreement and disqualify the day care home or unaffiliated center when the administrative review official upholds the sponsoring organization's proposed termination, or when the day care home or unaffiliated center's opportunity to request an administrative review expires. The sponsoring organization must issue a notice *within 10 days* of the administrative review official's determination, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the day care home or unaffiliated center's agreement is terminated, and the day care home or unaffiliated center and responsible principals are disqualified. The sponsoring organization may determine who in their organization has the authority to sign this notice.

#### Program payments

A sponsoring organization is prohibited from making any CACFP payments to a day care home or unaffiliated center that has been suspended until any administrative review of the proposed termination is completed. If the suspended day care home or unaffiliated center prevails in the administrative review of the proposed termination, the sponsoring organization must reimburse the day care home or unaffiliated center for eligible meals served during the suspension period.

#### REMOVAL FROM THE NATIONAL DISQUALIFIED LIST

Day care home providers or Institutions sponsored by SDE, terminated and disqualified through the serious deficient or suspension process will be placed on the National disqualified list. While on the list, the provider or Institution will not be able to participate in the CACFP as a day care home provider or Institution. In addition, they will not be able to serve as a principal (hold a management position or be an officer) in any CACFP Institution or facility.

According to 7 CFR 226.6(c) (7) (vi), once included on the National disqualified list, a day care home provider or Institution will remain on the list until the state agency determines that the serious deficiency (ies) that led to his/her placement on the list has(ve) been corrected, or until 7 years have elapsed since the home or Institution's agreement was terminated for cause. However, if the day care home provider or Institution has failed to repay debt owed under the program, they will remain on the list until the debt has been

repaid.

SDE can access the National disqualified list via the Internet. Prior to signing an agreement with a day care home provider, unaffiliated center or other responsible principals, the sponsoring organization must submit a complete provider or site application to SDE for approval in MyIdahoCNP. The state agency will check the National disqualified list prior to approving the provider or site application. Sponsoring organizations are prohibited from entering into an agreement with any day care home or unaffiliated center that has been terminated and disqualified and subsequently placed on the National disqualified list.

## Administrative Review Procedure (Appeal Process)

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SDE must ensure that, when a sponsoring organization proposes to terminate its CACFP agreement with a day care home or unaffiliated center for cause, the day care home or unaffiliated center is provided an opportunity for an administrative review (appeal) of the proposed termination. SDE requires the sponsoring organization to offer an administrative review.

SDE requires that each sponsoring organization develop administrative review (appeal) procedures for offering and providing the administrative review. The procedures must include that the administrative review (appeal) official is an impartial and independent person not involved in the decision to terminate the day care home or unaffiliated center's agreement to participate in CACFP. The sponsoring organization administrative reviews procedures must include the actions below.

### **ACTIONS SUBJECT TO ADMINISTRATIVE REVIEW (APPEAL)**

The sponsoring organization must offer an administrative review to a day care home or unaffiliated center that appeals a notice of intent to terminate their agreement for cause or a suspension of their participation (see 7 CFR 226.16(l) (3) (iii) and (l) (4) (ii)).

### **ACTIONS NOT SUBJECT TO ADMINISTRATIVE REVIEW (APPEAL)**

Neither SDE nor the sponsoring organization is required to offer an administrative review for reasons other than those listed above.

### **PROVISION OF ADMINISTRATIVE REVIEW (APPEAL) PROCEDURES TO DAY CARE HOMES OR UNAFFILIATED CENTERS**

The administrative review procedures must be provided:

1. Annually to all day care homes and unaffiliated centers;
2. To a day care home or unaffiliated center when the sponsoring organization takes any action subject to an administrative review; and
3. Any other time upon request.

### **ADMINISTRATIVE REVIEW PROCEDURES (APPEAL)**

The sponsoring organization must follow the following procedures when a family day care home or unaffiliated center requests an administrative review of any action subject to administrative review (appeal):

## Uniformity

The same procedures must apply to all day care homes or unaffiliated centers.

## Representation

The day care home provider or unaffiliated center owner and any other responsible principals may retain legal counsel, or may be represented by another person.

## Review of record and Opposition

The day care home or unaffiliated center may review the record on which the decision to propose termination or suspension was based and refute the action in writing within (recommended 10 days) of delivery receipt or date on notice. The administrative review official is not required to hold a hearing.

## Administrative review (appeal) official

The administrative review official must be independent and impartial. This means that, although the administrative review official may be an employee or board member of the sponsoring organization, he/she must not have been involved in the action that is the subject of the administrative review or have a direct personal or financial interest in the outcome of the administrative review. The provider or unaffiliated center must be permitted to contact the hearing official directly if he or she so desires.

## Basis for decision

The administrative review (appeal) official must make a determination based solely on the information provided by the sponsoring organization, the day care home provider, or unaffiliated center owner and any responsible principals and responsible individuals, and based on Federal and State laws, regulations, policies, and procedures governing CACFP.

## Time for issuing a decision

The administrative review official must inform the sponsoring organization and the day care home or unaffiliated center owner and any responsible principals or responsible individuals in writing of the administrative review's outcome within (*recommended 20 days*) from the date the administrative review official received the day care home or unaffiliated center request for appeal and refute for the action. This timeframe is an administrative requirement for the sponsoring organization and may not be used as a basis for overturning the termination if a decision is not made within the specified timeframe.

## Final decision

The determination made by the administrative review (appeal) official is the final

administrative determination to be afforded the day care home provider or unaffiliated center owner and the responsible principals and responsible individuals per 7 CFR 226.6(k)(5)(x) and 226.6(l)(5)(vii).

## Termination for Convenience Procedures

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A sponsoring organization of unaffiliated centers or day care homes, center owner/directors or daycare home providers may terminate their agreement between a sponsoring organization and a day care home and unaffiliated center to participate in the Child and Adult Care Food Program (CACFP) for convenience.

***Termination for convenience*** means termination of a day care home or unaffiliated center CACFP agreement by either the sponsoring organization or the day care home provider or center owner/director, due to considerations unrelated to either party's performance of CACFP responsibilities under the agreement. Termination for convenience is not an appealable action.

1. Sponsoring organization's reason for termination for convenience:
  - a) Financial viability-It is no longer economically feasible for a sponsoring organization to provide services to a remote geographical area.
2. Day care home provider's or unaffiliated center's reasons for termination for convenience:
  - a) Personal or financial; or
  - b) Transfer to new sponsoring organization-subject to transfer limit.

When terminating for convenience:

1. The sponsoring organization agrees in their CACFP agreement to give the day care home provider or unaffiliated center at least 30 days prior written notice of cancellation actions specifying when said actions shall take place.
2. The day care home provider or unaffiliated center agrees in their CACFP agreement to give the sponsoring organization at least two weeks prior written notice of withdrawal or transfer from the CACFP specifying when said actions shall take place and last claim the facility will submit to the sponsoring organization.

### **SPONSORING ORGANIZATION'S PROCEDURE FOR TERMINATING FOR CONVENIENCE**

The process below must be followed in order for a sponsoring organization to terminate a day care home provider's or unaffiliated center's CACFP agreement and participation in CACFP for convenience.

1. Submit a written notice to the SDE of intent to terminate the day care home provider or unaffiliated center for convenience at least 60 days prior to the planned termination date. The written notice must include:
  - a) Day care home provider's or unaffiliated center's name;
  - b) Reason for termination (financial viability) and supporting documentation;

- c) Day care home provider's or unaffiliated center's last three monitoring visit reports; and
  - d) Date the sponsoring organization's plans to terminate the agreement and last claim submitted for the facility.
2. SDE will review the notice and supporting documentation and either approve or deny the request in writing to the sponsoring organization within 15 days.
3. If the notice to terminate for convenience is approved, the sponsoring organization must send a 30 days prior written notice to the day care home provider or unaffiliated center of cancelation actions of their agreement for convenience. The notice must specify when this action will take place.
4. If the notice to terminate for convenience is denied, the sponsoring organization may not continue actions to terminate the day care home provider or unaffiliated center for convenience.

#### **DAY CARE HOME PROVIDER'S OR UNAFFILIATED CENTER'S PROCEDURE FOR TERMINATING FOR CONVENIENCE**

The process below must be followed in order for a day care home provider or unaffiliated center to terminate their CACFP agreement and participation in CACFP for convenience with their sponsoring organization:

1. Submit two weeks' notice to the sponsoring organization of cancelation actions of their CACFP agreement for convenience. The written notice must include:
  - a) Day care home provider's or unaffiliated center's name;
  - b) Reason for termination; and
  - c) Last date of operation in CACFP and last claim submitted or to be submitted to the sponsoring organization.
2. The sponsoring organization will review the notice and verify the day care home provider or unaffiliated center is not seriously deficient and is in good standing.
3. If the day care home provider or unaffiliated center is in good standing, the sponsoring organization must accept the notice and send a copy to SDE.
4. If the day care home provider or unaffiliated center is seriously deficient, the sponsoring organization must continue the serious deficiency process and propose to disqualify the day care home provider or unaffiliated center from future CACFP participation. If disqualified, the day care home provider will be placed on the National disqualified list, and the unaffiliated center and responsible principals will be placed on Idaho's disqualified list.

## TRANSFER POLICY FOR FAMILY DAY CARE HOMES, INDEPENDENT CENTERS OR UNAFFILIATED CENTERS

The procedure involves the transfer of either:

1. A family day care home provider or unaffiliated center from one sponsoring organization to another;
2. An independent center sponsored by SDE to an unaffiliated center sponsored by a sponsoring organization; or
3. An unaffiliated center sponsored by a sponsoring organization to an independent center sponsored by SDE.

A family day care home, unaffiliated center or independent center may transfer from one sponsor to another without a break in service if the following transfer procedure is followed.

1. A family day care home, unaffiliated center or independent center may change sponsorship only once in a 12 month period. An exception may apply if a sponsoring organization agreement with SDE is terminated for cause or convenience.
2. A family day care home, unaffiliated center or independent center may not be enrolled with two different sponsoring organizations or SDE and a sponsoring organization in the same month. A family day care home, unaffiliated center or independent center cannot receive a partial payment from two different sponsoring organizations or from SDE and a sponsoring organization for the same month.
3. A family day care home, unaffiliated center or independent center needs to notify their current sponsoring organization or SDE at least two weeks in advance if they wish to transfer. The receiving sponsoring organization or SDE must confirm that a family day care home, unaffiliated center or independent center is in good standing with the current sponsoring organization or SDE before adding the transferred family day care home, unaffiliated center or independent center to their sponsorship.  
Sponsoring organizations only: Upon completion of the pre-approval visit by the new sponsoring organization, the name of the transferring provider or unaffiliated center must be submitted to the SDE.
4. The family day care home, unaffiliated center or independent center becomes eligible to participate and can be reimbursed on the CACFP with the new sponsoring organization or SDE on the date the family day care home, unaffiliated center or independent center is approved by the SDE in MyIdahoCNP site/provider application.
5. The CACFP meal reimbursement is paid at the same rate for all sponsoring organizations and SDE. All sponsoring organizations and SDE will require the family day care home, unaffiliated center or independent center to attend training.
6. All sponsoring organizations and SDE will require the family day care home, unaffiliated center or independent center to maintain daily menu, meal counts, and

enrollment and attendance records. In addition, the sponsoring organization and SDE will make meal disallowances when records are not current or accurate.

7. All sponsoring organizations must disburse meal reimbursement to facilities within 5 working days of receipt from the SDE.

## Center Provisions

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Centers may participate in CACFP either as an Independent Center with the SDE or under the auspices of a sponsoring organization (SO) however, public and private nonprofit centers shall not be eligible to participate in CACFP under a for-profit sponsoring organization.

An eligible center may be a child care center, At-risk afterschool care center, emergency shelter, outside-school-hours care center, or adult day care center. Any unaffiliated centers to the sponsoring organization must enter into an agreement with the sponsoring organization. Centers, with the exception of for-profit centers, must be public or have tax exempt status under the Internal Revenue Code of 1986.

All centers shall meet the below requirements including Head Start program centers.

### LICENSING

Child care centers must have Federal, State, or local licensing to provide day care services to children in Idaho. Child care centers, which are complying with applicable procedures to renew licensing or approval, may participate in CACFP during the renewal process, unless the SDE has information that indicates that renewal will be denied. If licensing is not available, a child care center may participate if it demonstrates compliance with the CACFP child care standards provided in the Application Process and Annual Update section of this manual.

### NON-TRADITIONAL CENTERS EXEMPT FROM LICENSING REQUIREMENTS

CACFP regulations do not require At-risk afterschool care centers, outside school hours care centers (OSHCCs), or emergency shelters to be licensed; however, they must meet State or local health and safety standards [7 CFR 226.6 (d)(1)]. Please refer to the Application Process and Annual Update section of this manual for more information on Idaho health and safety standard documentation requirements.

### REIMBURSABLE MEALS AND SNACKS

Each center participating in CACFP shall claim only the meal types specified in its SDE approved site application in MyIdahoCNP as per the meal pattern requirements specified in the Meal Pattern Requirements section in this manual and in 7 CFR 226.20.

Centers must serve one or more of the following meal types— breakfast; lunch; supper; and snack. Reimbursement must not be claimed for more than two meals and one snack or one meal and two snacks provided daily to each participant.

For-profit child care centers may not claim reimbursement for meals served to children in any month in which less than 25 percent of the children in care (enrolled or licensed capacity, whichever is less) were eligible for free or reduced-price meals or were title XX beneficiaries. However, children who only receive At-risk afterschool snacks and/or At-risk afterschool meals must not be included in this percentage.

In centers that only operate the *At-risk afterschool care program*, reimbursement may only be claimed for one meal and one snack per participant per day.

A child care center with preschool children may also be approved to serve a snack to school age children participating in an eligible At-risk afterschool care program meeting the requirements of 7 CFR 226.17(a), provided that the limit of two meals, and one snack, or one meal and two snacks, per child per day is not exceeded. The afterschool program must be distinct from its day care program for preschool children,

A child care center with preschool children may also be approved to serve a breakfast, snack, and supper to school-age children participating in an outside-school-hours care program meeting the criteria of 7 CFR 226.19(b) that is distinct from its day care program for preschool-age children. SDE may authorize the service of lunch to such participating children who attend a school that does not offer a lunch program, provided that the limit of two meals and one snack, or one meal and two snacks, per child per day is not exceeded.

***Emergency shelters*** may be approved to claim up to either:

- a) Three reimbursable meals: breakfast, lunch, and supper, or
- b) Two meals and one snack to each child, each day.

Only meals served in congregate meal settings are eligible for reimbursement. Meals which are consumed in private family quarters in an emergency shelter are not reimbursable.

## **FOOD SERVICE VENDOR AGREEMENT**

A center may utilize existing school food service (SFA) facilities or obtain meals from a school food service facility. The center must have a written food service vendor agreement between the center and SFA. The center shall maintain responsibility for CACFP requirements as outlined in this section. For more information on food service vendor agreements please see the Food Service Contract section of this manual.

## **ENROLLMENT AND PARTICIPANT ELIGIBILITY RECORDS**

Child care centers shall collect and maintain documentation of the enrollment of each child,

including information used to determine eligibility for free and reduced-price meals in accordance with the Income Eligibility Forms section of this manual. In addition, Head Start participants need only have a Head Start statement of income eligibility or a statement of Head Start enrollment from an authorized Head Start representative, to be eligible for free meal benefits under the CACFP.

Documentation of enrollment must be updated annually, signed and dated by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care. Enrollment documentation is not required for At-risk afterschool care centers, emergency shelters and outside-school-hour centers.

### **DAILY ATTENDANCE RECORDS**

Centers must maintain daily attendance records indicating the number of participants in attendance at the center. Idaho's licensing agency requires all child care centers and homes to maintain daily time in and out attendance records for each enrolled child. SDE and sponsoring organizations will use this documentation to verify claims monthly.

Head Start or qualified At-risk afterschool (see At-risk section in CACFP Manual) centers may record attendance as present/absent for part-day classrooms, which have a distinct beginning and ending, arrival and departure times are not routinely required. A record of each participant's presence or absence is sufficient. Any participant's deviations from the normal school day, such as late arrivals and early departures must be recorded with in/out times.

### **DAILY TIME OF SERVICE MEAL COUNT RECORDS**

Each center must maintain daily records of time of service meal counts by type (breakfast, lunch, supper, and snacks) served to participants, and to adults performing labor necessary to the food service. For all child care centers, emergency shelters, Head Start programs, outside-school-hours care centers, or adult day care centers, the meal counts must be maintained by each enrolled or participant's name.

### **DETAILED MENUS AND MENU RECORDS**

A centers detailed menus and menu records must be maintained to document compliance with the CACFP meal pattern. Please see the Menu Planning and Menu Record Requirement section of this manual for more information on how to complete these records.

## BUDGETS

The SDE does not require facilities sponsored by sponsoring organizations to submit budgets to their sponsoring organization. The sponsoring organization is responsible for submitting a budget for the organization which includes expenses for all sponsored affiliated centers and program reimbursement for all centers affiliated or unaffiliated.

## PROCUREMENT RECORDS

The SDE does not require facilities sponsored by sponsoring organizations to document procurement practices and submit such documentation to their sponsoring organization. The sponsoring organization is responsible for documenting all procurement practices for all sponsored affiliated centers.

## TRAINING REQUIREMENTS

The sponsoring organization must provide training and technical assistance to new and renewing center key staff. In turn, centers must provide CACFP training prior to the center's participation in CACFP, and at least annually thereafter to all staff who are involved with CACFP operations and record keeping.

Key center staff required to complete SO new center and annual training is:

1. Center owner and/or director: and
2. Program contact if different from owner or director;
3. If applicable, the financial or business manager

Center staff that must be trained prior to starting duties in CACFP and at least annually thereafter includes:

1. Cooks and Assistant Cooks;
2. Teachers and Assistant Teachers who supervise meals;
3. Staff who develop and plan menus;
4. Administrative staff who:
  - a) Income Eligibility Forms;
  - b) Develops the monthly enrollment eligibility roster; and
  - c) Distributes and collects enrollment information and Infant Feeding Benefit Notification Forms.
5. Administrative or clerical staff who compile monthly meal counts and complete reimbursement claims; and
6. Financial or business manager who develops the budget and completes the expenditure and revenue reports.

### Minimum training requirements established by SDE:

1. Meal pattern requirements for the ages of participants;
2. Serving sizes for the different age groups;
3. How to serve meals to participants;
4. How and when to take meal counts;
5. How and when to record attendance;
6. Menu planning;
7. How to complete and use menu production records to plan and prepare meals;
8. How to ensure meals provided by vendors meet CACFP requirements;
9. Meal service styles (family, cafeteria, combination style);
10. Sanitation and kitchen safety requirements;
11. How to approve Income Eligibility Forms;
12. How to complete the monthly enrollment eligibility roster;
- 13. Civil rights requirements (must be provided to all center staff);**
14. Accommodating children with special dietary needs;
15. 25% certification for For-Profit organizations; and
16. Monitoring and training requirements.

### Child care centers with infants in care, the following are required training topics:

1. Infant Feeding Benefit Notification Form;
2. Meal pattern requirements for infants;
3. Recording daily menu requirements for infants;
4. How and when to record meal count for infants; and
5. Creditable foods in infant meals.

### Recommended training topics for CACFP staff include:

1. Encouraging healthy eating habits;
2. How to incorporate more whole grain foods, vegetables and fruits into menus;
3. Ways to encourage participant milk consumption; and
4. Developmentally appropriate physical activities for young children.

### Training Documentation

All training must be documented with the following:

1. The date, time, and location of training;
2. The name of the trainer;
3. The topics covered;

4. The names, positions and signatures of staff in attendance; and
5. The training material(s) used.

Centers may use the CACFP Staff Training Form to document staff training or they may develop a form of their own. This form is located in MyIdahoCNP under download forms.

The SDE encourages centers to train staff more frequently than annually or on an ongoing basis. SDE periodically issues new or revised policies through Memoranda that may require additional training of the center's staff throughout the year.

To determine staff training needs, centers should review past training documentation, monitor a meal service, monitor record keeping, and read recent SDE Memoranda and correspondence. SDE may have videos and other training tools to assist centers with their internal CACFP training.

### Training New Staff

In addition to annual training, all centers must have a procedure for training new staff on CACFP and civil rights requirements soon after they are hired and before they take responsibility for their CACFP duties. To provide adequate back-up, more than one staff person should be thoroughly trained in each CACFP function.

## RECORD KEEPING REQUIREMENTS

Each center shall comply with the recordkeeping requirements established in 7 CFR 226.10(d), in paragraph (b) and in 226.15(e). Failure to maintain such records shall be grounds for the denial of reimbursement. SDE requires centers to maintain records for three years plus the current program year. SDE allows centers to maintain records either in hard copy or electronically. The records must be legible and available to SDE during CACFP reviews.

## PARENT NOTIFICATION LETTER

If instructed by its sponsoring organization, a sponsored child care center must distribute to parents a copy of the sponsoring organization's notice to parents.

For more information specific to At-Risk Afterschool Centers, Outside-School-Hour Centers, or Adult Day Care Centers please refer to those sections in this manual.

## Questions and Answers

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### **CAN DAILY MEAL COUNT SHEETS AND ATTENDANCE BE COLLECTED DAILY AND STORED AT THE SPONSORING ORGANIZATION'S OFFICE OR DOES EACH SITE NEED TO KEEP COPIES OF THOSE RECORDS?**

Sponsoring organizations and each sponsored facility (affiliated and unaffiliated centers) must maintain daily records of time of service meal counts by type (breakfast, lunch, supper, and snacks) served to enrolled participants and daily time in/time out attendance records or present/absent attendance records for Head Start and qualified At-risk programs.

### **HOW SHOULD MEALS SERVED TO ADULTS WHO PERFORM LABOR NECESSARY TO THE FOOD SERVICE BE RECORDED- BY TOTAL NUMBER OF MEALS OR BY ADULT NAMES?**

Meals served to adults who perform labor necessary to the food service should be recorded by the total number of meals served per meal service on the facilities meal count records.

Although meals for adults who perform labor necessary to the food service are not claimed for reimbursement, costs of these meals are part of food costs reported by the center or sponsoring organization [7 CFR 226.15(e)(5)].